Opportunity Age

Meeting the challenges of ageing in the 21st century

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Prime Minister's foreword

Over the next 50 years, the UK and the rest of the developed world will experience an unprecedented change in the fabric of society. As life expectancy increases and the birth rate remains low, the proportion of the population aged over 65 will increase dramatically. An ageing society is too often – and wrongly – seen solely in terms of increasing dependency. But the reality is that, as older people become an ever more significant proportion of the population, society will increasingly depend upon the contribution they can make.

Indeed, today's older people are already challenging old preconceptions:

- they are healthier;

- they are making an economic contribution – there are around 1 million workers over State Pension Age; and

- they are breaking with the notion that old age and poverty are synonymous – pensioners are no longer any more likely to be poor than younger people.

Many older people are already enjoying life to the full – making the most of the opportunities of age and making a huge contribution to their families and communities. But of course, as the number of older people grows, society faces challenges too. One challenge is to unlock the potential for older people to play an even greater role. A second is to enable us all to prepare more effectively for new horizons in our later life.

This strategy reviews the progress we have made and starts to chart a way forward for the UK over the next 10 to 15 years. But it is not just about the long term. It also discusses how we can begin to make changes now in order to improve public services for older and more vulnerable citizens. We have made good progress in combating inequality and social injustice in old age – though there is more to do. We are beginning to roll out new styles of service delivery, listening to what customers say about the way they want to communicate with public authorities. But we now need truly to embed in all policies directed towards older people the values of **active independence, quality** and **choice** that we have championed in other areas.

In services that are crucial to retaining independence, older people are still often treated as passive recipients rather than active consumers with their own views about their needs. Our purpose in the next years must be to transform that picture. Chronological age should not be a bar to

choice and control of one's own life to the maximum possible. That is why I particularly welcome the proposals here for individual care budgets. This shows how services can extend to some of the most vulnerable the benefits of choice and control over their own lives that the rest of us take for granted.

We do not claim to have all the answers to demographic change. No one has a road-map for a world where pensioners outnumber children and where, for most people, more than a third of life is lived after age 50. There are many areas – pensions, for one – where a quick response is less important than durable reform based on a real understanding of complex, long-term trends. But even where the questions cannot all be answered now, it is right for them to be asked and for the issues to enter public debate.

The demographic revolution offers challenges and opportunities for all of us:
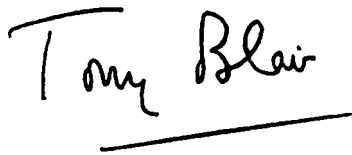
- For **government**, the challenge is to change attitudes and preconceptions about what an ageing society means and to stimulate innovative ideas and technologies to transform older lives. We must seize the opportunity to rethink policies and approaches to public services, in order to foster true independence and choice for older citizens and help them improve their quality of life. For that to happen, we must explode the myth that ageing is a barrier to a positive contribution to the economy and society, through work and through active engagement in the community.

- For **individuals**, longer life is a blessing where the extra years are fulfilling and active. They should not be years of inaction and exclusion. A personal responsibility rests on each one of us to plan and provide for a different life-course that is also better.

- For **business**, a changing customer base offers new markets. But the workforce is changing too, and this must prompt new thinking about job design, recruitment and employer responsibilities. The fact is that older workers will increasingly be key players in their firms' success. Employers have a huge role to play in enabling society to adjust effectively to a new balance of life. With that in mind, ageism must be discarded.

- For **all of us**, dealing successfully with demographic change means shedding outdated stereotypes and changing mindsets about retirement and the process of growing older.

Debate about demographic change too often focuses on financial issues – extra costs in pensions and health and social care, changes in the 'dependency ratio', etc. It is true that these future costs pose real challenges to our welfare state, and raise questions about the extent to which it is right for one generation to commit our successors. These challenges must be addressed – and we are taking steps to do so. But they must not dominate our thinking about ageing. Longer lives are something to celebrate – seizing the positive opportunities they present will make sustainable solutions possible. Developing a comprehensive strategy for ageing enables these differing issues to be seen in a truer perspective.

Tony Blair
Prime Minister

Introduction

by Alan Johnson, Secretary of State for Work and Pensions

The well-being of older people has always been at the heart of my department's work – preventing poverty, delivering benefits for age and disability, and planning for financial security over the life-course. In 2002, we set up The Pension Service to help to bring our responsibilities towards older people together in one organisation. But we realised very quickly that issues to do with older people cannot be compartmented in that way. Financial security in later life depends on actions taken and decisions made many years earlier – so the activity of the rest of the Department for Work and Pensions (DWP) in helping people into work contributes to the future well-being of pensioners as much as the work of The Pension Service. The DWP's five year strategy illustrates the interactions over the life cycle.

Income is also not the only factor – and often not the main factor – in ensuring a happy and fulfilling later life. Housing, health, care, transport and social contacts all play a crucial part in enabling older people to live life to the full. Recognising these interactions, the Prime Minister set up an Inter-ministerial Co-ordinating Group on Older People in 1998 to bring together planning for older people's services more effectively and to provide oversight of the cross-government drive against social exclusion. My department was asked to support the group.

Some initiatives of lasting value, such as the Better Government for Older People (BGOP) network, sprang from this early activity. In 2001, a Cabinet Sub-Committee on Older People replaced the informal group. But as work progressed, it became clearer and clearer that the frame was still too narrow – that we needed to take an altogether broader look at the ageing of British society, not just at services for older people.

When 40 per cent of the population is aged 50 or more – as will soon be the case – the distinction between services for older people and services for everyone loses significance. When reaching current State Pension Age is the norm, and those who do so can expect to live on average for another 20 years, it is time to ask whether society needs to rethink attitudes to the last third of life that are rooted in the limited horizons of previous generations.

During the 20th century the state gradually assumed an increasing share of responsibility for people past State Pension Age, on the patronising assumption that age equalled dependence. It is clear that in the 21st century we need a new and more

sophisticated model, which recognises the potential of older people and the need to reflect that in a changed role in society. We must support independence rather than enforcing dependence, and develop policies and services that respond to need rather than simply to chronological age.

The ageing of our society demands a new kind of response from Government – one that cannot sensibly be delivered through separate departments working in rigid compartments. But ageing is not a matter only for the public sector – the issues it raises are for everyone.

This strategy begins to sketch out new approaches and relationships that will meet the future needs of an older society. It is the product of a cross-government effort involving most of my government colleagues to some degree – itself a testimony to the fact that 'older people' cannot be separated off from citizens at large. My department has co-ordinated the work on behalf of the Government as a whole, but this strategy is a collective effort. It complements and provides a framework for other initiatives which my colleagues are pursuing, for example on adult social care.

This is also a document for the whole of the UK. The demographic challenge affects all the countries of the UK – some sooner than others – and it can best be tackled by a united approach to common issues. We believe the values of independence, choice and opportunity for older citizens are shared by all countries. While we do not cover in detail the policies of the devolved administrations, we have liaised closely with the Scottish Executive and the Welsh Assembly in producing this UK overview. And we can learn from each other's successes and shortcomings, especially in the areas where the countries have chosen diverse approaches.

Other stakeholders – such as the Local Government Association (LGA) and the major interest groups concerned with age – have been involved in the discussion. I am grateful for their contribution. They know as I do that preparing a strategy is the beginning of a process and not the end of it. I look forward to the next steps.

Alan Johnson
Secretary of State for Work and Pensions

List of contributors

Major partners

Department for Culture, Media and Sport

Department for Education and Skills

Department of Health

Department for Environment, Food and Rural Affairs

Department of Transport

Department of Trade and Industry

Department for Work and Pensions

Government Actuary's Department

Her Majesty's Treasury

Home Office

National Assembly for Wales

Northern Ireland Office

Office of the Deputy Prime Minister

Scottish Executive

Social Exclusion Unit

Organisations who have contributed through membership of consultative groups

Abbeyfield Society

Association of Directors of Social Services

Age Concern England

Anchor Trust

Association of Retired and Persons Over 50

Audit Commission

Beth Johnson Foundation

Better Government for Older People

Centre for Policy on Ageing

Chalmers Communications

Community Service Volunteers

Counsel and Care

Employers Forum on Age

Health Development Agency

Help the Aged

Improvement and Development Agency

Local Government Association

National Citizens Advice Bureaux

National Institute of Adult Continuing Education

National Pensioners Convention

Older People's Advisory Group

Policy Research Institute on Ageing and Ethnicity

Executive summary

Introduction

1.   Society in the UK is changing. More people are living longer in greater prosperity. And over the next decades the numbers over 50, over 65 and over 80 will all increase to levels never previously seen. We need a coherent strategy to manage that demographic change – while also helping individuals to achieve their aspirations for better later lives for themselves and their families, now and in the future.

2.   This strategy and its supporting volume of evidence take the first steps in developing the nation's approach. They set out a coherent framework for developing policies, and the principles that the Government believes must underpin progress. It is the first time that any UK government has taken stock of all these issues in the round.

How the strategy is organised

3.   *Chapter 1* provides an overview of demographic trends and assesses the strong foundations of rising prosperity and better health on which a strategy for the future can be built. Today's older people are better off than preceding generations, and our policies over the last eight years have

broken the longstanding link between being a pensioner and being in poverty.

4.   But further progress is needed, and income is not the only factor in achieving a good quality of later life. Policies must also address other issues that enable older people, whatever their age, to live a full life and play their full role in the community.

5.   *Chapters 2*, *3* and *4*, therefore, set out proposals in the three areas we believe must be priorities for action:

- to achieve higher employment rates overall and greater flexibility for over-50s in continuing careers, managing any health conditions and combining work with family (and other) commitments;

- to enable older people to play a full and active role in society, with an adequate income and decent housing; and

- to allow us all to keep independence and control over our lives as we grow older, even if we are constrained by the health problems which can occur in old age.

6.   *Chapter 5* looks at how government and other stakeholders are organised to deliver change. A wide range of services and policies affect older people and involve

many authorities and agencies, in the public and the private sectors. In Scotland and Wales, many of the responsibilities fall to the devolved administrations. Developing effective partnerships and clarifying the local leadership role are crucial in taking the strategy forward.

Opportunities and challenges

7.   Demographic change presents challenges. We believe these can be managed, and that they can be transformed into opportunities, if we plan effectively. Longer lives should not be seen as a threat and the UK is in a good position to respond to the range of issues presented by an older society. We must make sure that policies are robust and sustainable in areas such as pensions where changes have long-term effects.

8.   That is why some of the key proposals in this strategy aim to pilot different approaches to test what works best – for example developing choice and flexibility in care and support, for a move towards more prevention and for a more integrated approach to other services used specifically by older people. We will review the evidence regularly before taking final decisions.

9.   As we take decisions for the future, we must – in fairness to all – balance the interests of today's older people with those of younger generations. We must also balance the rights older people can expect – security, an adequate income and decent housing – with a continuing and growing contribution from them as citizens and as elders of society.

Cultural change

10.   Altering attitudes to later life is a crucial element in achieving our objectives, and ensuring later years are as active and fulfilling as earlier ones. It is especially important to break down arbitrary barriers in relation to employment. With so much more of our lives being lived after age 50, we all – as individuals, as employers, as service providers – need to adjust perspectives conditioned by outdated views.

11.   We have set out proposals to legislate against age discrimination in employment and to establish an independent Commission for Equality and Human Rights (CEHR). But there is a wider task in transforming cultural stereotypes about ageing, including those among older people themselves.

Tackling inequalities

12. We have made great progress in tackling inequalities in income and health, which can impoverish aspirations among older people.

13.   As far as records go back, older people had tended to face a special risk of poverty. This no longer applies. Whereas in 1997, some 2.7 million pensioners lived in absolute poverty, this number is now down by two-thirds and pensioners are now no more likely to be in relative poverty than anyone else. We will now go further. Our recent document setting out our pensions principles, and further work by the Pensions Commission this autumn, will provide the basis for sound long-term decisions on sustainable pensions to meet future income needs in later life. We will also address other important issues such as gender inequalities in retirement income.

Employment

14.   A strategic response to ageing begins with employment. It is through work that most people build the resources they need to live a good life later on. Reducing levels of inactivity in the economy at all ages is the most effective way to offset the impact of future changes in the age structure of society. Our aspiration is to achieve a world-leading employment rate of 80 per cent, including a million more older workers. If we achieve this, the ratio of workers to non-workers in the economy would be about the same in 2050 as it is now. Society can thus grow older, and sustain its economic capacity.

15.   Longer, fitter lives mean that we need to make it easier for people to remain in employment and extend their working lives. Around 1 million people choose to work beyond State Pension Age already. They gain and so does our productive economy.

16.   We have made progress, but a lower than average proportion of people over 50 are employed and fewer of them have qualifications. People with low skills are less productive and more likely to be claiming benefits. We cannot afford this waste of potential for the individual and for society. We are stepping up our programme to tackle these issues so that the proportion of people in employment can grow, in a growing economy.

17.   Our approach is based on choice. Crude increases in the State Pension Age would bear disproportionately on the poorer, effectively forcing them to work for longer. But we will give people new and attractive options to work later, when they want to. We have changed the law so that it is possible to keep working for the same employer, including part-time, while starting to draw an occupational pension. We will also offer people who take their State Pension late a better deal, offering the choice of a significantly higher pension for life or a lump sum payment – which could be as much as £30,000 for someone with an average State Pension entitlement who chooses to work as much as an extra five years.

18.   Tackling age discrimination is another crucial part of the jigsaw. Everyone should have the opportunity to work and save for their retirement, without the barrier of assumptions based on age. Employment rights, government policies and services should support people's informed choices. We are progressively putting in place the steps to produce fairer employment and more employment. By 2006 we will legislate against age discrimination in employment and in vocational training. We will outlaw unjustified mandatory retirement ages below age 65 (except where they can be objectively justified) and we will give people the right to request to continue working beyond 65. Five years after implementation, we will review whether it is still necessary to maintain mandatory retirement ages at all.

19.   We have taken steps to make it easier to choose to work longer, by informing people about their choices in planning for retirement and by offering flexible options. We are making it easier for older workers to access the support they need to take informed decisions about their careers, skills and providing for retirement. Our Skills White Paper will reinforce the attention employers pay to reskilling older workers and improve training support.

20.   Helping unemployed and inactive people over 50 into jobs is a key priority for government investment. Employers need to invest in the skills of older workers to remain competitive. We will continue to develop our range of active employment policies to help tackle the barriers that unemployed and inactive people aged over 50 face in returning to work.

21.   There should not be a cliff-edge between work and retirement; people should have more flexibility to meet their diverse needs. We are consulting about extending rights to flexible working to make it easier for workers with care responsibilities to combine caring for others with stable employment.

22.   People over 50 often face difficulties in continuing working to the fullest extent possible, because of family responsibilities, health issues or problems with job-search. We believe people in later life should be able to combine work and family responsibilities, just as parents with children are enabled to do.

The Government's programme

- An ambition of an 80 per cent overall employment rate, including a million more older workers.

- Age equality in employment law in 2006, supported by the CEHR.

- An improved Age Positive campaign to help change employer attitudes.

- New pension rules to give incentives to stay in work.

- Better information and guidance so people can reskill and plan for later careers and retirement.

- Extending learning opportunities for older people so they can stay in work.

- New rights for carers.

- Reform of Incapacity Benefit, helping people back into work.

- Support for unemployed people to find jobs and reskill.

Active ageing as part of the community

23.   Our vision is of a society where later life is as active and fulfilling as the earlier years, with older people participating in their families and communities. In the past, older people have often been treated as dependent and a drain on society. The reality is that many contribute a huge amount as grandparents, volunteers and in other ways. Being older or being a pensioner must not be equated with dependence. We want to build a society that focuses on what individuals can do, instead of making assumptions about capacity based on age.

24.   The primary responsibility for keeping active and participating in communities lies with older people themselves. Central government and local authorities need to work with them to remove the barriers which prevent them from contributing to their full potential.

25.   In order to make that a reality, central government and local authorities, and the voluntary sector where appropriate, will work together to:

- identify and tackle issues which limit older people's ability to get the most out of life, including rooting out age discrimination and tackling the fear of crime and poor housing;

- ensure that older people can be actively engaged locally in influencing decisions which affect their lives, such as planning local public transport;

- ensure that older people have access to opportunities locally, such as learning, leisure and volunteering; and

• promote healthy living at all ages – older people are better able to enjoy good health in later life if they looked after themselves when they were younger.

26.   Older people, like everyone else, have the right not to be discriminated against. We will take steps to ensure that older people are able to maximise their potential, unhindered by prejudice.

27.   Local authorities should take the lead role in planning for the ageing of their communities. Mainstream services should reflect the changing nature of society just as much as services directed at old age. We will ensure that central government provides local authorities with the support it needs to assume that leadership role.

28.   Older people have the right to feel safe at home and safe on the streets. We will continue to develop our anti-crime initiatives and ensure that older people are involved in the design of local strategies.

29.   Older people have a right to live in decent, warm accommodation. We will ensure that an increasing proportion can do so, both now – through our decent homes initiative – and in the future. And we will frame our policies to recognise the increasing proportion of older people who are owner-occupiers.

30.   As well as rights, older people are citizens and as such have responsibilities like all of us to contribute to society. They can do this in many ways, not least by taking sensible steps to look after their health and by sharing their wisdom and experience with the generations that follow them. We will continue to support and encourage older people to seize opportunities.

The Government's programme

•   Establishing a new CEHR to root out age discrimination.

•   New ways of giving local authorities incentives to involve older people in local decision making.

•   New crime reduction programmes, including a £12 million initiative to improve home security for low-income pensioners in England and Wales and record numbers of police and Community Support Officers patrolling our streets.

•   Legislation planned for 2007 to require new homes to be built to Lifetime Home Standards. Also an Office of the Deputy Prime Minister (ODPM) Public Service Agreement target to increase the proportion of older people living in decent accommodation.

•   All local authorities in England and Wales asked to develop five-year transport plans which identify the accessibility issues affecting an ageing population and their priorities for addressing them.

•   On top of existing legislation requiring local authorities to meet half of local bus fares for people over 60, from 2006, free off peak local area bus travel will be extended to them and disabled people in England. And free bus services will be extended in Scotland.

•   Greater access to learning, including the removal of the age cap for higher education fee loans from 2006.

•   A range of measures to ensure that older people can enjoy leisure activities, including modernising local amenities such as public libraries.

- Measures to encourage volunteering, including a new Home Office-funded national co-ordinating body (Volunteering in the Third Age) to provide a focal point for older volunteering.
- Promoting healthy living among older people through proposals in the recent White Paper on public health to encourage physical activity.

Independence and control

31.   Promoting well-being, independence, choice and accessibility underpin our strategic approach to all services used by older people. We want to achieve a society where increasingly diverse older people are active consumers of public services, exercising control and choice, not passive recipients of them. This requires a culture change, both by individuals and providers.

32.   We have already done much to create modern, high-quality services which respond to needs. But older people can still experience barriers to accessing these services, and they do not exercise control to the extent that many of them can and want. The next stage of our reform will be to develop services further, join them up, simplify access to them and increasingly offer a range of choices to put individuals in control of their lives.

Public services for older people

33.   We intend to develop services which will become increasingly:

- focused on the promotion of well-being and independence;

- easy to access;

- customer focused; and

- aimed at tackling social exclusion.

34.   Over the next years, we will test out services which implement this model. We will pilot ways of giving access to a range of services through a single telephone number. For users of care and support services, we will also pilot developments, including giving those who want them individual budgets which they can use to select their own care packages.

35.   We will take further steps to break down organisational barriers and share relevant data so that older people only have to give information once in order to access all the benefits and services to which they are entitled.

36.   We will build, for the first time, an integrated home visiting service which can offer older people a full care, benefit, heating and housing check-up, so they receive all the support they need.

37.   In taking these proposals forward, we will be building on the progress already made through the Single Assessment Process (which brings together assessments for health and social care), the establishment of The Pension Service (for the first time, a service dedicated to tackling pensioner poverty), and Link-Age (a new concept which brings The Pension Service, local authorities and, in some cases the voluntary sector, into strategic and operational partnerships to deliver joined-up services locally).

The Government's programme

- Giving older people the support they need to remain in their own home for as long as possible, in warmth and comfort.

- Piloting individualised budgets, so that those who wish to can 'buy' their own care packages and simplifying the assessment process.

- Gathering the evidence about the longer-term impact of shifting resources from high-level to lower-level care support.

- Creating The Pension Service to provide an organisation dedicated to tackling pensioner poverty.

- People entering hospital to keep full entitlement to their State Pension, Incapacity Benefit, Severe Disablement Allowance and Income Support for the duration of their stay.

- A Link-Age project which is delivering one-stop services so that older people only have to give information once, and an integrated visiting service so that people who need it can have a full, personal, overall check-up of their needs and entitlements.

- Promoting health among older people.

- Developing a fully integrated service pilot – Link-Age Plus – which goes beyond the initial Link-Age service.

- Taking steps to ensure that, where people do end up going into residential care, they receive high-quality service.

- Tackling rural exclusion.

- Tackling the specific disadvantages that black and minority ethnic elders can experience.

- Building on its interim report *Excluded Older People*, the SEU will publish an agreed plan of government action on exclusion in winter 2005/06.

Organising ourselves to deliver

38.   We need the right systems and organisations in place at all levels of government to deliver an integrated strategy. We also need powerful partners to promote the necessary changes in culture.

39.   Our models must combine central leadership with devolved initiative. Central government has some powers to deliver change; others are the responsibility of local authorities and the health service. Many are within the scope of the devolved administrations in Scotland, Wales and Northern Ireland. Leadership and support from the Government need a response from older people, employers and voluntary bodies to change attitudes to ageing.

40.   To drive the strategy forward, we propose:

- stronger, more accountable machinery, with a role for partners at the national level – especially where different departments hold parts of the solution;

- clearer leadership at the local level in managing the totality of the social change which an ageing society will bring;

- simple, effective and consistent ways of assessing progress towards the outcomes we want, including changes in public attitudes; and

- better ways to help us look and plan ahead for reflecting changes in our assessment of the impact of demography, and exploring scientific advances which promise new solutions.

41.   We make proposals for development in all these areas, but the key is to make sure it all fits together in a way which can drive the radical changes we want to see.

42.   The voice of older people needs to be heard as part of wider consultative processes. They need to be involved – and to involve themselves – in decision making. The channels at national and local level will be developed.

The Government's programme

- Stronger central government co-ordination, with leadership from the Department for Work and Pensions, building on existing Cabinet structures.

- A clearer focus on our strategic outcomes for our national stakeholder partnership in assessing progress towards outcomes and informing cultural changes in society.

- A powerful CEHR to tackle ageism within its wider remit to promote diversity.

- A forum led by the Chief Scientific Adviser to harness science and technology to the challenges of ageing.

- An Observatory on Ageing within the Department for Work and Pensions to make better use of the evidence to inform debate and action.

- From 2005, the performance of local authorities with their partners on services for older people to be assessed by the Audit Commission, including the engagement of older people in decisions.

- Local leadership on ageing issues and ways of improving performance matched to local needs to be addressed in the development of the Government's 10-year vision for local authorities.

- Review of the implementation of a National Service Framework by the Audit Commission, the Healthcare Commission and the Commission for Social Care Inspection has started – report due around the end of the year.

- A simple and transparent set of outcomes and indicators to assess progress towards improved quality of life as people age, to be developed, published and periodically reviewed.

Conclusion

43.   This substantial government programme is intended to give a lead to a wide range of players whose support is needed to effect real change in society as a whole. We have set out a framework for engaging with them to carry it forward and to secure the wider cultural changes necessary to transform challenges into opportunities.

44.   There is scope for a diversity of approaches in response to ageing, both in different parts of the UK within the framework of devolved powers. Local authorities also need the flexibility to respond to diverse conditions and challenges with support from the Government and other partners, like the NHS. Much depends on individuals themselves and on striking the right balance between rights and services which empower them and clarity about the degree of personal responsibility that we should all exercise as we age.

March 2005

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The changes ahead and our approach to them

CHAPTER 1

The changes ahead and our approach to them

Summary

We need a coherent strategy across the UK to deliver two objectives:

- to prepare effectively for the age shift which gathers pace between now and the middle of the century; and

- to help meet everyone's aspirations for better later lives for themselves and their families.

As we take decisions for the future, we must – in fairness to all – balance the interests of today's older people with those of younger generations. We must also balance the rights older people can expect – security, an adequate income and decent housing – with a continuing and growing contribution from them as citizens and as elders of society.

The nation faces significant demographic change, but the UK is well able to cope so long as we seize the opportunities that ageing presents. With so much more of our lives being lived after age 50, all of us – as individuals, as employers, as service providers – need to adjust perspectives conditioned by old-fashioned views.

Altering attitudes to later life is a crucial component in achieving both our objectives, and ensuring it is as active and fulfilling as in earlier years. It is especially important to break down arbitrary barriers in relation to employment.

Our strategy for the future is built on strong foundations of rising prosperity and better health. Today's older people are better off than preceding generations, and our policies over the last eight years have broken the long-standing link between being a pensioner and being in poverty. But income is not the only factor in achieving a good quality of later life and our strategy addresses other issues, such as independence and control, which are important to older people.

We will continue to tackle inequalities in income, health and aspiration. Using the full potential of science and technology can help us meet these challenges.

Our purpose: meeting higher aspirations for life after 50

Objectives and principles

1.1   We are living much longer, healthier and more prosperous lives. This is a great achievement, which reflects long-term progress in raising real standards of living and in improving health, through individual endeavour and social investment. Much more of our life is being lived after the age of 50, and each generation also expects more of the future than its parents and grandparents did. But our attitudes to ageing and our public services have not yet caught up with changing aspirations among older citizens or with the changes in society happening in the next decades. That is why ageing is often – wrongly – seen as a threat rather than as an extension of opportunities for individuals and society as a whole.

1.2   An older Britain is something to celebrate, not to fear. The purpose of this strategy is to chart the way forward to deliver the kind of life we all want to see for ourselves and our families as we grow older, and to identify the changes needed – by government and in individual behaviour – to bring them about. The strategy reports on progress since 2001 in making the transition

to a new view of ageing and builds on it by advancing an integrated government programme to promote and support faster and further change in society as a whole.

1.3   In the years after 50 we all want three main things:

- the opportunity to continue our career, or the choice of starting a new one that better suits our family circumstances;

- to play a full and active role in society, with an adequate income and decent housing; and later

- to keep independence and control over our lives as we grow older, even if we are constrained by the health problems that sometimes affect the final years.

1.4   The Government believes that achieving these key objectives should lie at the heart of future strategies for ageing in the UK. In the following chapters we draw out the key principles by which we will be guided in making progress towards them. We believe especially that independence, opportunity and choice are not just options for the young and healthy. They should be achievable at all stages of life, and should underpin all public policies, including those for the most disadvantaged. This is why, in

Chapter 4, we put forward proposals which – if successfully piloted – could open up new approaches and opportunities even for older people who need substantial assistance to stay independent.

1.5   In the past few years we have laid sound foundations for progress. The following chapters show how we will build on these to carry our principles into practice.

The role of government and the role of the individual

1.6   Achieving the aspirations that each one of us has for ourselves and our families is not just a matter of legislation and government support. It means:

- achieving a cultural change in attitudes towards age and ageing;

- developing a new consensus about personal responsibilities in working longer and improving financial provision for retirement; and

- reflecting demographic change in the way all local services are delivered, in both the public and private sectors.

1.7   None of us can have real opportunities or independence in later life if employers, service providers and others in the community harbour outdated and ageist assumptions about our capabilities; about the services we want to use and the way we want to use them; about the support we need; or about whether it is worth treating us when we are sick. But if we want other people's perceptions to change, we also need to challenge outdated assumptions in ourselves as we grow older, particularly around the transition from work to retirement.

1.8   Choices about retiring before State Pension Age or saving towards a pension do not merely affect the individuals concerned. The ratio of people over 65 to the rest of the population, which has risen from 1 in 20 a century ago[1] to around 1 in 6 today, will rise further to around 1 in 4 by 2051.[2] To adjust to this change, our children and grandchildren need us to be full contributors to society as long as possible, boosting the economy and nurturing our communities.

1.9   Because today's longer lives are healthier, we have to shape mainstream services to support independence, as well as modernising services dedicated to older people with higher levels of need. For example, building houses to standards that suit the whole lifetime is better than adapting them expensively after the need arises. Planning facilities so they are accessible to everyone in the community is better than extra measures to tackle social exclusion and isolation. Developing an increasingly preventive approach across all services is integral to supporting independence.

1.10   In order to meet these aspirations and deliver the sort of services that we envisage for older people in the future, we also need to build partnerships between public authorities and to create flexibility and choice for them and for older people themselves in the way services are delivered. We have taken some important steps towards these goals already: this document contains new proposals. And, for England, we have published a consultation paper *Independence, Opportunity and Choice* (Cm 6499) which explores how these themes can be carried forward in the important field of social care.

1   Office for National Statistics, Census data
2   GAD, 2003 principal projections

Why we need a strategy now

The evidence

1.11   The Government began to set out the need for change in *Winning the Generation Game* in 2000. The evidence of the scale and focus of demographic change and what it means for our people has moved on since then. We summarise here the main trends and key facts. More detail about the evidence underpinning our strategy is contained in Volume 2 of this document, and in a number of important recent publications:

- *Principles for Reform: the National Pensions Debate*, February 2005;

- *Pensions: Challenges and Choices*, the First Report of the Pensions Commission, November 2004;

- The Department for Work and Pensions 5 Year Strategy *Opportunity and security throughout life*, Cm 6447, February 2005;

- *Better Health in Old Age*, report by the Director of Older People's Services to the Secretary of State for Health, November 2004 (England);

- *Choosing Health*, Cm 6374, November 2004 (England);

- *Strategy for Older People in Wales*, NAW 2003; *The Economic Contribution of Older People in Wales*, NAW 2004;

- *Review of the Rural White Paper: our Countryside, the Future*, January 2004; and

- *Partnership for Care*, Scotland's Health White Paper, 2003.

1.12   We also draw on important work by the Audit Commission, and on major programmes of research on ageing supported by the Research Councils and by government departments.

The age shift and its implications

1.13   This strategy is set against a background of three types of demographic change. Firstly, we are living longer. The Government Actuary's Department (GAD) projects that by 2051 the average man of 65 is likely to have around 22 years of life ahead of him, compared with only 12 years for a 65-year-old in 1950, and 19 today. By the mid-century, the average woman of 65 will expect to reach almost 90. Secondly, with long-term improvements in health, more of us – 8 in 10 men and 9 in 10 women – are surviving middle life to reach 65.

1.14   Thirdly, there is at the same time a long-term trend for families to have fewer children, and many people have been choosing to have no children at all. Taken together, these factors mean both that the numbers of people over 50, over 65 and (especially) over 85 are set to increase rapidly in the next decades and that they will form a larger proportion of the total population. Figure 1 shows how the age profile of the population changes over time.

1.15   By 2051, people over 65 are likely to represent over a quarter of the population. In addition, the proportion of people who are very elderly by today's standards will also increase. Over-85s now form just 2 per cent of the total population and 12 per cent of the population over 65. By mid-century, they will account for nearly 4 in 10 of the over-65s, and 6 per cent of the total population.[3]

3   GAD, 2003-based estimates, published September 04

Figure 1: UK population projections by age
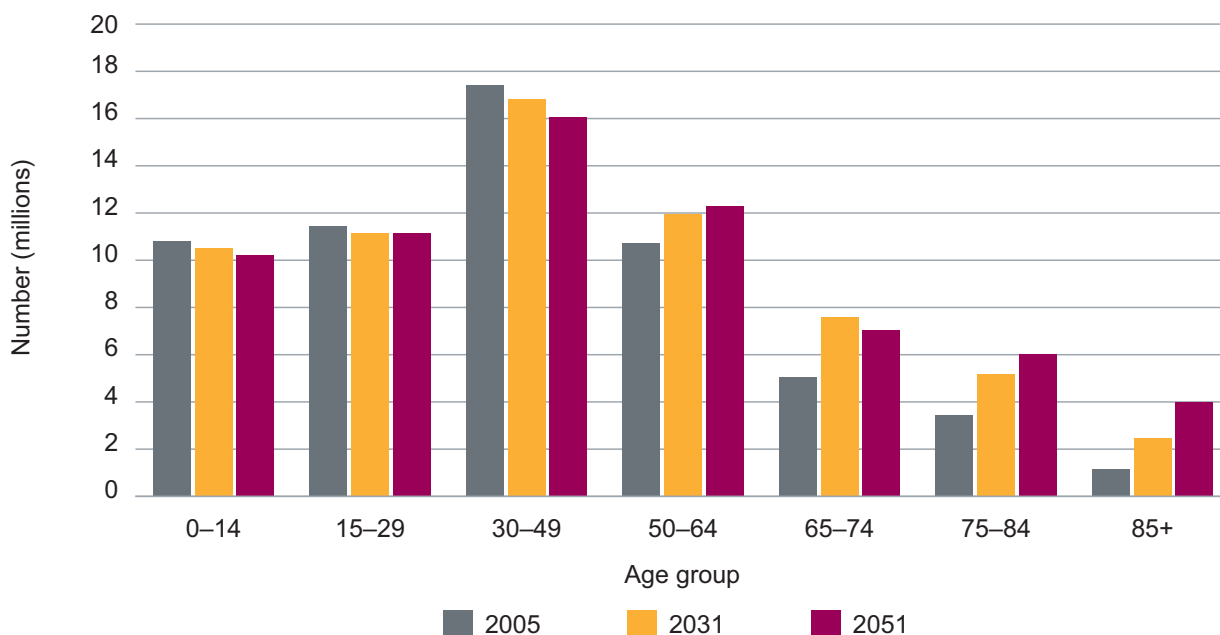
Source: GAD, 2003-based projections

1.16 Although these changes will gather pace over the next half-century, some effects will be felt very quickly. By 2007, the number of people over 65 will exceed the number of children under 16.

1.17 Demographic change impacts differently on different parts of the country and between rural and urban areas. Wales has the oldest population in the UK, while Scotland has both the lowest birth rate and the lowest life expectancy. Rural areas already have a higher proportion of over-65s and this trend looks set to continue. In the next 25 years the number of over-65s in rural England is expected to rise 20 percentage points more than in England as a whole.[4]

1.18 Demographic change of this magnitude is challenging, but it is important to get it in perspective. Firstly, the UK is not unique. Ageing is a global issue throughout both the developed and developing world.

In many ways, the UK faces a lesser challenge than other major countries in coping with demographic change because fertility rates here have not fallen as far below replacement levels as they have in, say, Italy and Spain.

1.19 Secondly, the changes are not beyond the nation's capacity to cope, providing we plan sensibly. The UK has successfully gone through big population shifts before – for example, with the birth of the post-war baby-boomers whose retirement is now beginning to create a bulge in the numbers around 60. While there will have to be adjustments – and that is why we need an overall strategy to manage them – the UK's economy is also in a stronger position than most others to weather the challenge.[5]

1.20 The impact of population change is often measured by looking at the ratio between the number of people over 65 and

4   Office for National Statistics, Sub-National Population Projections for England, November 2004
5   See, for example, the conclusions of HM Treasury, December 2003, *Long-term Public Finance Report: Fiscal Sustainability with an Ageing Population;* and also OECD, 2001, *Ageing and Income – Financial Resources and Retirement in 9 OECD Countries*, p.71.

Figure 2: Old-age, youth and total dependency ratios, 1960–2050

Total dependency ratio   All <20 and 65+ : 20–64
Youth dependency ratio   All <20 : 20–64
Old-age dependency ratio   All 65+ : 20–64
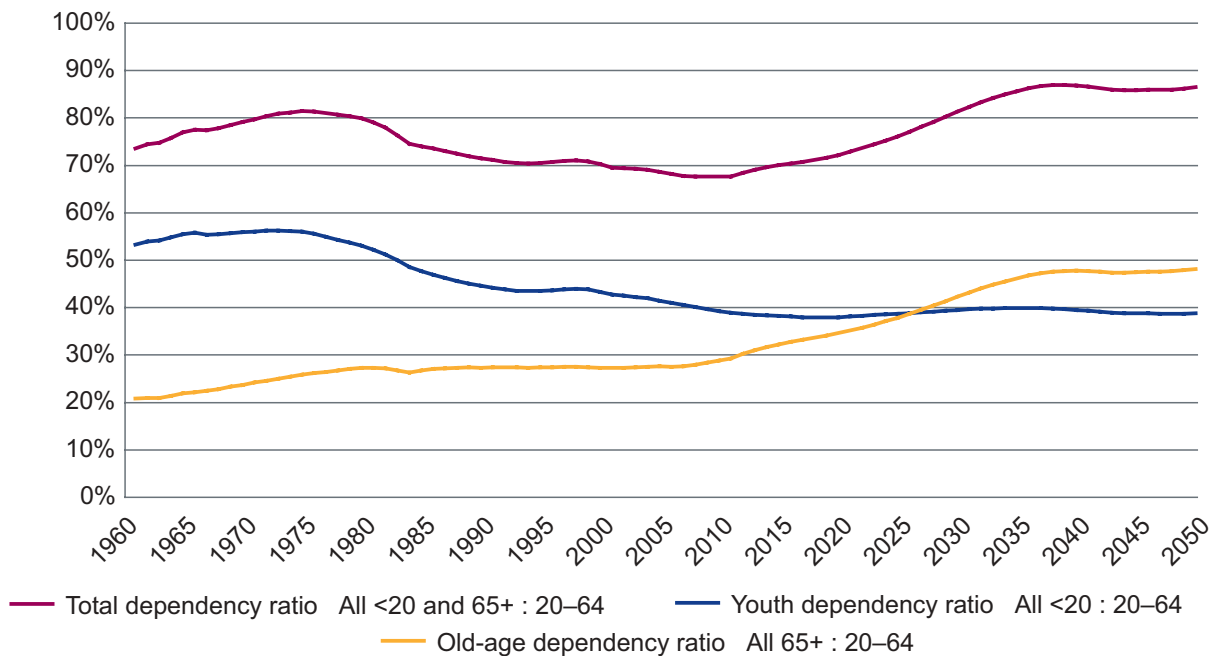
Source: Pensions Commission Report

other adults. In an example of exactly the kind of age-stereotyping we believe should be avoided, this relationship is normally called the 'dependency ratio'. We believe a more meaningful measure is the relationship between those who are active in the workforce and those who are not. (In fact, 17 per cent of men and 10 per cent of women aged 65–69 are already in paid employment.[6])

1.21   In terms purely of numbers, the over-65/other adult ratio is currently very low in historical terms. Figure 2 shows that in the next two decades there will be rapid change. However, until around 2030 the total dependency ratio (taking older people and younger ones together) will remain below levels experienced in the past – for example in the 1970s – when there were much larger numbers of dependent children to be considered.[7] There is therefore time for society to adjust to change, and for the

policies set out in this strategy to become embedded in behaviour.

1.22   More important than the simple numerical relationship between those above and below certain ages is the ratio between active and inactive in our society. As Chapter 2 shows, increasing employment rates throughout the population – but especially among the over-50s – is a powerful tool to counteract changing population structure. This is why we have made employment a major pillar of this document, and why aspiring to an increase in the employment rate to an overall rate of 80 per cent is the first principle in our strategy.

Ageing and independence

1.23   Just as 65 should not be a cliff-edge in terms of work, so it does not mark the start of dependency in other ways. On the best evidence available at present, men

6   LFS, autumn 2004.
7   Pensions Commission, 2004, *Pensions: Challenges and Choices*.

and women from their 50s onwards are nowadays likely to be fitter than people of the same age were 10 or 20 years ago. Although there is no getting away from the fact that certain problems increase with age, evidence suggests that they do not become widespread till past age 75.[8]

1.24   Older people are not a homogeneous group, and will become less so as life expectancy increases. Supporting independence and control in later life therefore means different things at different stages. For a large proportion of the population above State Pension Age, independence depends on a decent income, comfortable housing, being able to get around in the community and having good social networks. For a minority (although increasingly for older ages), being independent may require more support. Sometimes, greater independence is best achieved in a communal setting free of anxiety. Our strategies should balance these different sets of needs and not attempt to force individuals into particular strait-jackets.

1.25   Work undertaken by the Audit Commission and in other research has identified seven key dimensions in enabling independence among older people.[9] These all need to work effectively together to enable older people to remain in control of their own lives. Chapter 3 summarises what we see as the way forward for:

- housing and the home;
- the neighbourhood;
- social activities, social networks and 'keeping busy';
- getting out and about;
- income;
- information – the key to choice; and
- health and healthy living.

1.26   Two of these elements – health and income – are especially important because achieving good standards in them in later life depends on steps taken across the whole lifetime. We say more about them here.

Ageing and health

1.27   Good health is clearly a critical factor in being able to stay independent and participate fully in the community. All countries of the UK have made improving older people's health a priority and there has been good progress in delivering big reductions in death rates from coronary heart disease, cancer and strokes among older men in England and Wales. The same trends are evident in Scotland, where the Scottish Executive targeted these 'big killers' as priorities.

1.28   The effect of longer, healthier lives is that for most people, ill health and physical dependency concentrate in a relatively short period in the last years of life. It is not a constant from age 65 onwards.[10] Even at age 80 and over, a large majority of the population living at home is able to manage independently.[11] However, there are strong

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8   Marmot et al, 2003, *English Longitudinal Study of Ageing* (ELSA), passim.
9   Audit Commission and Better Government for Older People, 2004, *Older People – a Changing Approach*.
10 There is some indication that the increase in overall life expectancy may be outstripping healthy life expectancy so that the duration of poor health towards the end of life may be lengthening.
11 ELSA – the *English Longitudinal Study of Ageing* – indicates that 62 per cent of men and 56 per cent women over 80 have no difficulty with activities of daily living, (washing, dressing, etc) and just over half have no difficulty with a range of tasks necessary to independent living. But of those reporting a difficulty, only 54 per cent received help in coping (all those 75+).

socio-economic inequalities in the ageing process. People from richer, better-educated, professional backgrounds tend to live longer and in better health than others.

1.29   There are some uncertainties about how this picture will change over time, for example as cohorts raised in post-war affluence grow older. We need to monitor trends carefully, and we need to address inequalities. But the broad picture is that the years after retirement are largely healthy and can be made even healthier through relatively simple preventive measures. These are largely in the hands of individuals, supported by the NHS.

1.30   The foundation for good health in later life is laid in childhood and youth, but even at the oldest ages individual choices about a healthy lifestyle can strongly influence good outcomes. This is one reason why creating opportunities for activity in every sense – physical and mental – is crucial to our vision for better ageing. The policies set out in *Choosing Health* (for England) and the Scottish Executive's initiatives on public health improvement form a critical element in strategies for independence in old age.

Ageing and income

1.31   A decent income is essential to support security, independence and opportunity in retirement. We want to ensure that people who have passed the end of their working lives are able to be guaranteed security in old age and that all pensioners can share in rising national prosperity. This means action to support pensioners now, and reaching consensus on a stable and secure pension system for the future.

1.32   We also have to strike an equitable balance between the interests of present and future generations. Pensions and benefits in retirement are largely earned during the working life, but paid out in the future. Especially with the expected demographic change, we cannot over-commit future generations.

1.33   Striking the right balance will not be easy. We have asked the Pensions Commission to review the current pensions system and we will come to decisions in the light of its final report, due in the autumn. We aim to build on the Commission's work to establish a consensus which will last for the long term. In the meantime, since state and non-state pensions work together to provide the bulk of income in retirement, we have set out for discussion the principles we believe must guide overall reform:[12]

Principles for pensions reform

- The pensions system must tackle poverty effectively.

- The opportunity to build an adequate retirement income should be open to all.

- Affordability and economic stability must be maintained.

- The pensions system should produce fair outcomes for women and carers.

- Reform should seek to establish a system that people understand.

- Reform should be based around as broad a consensus as possible.

1.34   Encouraging higher levels of employment, and in particular enabling people over 50 to balance the demands of work and family responsibility, including managing any health conditions, will help us

12 DWP, February 2005, *Principles for Reform – the National Pensions Debate.*

Figure 3: Percentage of people living in households with an income below 60 per cent of the contemporary median (after housing costs), 1961–2001/02
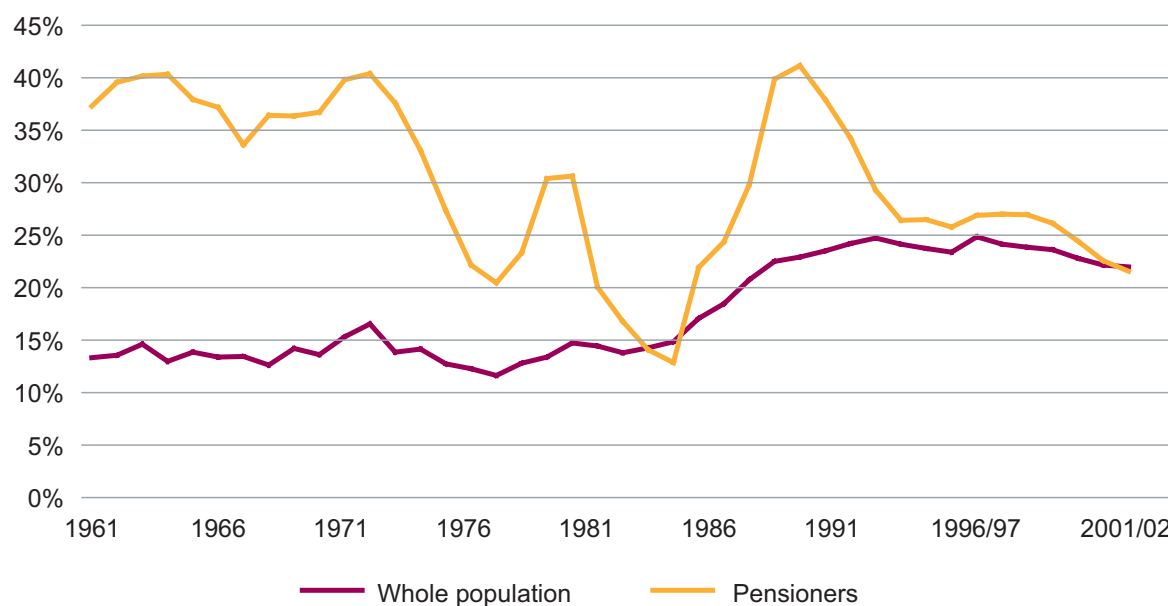
Source: Institute for Fiscal Studies calculations based on Family Expenditure Survey (1991–1993) and Family Resources Survey (1994/95–2002/03)

create a better and fairer pensions system for the future which delivers these principles. We have, however, already made great progress in tackling pensioner poverty. It is against a background of unprecedented success that our wider aims for active ageing can be taken forward.

1.35 Over the past two decades, pensioners' incomes have increased about twice as fast as average earnings. Between 1979 and 2002/03, they roughly doubled in real terms. As a result of this growth, and for the first time since records began,[13] pensioners are no longer any more likely to be on a low income than the rest of the population. The figures pre-date the introduction of Pension Credit in October 2003, which has directed substantial additional resources towards lower-income pensioners.

1.36 Figure 3 shows the steep decline in pensioner poverty, which has removed half a million from relative poverty since 1997. An even larger number – 1.8 million – has been removed from absolute poverty. Breaking the link between retirement and poverty is a substantial achievement. However, the Government's *Pensions Principles* document sets out where further progress is needed. We need to tackle, for example, the inequality of women's pension income compared with men's.

1.37 Each new cohort of pensioners has been retiring with higher income than the last. Much of this is due to the increasing coverage of private pensions. In 1979, 40 per cent of pensioner households had occupational pension income.[14] By 2002/03, the figure had risen to 61 per cent. However, women are much less likely to have private pension income than men, and have lower State Pension expectations as a result of the impact of life events.

13 Apart from one year at the height of unemployment in the early 1980s.
14 By pensioner household we mean here a unit of a single pensioner or a couple.

Figure 4: Gross income of pensioner couples by income quintile, 2002/03

	Bottom	Second	Third	Fourth	Top
Benefit income	145	174	188	180	162
Occupational pension	15	40	71	139	306
Personal pension income	4	6	8	9	41
Investment income	4	8	11	25	146
Earnings	2	5	12	34	183
Other income	1	1	1	2	15

Source: DWP, Pensioners' Incomes Series

1.38   Overall, state benefits account for just over half of pensioners' gross income and occupational pensions for 27 per cent. But the importance of the different elements varies across the income distribution. Figure 4 shows the relative importance of different sorts of income to pensioners at different points in the income distribution. It shows that there is great inequality in pensioner incomes between the best and worst-off, though this is far less than inequality among non-retired households.

1.39   Just as younger households are more likely to be in the top part of the income distribution if there is more than one earner, so pensioner couples are more likely to appear there if both partners have a private pension entitlement. This is another reason why higher employment rates now are important to security in the future. About 20 per cent of pensioner couples have income from two occupational pensions. Households with the biggest income from private pensions also tend to have bigger income from savings.

Figure 5: Overall gains for pensioner families from main support policies (£ per week)
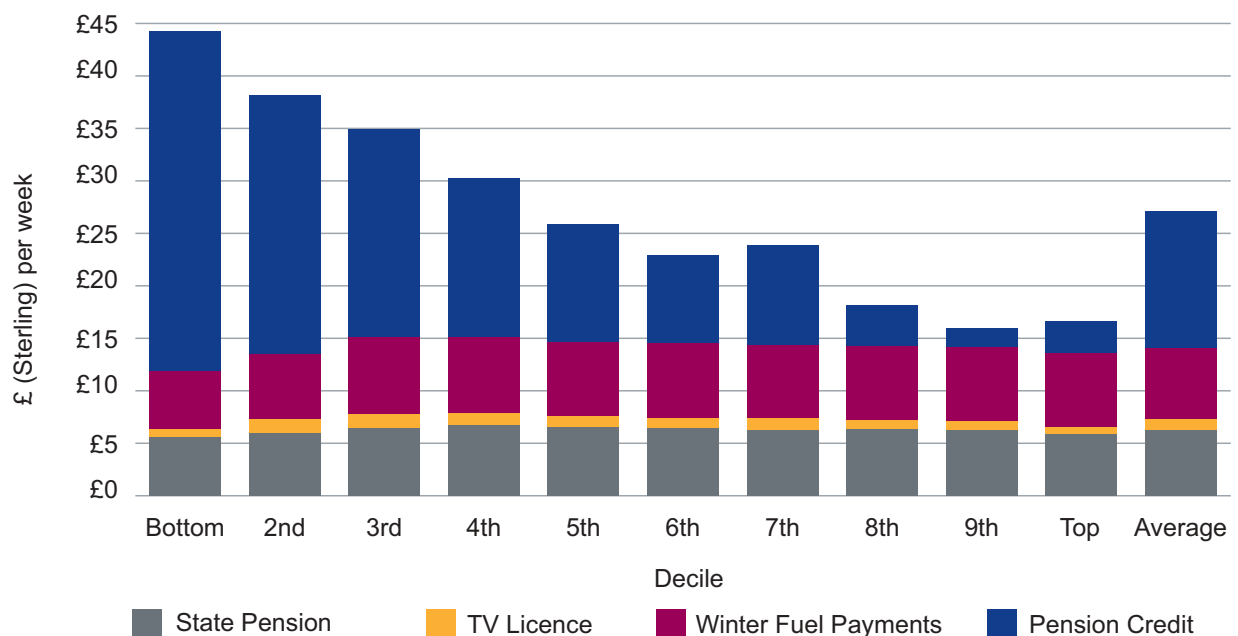
Tackling inequality

1.40   Although pensioner incomes have grown since 1979, the growth was uneven and most benefited the better-off. Since 1997, the Government has sought to correct this imbalance. Figure 5 illustrates the impact across the income distribution of the Government's main across-the-board policies to support pensioners. Above-inflation growth in the basic State Pension since 2001 strengthens the foundation of support for all pensioners, but not all financial assistance comes through the benefits and pensions system. As well as Pension Credit, the most important elements are Winter Fuel Payments of up to £300 for over-80 households, free TV licences for the over-75s, and help towards expenses such as council tax for over-70 households. Announcements in the 2005 Budget confirmed that these policies would continue, with future growth in the value of Pension Credit and greater assistance for over-65s with council tax.

1.41   Older people are also assisted by concessionary fares and remission of charges (such as for prescriptions and eye tests from age 60). The Budget 2005 announced free off peak local area bus travel in England, which will be a particularly significant benefit in rural areas. Those receiving Pension Credit are potentially eligible for substantial help through Warm Front in England and its counterparts in the other countries of the UK to help tackle fuel poverty. Pension Credit recipients are likely also to be exempted from local authority charges for home-based social care and Supporting People (see Chapter 4), where charges exist. These forms of assistance are

not relevant to all pensioners, but they can make a substantial difference to those who are eligible for them.

1.42   Together these policies have delivered a pattern of financial support that is much fairer to those on lower incomes and offers them far greater opportunities to live full lives. It is on this strong foundation that we build the next stages of improving well-being.

Ageing, living standards and well-being

1.43   Although income is important in securing choices in retirement, it is not the only element in contributing to pensioners' living standards and quality of life. Pensioners own substantial assets in the form of housing – about 73 per cent of pensioners are owner-occupiers already, and newly-retiring cohorts include greater proportions who own their own homes.[15] International evidence also shows that both in the UK and elsewhere the standard of living accessed by older people tends to be higher than income alone suggests. This is partly because they can draw on savings – financial assets peak in the decade 55 to 64 – but also because of the effect of concessions and fiscal treatment.[16]

1.44   As older people come to form a higher proportion of society, it is important to understand the full range of factors contributing to their changing standards of living. The Department for Work and Pensions (DWP) are considering possible wider measures of pensioner poverty, to inform future policy-making and will set out its ideas in due course. As part of this, DWP

15 Family Resources Survey 2002/03 and ELSA 2002.
16 OECD, op.cit.

is commissioning research exploring pensioners' experiences of poverty and material deprivation. This complements research by the Institute of Fiscal Studies looking at what trends in household consumption and expenditure can tell us about both the depth and incidence of poverty in Britain.[17]

Quality of life

1.45   Particularly among older age-groups of pensioners, quality of life may depend on factors other than income. A large recent study which identified the building blocks concluded that *"these factors contributed far more to perceived quality of life than indicators of material circumstances, such as actual level of income, education, home ownership or social class."*[18]

The main building blocks of quality of life in older age are:

- standards of comparison and expectations;

- a positive attitude;

- good health;

- good social networks and sense of support;

- living in a neighbourhood with good facilities; and

- feeling safe.

1.46   As the age profile of the pensioner population changes, this evidence needs to be taken fully into account in developing future strategies.

The potential of science and technology

1.47   Science and technology are already contributing to the potential for fulfilling activity and improved quality of life as we age. Mortality from coronary heart disease is falling because of the availability of new drugs. Better communications can overcome handicaps of distance and mobility. The generation now moving through middle age is ready to exploit these benefits even if today's older people often find them an initial challenge. We need to seize the full potential of the advanced application of science and technology to help deliver better later lives.

1.48   That is why the Department of Trade and Industry's (DTI's) Technology Strategy has given a particular focus to healthcare in an ageing society. A competition in November 2004 for computing applications in healthcare attracted a large number of proposals in this area. The Department of Health (DH) will also be providing local authorities with a specific grant of £80 million over the period 2006–08 to develop the use of assistive technologies and telecare.

1.49   But Government can link up its activities more effectively. DTI and DH will therefore be co-operating closely to ensure that new technologies are developed and tested to support older people in secure, healthy and active lives; and that procurement, standards and regulations encourage technological innovation in this area of growing social and economic importance. In Scotland, there are similar initiatives, including smart domestic

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17 Other research, also funded by the Joseph Rowntree Foundation, is looking more broadly at older people's needs and resources.

18 Ann Bowling, Zahava Gabriel, David Bannister & Stephen Sutton, September 2002, *Adding Quality to Quantity*, ESRC Growing Older Programme, Research Findings no 7.

technology (as in West Lothian) to facilitate independent living at home for those who would otherwise be in care homes or hospitals.

The basis of the Government's programme

- Demographic change presents an opportunity we must seize, so that longer lives become better lives as well. Although there are challenges, we believe these can be managed. This strategy sets out how we plan to do so.

- We have laid strong foundations of increased prosperity and health for today's older people. To build on these foundations requires changes in attitudes and individual behaviour, as well as government action.

- Our three priorities for action are:

  - to achieve higher employment rates and greater flexibility for over-50s in continuing careers, managing any health conditions and combining work with family (and other) commitments;

  - to enable older people to play a full and active role in society, with an adequate income and decent housing; and

  - to allow us all to keep independence and control over our lives as we grow older, even if we are constrained by the health problems that can attend old age.

2

Age and the workforce

CHAPTER 2
Age and the workforce

Summary

Longer, fitter lives mean that we need to make it easier for people to remain in employment and extend their working lives. Around 1 million people choose to work beyond State Pension Age already. They gain and so does the productive economy.

We have made progress, but a lower than average proportion of people over 50 are employed and fewer of them have qualifications. We cannot afford this waste of potential for the individual and for society.

Our aspiration is a world-leading 80 per cent overall employment rate, including 1 million more older people in work. If we achieve this, the ratio of workers to non-workers in the economy would be about the same in 2050 as now. Society can grow older, and sustain its economic capacity.

We are progressively putting in place the steps to produce fairer employment and more employment in a growing economy.

We will remove age discrimination in employment and vocational training by introducing new age discrimination legislation in 2006. We have already begun to tackle ageism through the Age Positive campaign.

We are making it easier for people to plan ahead, by informing them about their options for funding retirement, and offering flexible options for retirement.

We are encouraging people to choose to work longer, by offering attractive State Pension incentives to those who defer taking their State Pension for five years.

We are improving access to the information people need to take informed decisions about their careers and skill needs. Our recent Skills White Paper reinforces the attention employers will pay to re-skilling older workers, and improve training support.

We are consulting about extending rights to flexible working to make it easier for workers with care responsibilities to combine caring for others with stable employment.

And we continue to develop our world-leading range of active employment policies to remove the barriers that unemployed and inactive people aged over 50 face in returning to work.

Principles

- Our aspiration is to achieve an employment rate of 80 per cent overall, including a million more older workers, and to encourage working people and employers to seize the opportunity this presents.

- Everyone should have the opportunity to work and save for their retirement, without the barrier of assumptions based on age: employment rights, government policies and services should support people's informed choices.

- People in later life should be able to combine work and family responsibilities, just as parents with children are enabled to do so.

- There should not be a cliff-edge between work and retirement: people should have more flexibility to meet their diverse needs and plan ahead.

- Helping unemployed and inactive people over 50 into jobs is a key priority for government investment. Employers need to invest in the skills of older workers to remain competitive.

Increasing the post-50 employment rate and the average retirement age

2.1   As the population ages, so does our workforce. The number of people aged under 50 is projected to fall by 2 per cent by 2016, while numbers in the 50 to 69 age group is projected to increase by 17 per cent.[19]

2.2   The employment rate for men aged 50 to State Pension Age (SPA) fell from 84.1 per cent in 1979 to 63.3 per cent in the UK in 1995.[20] The Organisation for Economic Co-operation and Development (OECD) has estimated that the average age of withdrawal from the labour force (an indicator of the average years of age at which declines in the activity rate take place) dropped in the UK for both men and women. This reduction in older people's employment was estimated in 2000 to be reducing the output of the economy by as much as 2 per cent, which represents about £16 billion in that year.[21] These lower employment rates translate into 2.6 million individuals aged between 50 and State Pension Age not in work, a large proportion

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19 GAD, 2003 principal population projections.
20 OECD, 2004, *Ageing and Employment Policies – UK*.
21 Cabinet Office, 2000, *Winning the Generation Game: Improving opportunities for people aged 50–65 in work and community activity.*

of whom have been in the workforce, but have left early.

2.3   We have reversed that trend. In recent years the employment rates of both older men and women have increased and moved towards the average employment rates for those aged between 16 and State Pension Age. The employment rate of men aged between 50 and State Pension Age is now higher than at any time since the early mid-1980s. Figure 6 shows the employment rate of people aged between 50 and State Pension Age between 1995 and 2004.

2.4   There are gender differences: among those aged 60 to 64 (bearing in mind that the current female State Pension Age is 60) the gap between male and female employment rates is more than 25 percentage points.[22] Only 53 per cent of women remain in employment by age 59 and 42 per cent of men by age 64.[23] In practice a large proportion of men and women leave the labour market well before State Pension Age (65 for men, 60 for women, equalised between 2010 and 2020).

2.5   The Government recognises that more needs to be done to achieve higher levels of employment for men and women. That is why we have a Public Service Agreement (PSA) target to increase the employment rates of people aged between 50 and 69 and to significantly reduce the difference between their employment rate and the overall rate by 2008.

2.6   Research has found that very few people retire from paid employment voluntarily before the age of 55, but the overwhelming majority have done so by 65.[24] Trends are diverse: the proportion of people remaining economically active in rural England after age 65 is greater than in urban areas.[25] The most common reasons for leaving work involuntarily before State Pension Age are ill health and redundancy.[26] This has major implications for individuals, the UK labour market and the economy.

2.7   The Government believes that these issues need to be tackled by establishing a higher aspiration for the level of employment in the economy and bringing to bear a

Figure 6: 50–SPA and 16–SPA employment rates and the gap between the two age groups, 1992–2004
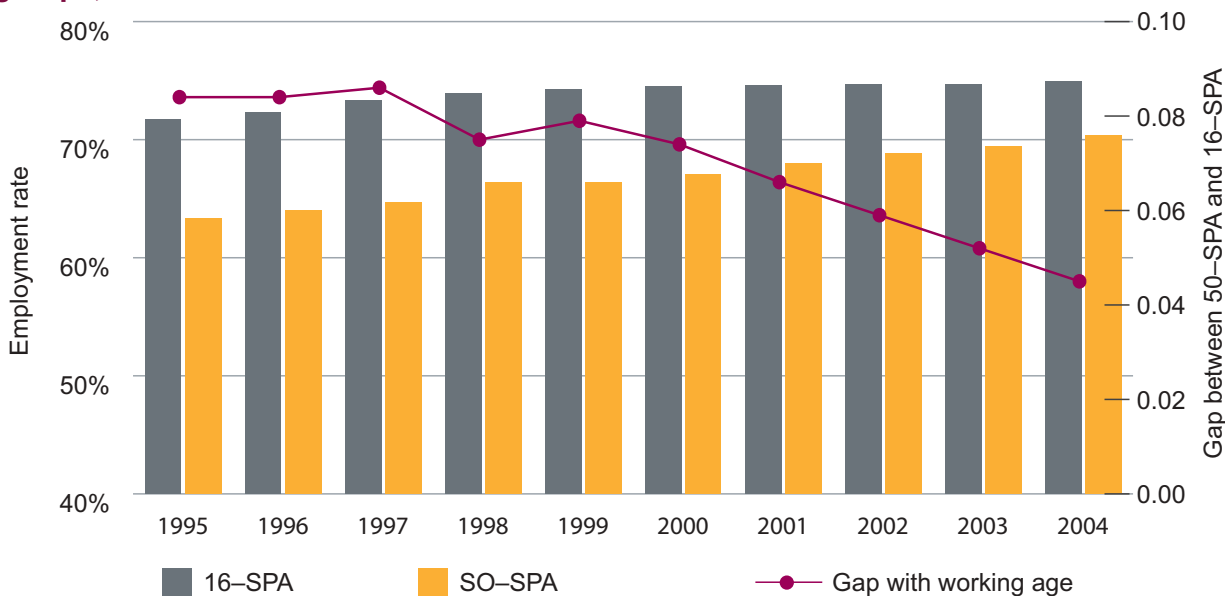
22 Labour Force Survey, autumn 2004.
23 Pensions Commission, 2004, *Pensions: Challenges and Choices. The first report of the Pensions Commission*, TSO, p.62.
24 Stephen McNair, 'The age of choice: a new agenda for learning and work' in The National Institute of Adult Continuing Education (NIACE), 2005, *Demography and Older Learners*.
25 Based on ONS census data.
26 Humphrey et al, 2003, *Factors affecting the labour market participation of older workers*.

range of policies to realise it. Giving people more choice over their later working lives and retirement options is part of that. So we are helping employers to discard ageism and adapt to an older, but equally productive, workforce.

> We aspire to a world-leading 80 per cent employment rate, and will act to realise it.

2.8   The Pensions Commission drew our attention to the sharp fall in the ratio of people aged 20–64 to people over the age of 65 between now and 2050, regardless of the modifying effects of the equalisation of State Pension Age at 65 for men and women between 2010 and 2020.[27] Our aspiration of an 80 per cent employment rate for the whole workforce will help counter the effect of this, so that our economy can sustain its productive capacity to meet the needs of young and old alike. Increasing our employment rate means that ageing need not affect the balance between those people in employment and other people in our population (see Figure 7 below).

Figure 7: Impact of higher employment on UK dependency ratio (non-workers compared with workers)
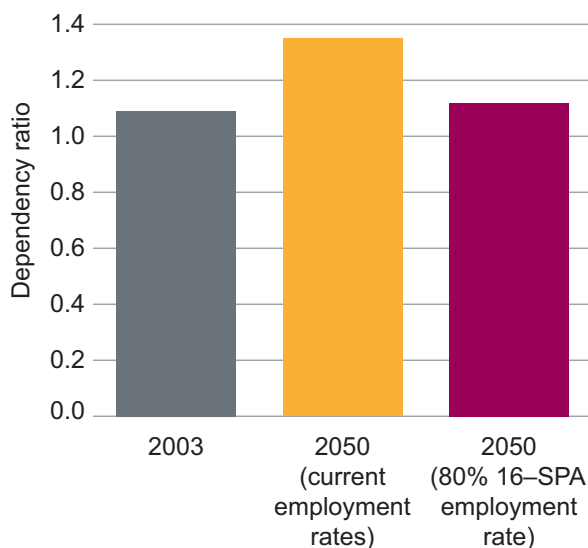
2.9   Our ambition is to have a million more older people in work in the longer term. We can acheive this by tackling barriers to continued employment for those aged over 50, countering unemployment and inactivity, and encouraging more people to work up to and beyond current State Pension Age.

Age discrimination

> We are tackling age discrimination in employment and vocational training by introducing new age equality legislation in 2006, backed by a powerful new commission.

2.10   Ageism in employment is bad for the individual, bad for business and bad for the economy. We are strongly committed to tackling age discrimination and will be outlawing age discrimination in employment and vocational training from October 2006. We will be launching a consultation exercise on the draft regulations in July 2005. When it comes into force in October 2006, the legislation will make unjustified age discrimination in recruitment, training, promotion and dismissal unlawful for workers of all ages. This will give new employment rights to everyone in work or looking for work, including the 6.7 million people currently aged 50 to 64 and in work, and the 0.2 million people aged 50 to 64 who are unemployed and currently seeking work.[28]

2.11   Age discrimination legislation will also do away with compulsory retirement below age 65 (except where this can be objectively justified) and provides for a national default retirement age of 65 which employers can choose to adopt. However, the default age is not a compulsory retirement age. Employees will be able to work beyond that age whenever they and their employers agree.

27 Pensions Commission, 2004, *Pensions: Challenges and Choices. The first report of the Pensions Commission*.
28 Labour Force Survey, autumn 2004.

2.12   Employees who want to continue to work beyond the default retirement age or their employer's own justified retirement age will have the right to have their request considered seriously by their employer. This will help provide more choice and flexibility for those who wish to stay in work beyond an employer's set retirement age. It is a big step forward in itself, and it will help to build on the real culture change that has already begun, taking us towards a future where people have complete choice about when to stop working.

2.13   The new Commission for Equality and Human Rights (CEHR) (see paragraph 3.5) will have the powers and resources necessary to support the effective implementation of these new employment rights. It will also spread best practice and make recommendations for the development of policy.

> Our long-term aim is to consign fixed retirement ages to the past.

2.14   Five years after the introduction of this new approach, we will conduct a review, based on a full consideration of the evidence, to consider whether the default retirement age is still appropriate and necessary.

Working with employers

2.15   Business productivity will increasingly depend on employers supporting the recruitment, training and retention of older workers, including offering more flexible opportunities for work and retirement.

2.16   There are proven advantages in an age diverse workforce, yet one in four people aged 50 to 69 has experienced age discrimination when working or looking for

work. Businesses who are positive about age report:

- improved rates for keeping staff;

- higher staff morale;

- fewer short-term absences;

- higher productivity;

- a better public image;

- access to a wider customer base; and

- a wider range of skills and experience.

2.17   The public sector is committed to lead by example showing good practice as an employer. We have published proposals to raise the normal pension age for members of public sector pension schemes from 60 to 65, initially for new members.

> We are running the Age Positive campaign and launching a new national guidance campaign to help change employer attitudes...

2.18   We are already encouraging employers to realise the business benefits of an age diverse workforce through the Age Positive campaign. The Age Positive website www.agepositive.gov.uk is recognised by many employers as a key source for guidance on age issues.

2.19   This year we are also launching a national guidance campaign to equip employers with a range of practical information and guidance on adopting Age Positive employment practices. This covers flexible approaches to retirement to support the recruitment, training and retention of older workers. This will help employers to prepare for the implementation of age discrimination legislation from October 2006. The campaign is designed to help

employers gain the benefits of removing ageism from work now. The Department of Trade and Industry's (DTI's) website www.businesslink.gov.uk will also provide consistent information for employers about the employment of older people and their rights.

2.20   From May 2005, 1.4 million employers will receive important information about the clear business case for removing ageism from employment. This will set out the facts on key issues where misconceptions are all too common in health, training, insurance, pension and retirement ages, workforce management, demography and the labour market.

> … and we will encourage employers to look ahead.

2.21   We will host an employment conference in early 2006 on the demographic challenge and the future workforce. It will aim to help employers meet that challenge positively and to maximise the opportunities that the ageing population provides. The forthcoming age discrimination legislation will be an important focus of the conference, which will also take a forward look at the impact that scientific and technological innovation can have on work.

Incentives to work longer

> We are making it easier for people to choose to work longer by providing opportunities for more flexible retirement.

2.22   The Pensions Act 2004 and other supporting legislation introduced a number of reforms aimed at extending working life and giving individuals more generous and flexible options for how and when to retire.

2.23   The introduction of more generous State Pension deferral options has increased the rewards for choosing to work longer – a person with average State Pension entitlement could receive a payment of £20,000 to £30,000 if they delay taking their State Pension for five years, or an enhancement of more than 50 per cent to their weekly pension if they delay taking their State Pension for five years.[29]

2.24   Changes to occupational pension rules mean that from April 2006, for the first time, people will be able to carry on working for the same employer while drawing an occupational pension. In addition, the earliest age from which a non-State Pension can be taken will increase from 50 to 55 by 2010.

Active financial planning for retirement

> We are helping employed people to make informed decisions about working longer and saving for retirement.

2.25   Working longer not only gives individuals the opportunity to save more, but also reduces the period of retirement that savings have to cover. We want to empower individuals to make informed choices about working and saving for retirement by ensuring that they have the information they need to plan ahead for retirement with confidence. To achieve this we are:

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29 The figures of £20,000 and £30,000 are based on the average amounts of State Pension paid to newly-retiring women and men respectively.

- working with partners to provide the tools for decision-making: with employers, trade unions, the pensions industry and voluntary sector we are developing programmes to provide individuals with the information to make informed decisions for their own particular needs;

- increasing financial literacy: working with the Financial Services Authority, employers, private and voluntary sectors to raise the overall levels of financial education;

- prompting older workers to plan for retirement: with Age Concern and Citizens Advice, developing pilots to test the best approaches to prompting older workers to take action leading to improved retirement income;

- increasing awareness of pension entitlements: delivering forecasts of State Pension entitlement automatically and working with employers to deliver combined state and occupational pension forecasts. We have set a PSA target that by 2007/08, 15.4 million individuals will be regularly issued a pension forecast;

- introducing a web-based Retirement Planner: from spring 2006, will enable people to view their total projected pension income, estimate how much they think they might need in retirement, calculate any savings shortfall and choose from a range of options to address it; and

- tracing unclaimed entitlements: a new pension tracing service will help to locate any unclaimed pension entitlements, perhaps from previous employments. There will be a link from the web-based retirement planner.

Support for older people in work to improve their skills and decisions

We will provide better websites and guidance to inform people's decisions about careers, skills and planning for retirement.

2.26 The 'Directgov' web portal already houses material specifically directed at the over-50s. We will transform the breadth and depth of this site to provide comprehensive and customised information and guidance covering the range of employment, skills, retirement and pensions, health and lifestyle topics relevant to the diverse needs of the over-50 age group. This will cover:

- choices about staying longer in employment: career development, work and flexible retirement options, developing new skills, saving for retirement, staying fit and healthy;

- options about continuing to work after State Pension Age – employment rights, deferral of State Pension, information about private and occupational pensions;

- options for taking up work to boost retirement income and the benefits of improving skills and lifelong learning;

- opportunities to promote health and leisure to contribute to the community through caring and voluntary work; and

- for carers, information and access to products and services for older people needing care, and information about support and help available to carers.

2.27   Further support has come from announcements in the recently published Skills White Paper. The existing infrastructure of information, advice and guidance services to support adults to progress in their careers will be developed into a comprehensive service offering linked information on jobs, qualifications and training. It will make use of the existing wide range of web-based self-assessment and diagnostic tools, but would also give guidance online, over the telephone, or face to face for people wanting help to identify the best way of getting on. It could provide supplementary guidance services that people pay for, alongside a core of free services.

2.28   A review will be undertaken jointly by the Department for Education and Skills (DfES), DWP, DTI, the Learning and Skills Council, Ufi learndirect, Jobcentre Plus, and the Sector Skills Development Agency. It will develop a detailed business plan by the end of September 2005.

2.29   As a first step, we will be introducing shortly a new Skills Coaching service (see paragraph 2.49) aimed at supporting individuals on Jobseeker's Allowance and Income Support to get this form of intensive, personal advice and guidance. We will also work with Ufi learndirect to extend, on a trial basis, its call centre service so that it can offer more intensive, personal guidance, aimed particularly at people looking to gain higher (Level 3) skills. The service would help people seeking to progress in their careers, including those returning to work after voluntary absence from the labour market, for example women over 50 who may have taken a long period of time off work for care purposes. We intend to begin the trial in spring 2006.

Focus on keeping people in jobs

2.30   Better outcomes for individuals, employers and the economy will be achieved if people can be retained in the workforce for longer. We need to encourage older workers to re-skill or change their working patterns rather than leave employment entirely. And employers need to recognise that flexibility for people over 50 with caring or health needs can help them retain valuable skills and experience which will become increasingly difficult to replace. In a recent survey,[30] 37 per cent of people with a health problem or disability said that they had been forced to retire or leave a job because of it.

Re-skilling – better support for older workers

> Our Skills White Paper will reinforce the attention employers pay to helping older workers develop new skills and improve training support.

2.31   In general, those aged under 50 are better qualified than those aged 50 and above. Sixty-three per cent of people aged 16 to State Pension Age are qualified to at least Level 2, compared to only 56 per cent for those aged 50 to State Pension Age.[31]

2.32   The main vehicle we are creating for supporting training in the workplace – the National Employer Training Programme – will cater for the needs of diverse employees of all ages. In the pilot, older people have benefited significantly. Those over 56 were 21 per cent more likely to complete their training and achieve the target qualification than those in younger age groups.[32] We will build on this in the national programme,

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30 Humphreys, A. et al, 2003, *Factors Affecting the Labour Market Participation of Older Workers*, DWP Research Report 2000.
31 Labour Force Survey, autumn 2004.
32 Hillage et al, 2003, *Evaluation of employer training pilots*, DfES/HM Treasury/LSC ETP1.

ensuring that the needs of older people are given proper attention in the workplace. The recent Skills White Paper, *Skills: Getting on in business, getting on in work*, set out the policy design and implementation of the National Employer Training Programme, including as a priority a stronger emphasis on progression to, and investment in, skills at Level 3 and above, since this is where many of our national skills gaps lie.

2.33   The Skills White Paper describes the remit of Sector Skills Councils in assessing future skills supply. This includes the skills needs of older workers in the light of demographic trends. Some of these councils are involved in work which helps to recruit and retain older workers. For example, Skillsmart and the Sector Skills Council for the retail sector are working with B&Q, Tesco, Asda and Sainsbury's, who are all targeting older workers to meet their staffing requirements.

2.34   The Skills White Paper has also set out the current and future direction of travel on skills provision for adults in employment, including the Level 2[33] entitlement, financial support for learning and the trade union role in skills and training. A new Union Academy will help to encourage union members to take up training opportunities.

Flexible employment practices and new rights for carers

We are consulting about extending rights to flexible working to make it easier for workers with care responsibilities to combine care with stable employment.

2.35   The needs of many people who require additional care later in life can be met from within their families, but family members can often find it difficult to combine caring responsibilities with work. The opportunity to work flexibly can be key in the care that employees provide to their families and in participating within the workforce. The Government has actively sought to facilitate the spread of flexible working opportunities right across the workforce, by promoting the spread of best practice alongside targeted, light-touch legislation.

2.36   The right to request, and duty on employers to consider, flexible working were included in a flagship employment law introduced in April 2003. These were part of a package of measures to provide parents of young and disabled children with more support and choice about how they balance work and childcare responsibilities, in ways that benefit employers, employees and their children.

2.37   In April 2004, the Prime Minister said he believed the priority should be to consider the case for extending the scope of the law to carers of elderly or sick relatives. The Pre-Budget Report 2004 committed the Government to consulting on the case for extending the flexible working law.

2.38   Caring responsibilities are particularly relevant for the older worker. Evidence shows that the peak age for caring is 45 to 64 years when one in four adults have some caring responsibilities.[34] Women carers in particular have lower incomes than non-carers.[35] Providing carers

33 Level 1 – less than 5 G.C.S.Es at A* to C or any G.C.S.E D–G.
   Level 2 – 5 G.C.S.Es grade A* to C or NVQ. Level 2
   Level 3 – A-levels or NVQ Level 3
   Level 4 – NVQ Level 4 or higher education
   Level 5 – NVQ Level 5 or higher education.
34 Maher, J, Green, It, 2002, Carers 2000.
35 General Household Survey, from Carers 2000.

with opportunities to work, if they choose to do so, will give them the means to increase their current incomes and more choices over saving for retirement. In our consultation document *Work and Families, Choice and Flexibility* we ask what is the case for extending the law to carers of adults and what types of caring the law should cover. Copies of the document are available at www.dti.gov.uk/workandfamilies and responses should be received no later than 25 May 2005.

Helping people back to work

We are helping older people return to work, through Pathways to Work, New Deal 50 plus and the New Deal for Skills.

Reforming Incapacity Benefit

2.39   We are determined that no one should be excluded from the labour market. We want a more inclusive labour market that generates flexible and diverse forms of employment and that will ensure that all sections of society benefit from economic growth. In order to achieve this we need to look at the specific barriers to re-entering employment faced by people over 50 who are out of work.

2.40   A key group of over-50s that need help to return to work are people who are not in work due to a health condition or disability. There are 2.7 million people on an Incapacity Benefit today (Incapacity Benefit, Income Support for sickness or disability and Severe Disablement Allowance). Around half of these are over 50.[36] But we know many would like to return to work and enjoy the personal, social and financial benefits this brings.

2.41   People do not have to be incapable of all forms of work in order to qualify for Incapacity Benefit. Entitlement is based on whether a person has a level of incapacity at which it is felt unreasonable to require them to seek work. It is not set at a level of incapacity at which doing any form of work is impossible.

2.42   The longer claimants remain on Incapacity Benefit the more their physical and mental health is likely to decline and the less likely they are to return to work. Yet there is clear evidence that the majority of people who start to claim Incapacity Benefit expect to get back to work, and for most a return to work is a real possibility if the right help is offered early in their claim.

2.43   The Incapacity Benefit Green Paper *Pathways to Work: Helping people into employment* (November 2002) made clear that our long-term objective is to help everyone who wants to work to achieve their employment aspirations. We believe that people joining Incapacity Benefit should not be written off, and many still have a working future. Our aim is to change the focus of Incapacity Benefit from what people can't do to what they can do. We want a benefit system that helps everyone who wants, and has the potential, to work to obtain employment in line with their work-related capabilities.

2.44   The 2002 Spending Review provided DWP with nearly £100 million to pilot, commencing October 2003, a new approach for people on Incapacity Benefits in seven Jobcentre Plus districts. The Pathways pilots are designed to test a range of measures to find out what combination of personal adviser support, employment programmes, health provision and financial incentives is effective for encouraging any Incapacity Benefit

36 DWP 5% administrative data, August 2004.

customer to take the steps needed to achieve their aspiration of a return to sustained employment. The pilots are performing well. Benefit off-flow rates are up to 10 percentage points higher than the rest of the country. Recorded job entries for people with a health condition or disability has almost doubled relative to performance last year, and by comparison with non-pilot areas.

2.45 DWP's Five Year Strategy, announced in February 2005, sets out detailed reforms to Incapacity Benefit and looks to build on the success of the Pathways approach by further promoting customers' rights and responsibilities and challenging the culture of inactivity that surrounds the benefit system. Instead of providing an incentive for staying on Incapacity Benefit longer, we will be encouraging and rewarding people for undertaking work-related activity. The main proposals are:

- A new holding benefit, payable at the same rate as Jobseeker's Allowance (JSA), until people have satisfied the Personal Capability Assessment (PCA) which will normally be completed by week 12.

- As well as being the gateway to benefits, the PCA will provide the customer with a fuller assessment of their future work capacity in an 'Employment and Support Assessment'. This will help the customer and the assessor focus on how to plan for a return to work.

- The majority of people with manageable conditions will receive a new 'Rehabilitation Support Allowance'. These customers will be required to attend Work Focused Interviews and undertake work-related activity.

- Those with the most severe health conditions or impairments will receive a 'Disability and Sickness Allowance'. They will be encouraged to consider work-focused activity, wherever this is possible, but will not be required to do so.

2.46 Both groups will receive more than the current long-term rate for Incapacity Benefit, but those on 'Rehabilitation Support Allowance' who refuse to engage with personal advisers will return to the holding rate, and they could be subject to sanctions. We are also looking at ways to improve the support that is available, for instance the piloting of employment advisers in GPs' surgeries, and we will be consulting with stakeholders on the development of the proposals.

Linking rules

2.47 For many Incapacity Benefit claimants, moving into employment after a spell on benefit can be a daunting experience. Incapacity Benefits linking rules, allowing claimants who move into employment to reclaim any higher rates of benefit on the same terms as their previous claim, can minimise the risks of transition from benefits to work. In its Budget 2005, the Government announced that it will simplify and improve the operation of the linking rules from October 2006.

New Deal 50 plus

2.48   The new Jobcentre Plus network helps people over 50 to get back to work:

• New Deal 50 plus is a voluntary programme for unemployed or inactive people aged 50 and over. Eligibility is based on receipt of qualifying benefits for six months or longer. A range of individually tailored help is available, including personal advice, training, work trials, volunteering opportunities and access to in-work financial support from the 50 plus element of the Working Tax Credit and the £1,500 In-Work Training Grant. Since it was introduced in April 2000, we estimate that New Deal 50 plus has supported in the region of 150,000 job starts among older people.

• Outreach pilots are testing with voluntary and private sector organisations innovative ways of increasing the awareness of those over-50s who have become disengaged from the labour market of the job opportunities and back-to-work help that is available through Jobcentre Plus.

• Mandatory back-to-work activity pilots are testing whether intensive back-to-work help, provided on a mandatory basis through New Deal 25 plus to people age 50 to 59, helps to increase job outcomes.

• From October 2004, Pension Credit became an eligible benefit for voluntarily accessing provision through all of our back-to-work programmes, making available a wide range of help and support to jobseekers aged over 60 who still wish to remain close to the labour market.

New Deal for Skills

2.49   For many people lack of skills and qualifications is one of the obstacles to be overcome in returning to work. Around 40 per cent of people on Incapacity Benefits have no formal qualifications (compared to 22 per cent of unemployed people) and around 15 per cent have basic literacy and numeracy problems.[37] A New Deal for Skills, aimed at helping people move from low-skilled economic inactivity and into sustainable employment, is also being introduced progressively from April 2005. The main features were set out in the March 2004 Budget:

• an integrated package of measures of support for those who have significant skills gaps that act as a barrier to sustained employment;

• from April 2005 a new Skills Coaching service to provide a one-to-one service for low-skilled benefit claimants, both those in receipt of Incapacity Benefit and those on JSA; and

• trialling a Learning Option to give clients £10 a week on top of benefits if they take up their entitlements to free tuition, for example a full Level 2 qualification for those who lack one.

This adds up to a comprehensive approach to equip unemployed and inactive people to return to employment if they are able to do so.

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37 Source: DWP, November 2002, Green Paper Cm 5690 *Pathways to Work: Helping People into Employment*.

The Government's programme

- An ambition of an 80 per cent employment rate overall, including a million more older workers.

- Age equality in employment law in 2006, supported by a Commission for Equality and Human Rights.

- An improved Age Positive campaign to help change employer attitudes.

- New pension rules to give incentives to stay in work.

- Better information and guidance so people can refresh their skills, plan for their later careers and retirement.

- Extending learning opportunities for older workers so they have the skills to stay in work.

- New rights for carers.

- Reform of Incapacity Benefit, helping people back into work.

- Support for unemployed people to find jobs and re-skill.

3

Active ageing

CHAPTER 3
Active ageing

Summary

Our vision is of a society where later life is as active and fulfilling as the earlier years, with older people participating in their families and communities.

In the past, older people have often been treated as dependent and a drain on society. The reality is that so many contribute a huge amount as grandparents, volunteers and in numerous other ways.

The primary responsibility for keeping active and participating in society lies with older people themselves. Central government and local authorities need to work with them to help unlock the even greater potential that exists for them to contribute. Our collective task is to remove the barriers that can inhibit participation by older people.

In order to make that a reality, central government and local authorities, and the voluntary sector where appropriate, will work together to:

- identify and tackle issues that limit older people's ability to get the most out of life, including rooting out age discrimination and tackling poor housing and fear of crime;

- ensure that older people can be actively engaged locally in influencing decisions that affect their lives, such as planning local public transport;

- ensure that older people have access to opportunities locally, such as learning, leisure and volunteering; and

- promote healthy living at all ages – older people are better able to enjoy good health in later life if they looked after themselves when they were younger.

Principles

- Older people, like everyone else, have the right not to be discriminated against. *We will take steps to ensure that older people are able to maximise their potential, unhindered by prejudice.*

- Local authorities should take the lead role in planning for the ageing of their communities. Mainstream services such as transport should reflect the changing nature of society just as much as services directed at old age. *We will ensure that central government provides local authorities with the support they need to assume that leadership role.*

- Older people have the right to feel safe at home and safe on the streets. *We will continue to develop our anti-crime initiatives and ensure that older people are involved in the design of local strategies.*

- Older people have a right to live in decent accommodation. *We will ensure that an increasing proportion of older people are able to do so.*

- The years after retirement should be active and fulfilling. With longer, healthier lives, there is no reason to equate 'pensioner' with dependence. *We will actively seek ways of opening up more opportunities for older people to learn, enjoy leisure activities, and be involved in volunteering.*

- As well as rights, older people are citizens and as such have responsibilities like all of us to contribute to society. They can do this in many ways, not least by taking sensible steps to look after their health and by sharing their wisdom and experience with the generations that follow. *We will continue to support and encourage older people to seize opportunities.*

The components of active ageing

3.1   The years after primary employment are beginning to look very different from the picture in the past. First, we are living longer. Around a third of adult life is lived after the age of 65.

3.2   But we are not just living longer; we are living differently. We are healthier, more active, more conscious of our rights as consumers, better educated, and more willing to try new experiences than ever before.

3.3   That is not to ignore the fact that people can develop needs for care or health

services, and we discuss how we can improve service provision in Chapter 4. But the fact that we are living longer and healthier lives has profound implications for how we design policies to make sure older people can get the most out of later life and that society as a whole can benefit from what they have to offer.

3.4   We have listened to older people through consultations and through the Partnership Group, which brings together a range of older people and organisations representing them to advise the Government. Through these listening mechanisms, we have identified a number of areas that are central to the promotion of active ageing and where central government and local authorities need to act. They are:

- **age discrimination:** taking action to build a society where every individual is able to achieve their potential, free from prejudice and discrimination;

- **influencing local decisions:** ensuring that older people are involved in planning that impacts on them;

- **safe at home and on the streets:** removing the barrier to participation that results from crime and fear of crime;

- **housing:** ensuring that housing is of a decent standard;

- **transport:** ensuring that older people's needs and aspirations are at the centre of local thinking about public transport strategies and providing free, off-peak local area bus travel;

- **learning:** ensuring that older people have fair access to learning opportunities;

- **leisure:** ensuring that older people are encouraged and supported to engage in leisure activities and to utilise local leisure facilities;

- **volunteering:** maximising the opportunities that older people have to become involved in volunteering activities; and

- **health:** promoting healthy living to prevent ill-health that inhibits potential.

Rooting out discrimination in all its forms

We will take further action to tackle discrimination, if necessary, and will simplify the law.

3.5   We are establishing a new Commission for Equality and Human Rights (CEHR). It will have a key role in spreading awareness of the new, age employment legislation among individuals, businesses and the public sector and in providing practical support. It will have specific enforcement powers for this legislation and for the other areas of discrimination legislation covering disability, gender, race, religion or belief and sexual orientation.

3.6   The CEHR will tackle age discrimination beyond employment and training by combating ageism and other forms of prejudice and stereotyping and by promoting an understanding of the importance of equality, diversity and good practice widely. It will work in partnership with the public and private sector to tackle unfair and unequal treatment, whether it relates to age, race, gender, disability, faith or sexual orientation. It will have powers to carry out inquiries into problem areas in equality, diversity and human rights to deepen understanding and provide recommendations for improved policy and practice. The CEHR will also have a role in helping public bodies fully understand their

responsibilities under the Human Rights Act, thereby putting dignity and respect for individuals at the centre of public services.

3.7   In February 2005, we announced a root and branch review of the causes of persistent discrimination and inequality in British society. The independent Equalities Review will be chaired by Trevor Phillips (current Chair of the Commission for Racial Equality) in a personal capacity. It will make recommendations on whether more should be done to tackle discrimination, and on how to tackle it through law and policy. It will report by the summer of 2006 and will provide a strong evidence base for the CEHR to use in prioritising its work.

3.8   In parallel, we are beginning a review of our current discrimination legislation to inform the development of a simpler, fairer legal framework. The aim of this will be to develop proposals for a modern, coherent and fairer framework for discrimination legislation in Great Britain. This work will consider long-held concerns about our current framework, such as the absence of protection from discrimination on the grounds of age in the provision of goods, facilities and services. Our intention is that this work should lead to the creation of simpler, fairer discrimination law – probably through a Single Equality Bill.

Insurance

3.9   Some individuals and organisations feel that there is a problem with discrimination in pricing of and access to general insurance for older people. However, insurance companies use a variety of sources of information to assess risk, and, in many cases, premiums will vary according to actuarial data. The Government will consider with the industry whether there are cases where the criticisms made in relation to discrimination are justified.

Influencing local decisions

We will ensure that central government provides local authorities with the support they need to assume their leadership role.

3.10   Research and the recent Link-Age consultation have identified that a key concern among older people is that they should be empowered to influence the decisions about services that impact on them. This is primarily a local issue, and many local authorities already involve older people in imaginative and creative ways. Examples from Brighton and Scotland are shown below.

Example from Brighton of how older people can be involved in the design, delivery and evaluation of services

The Older People's Council is a directly elected body of older people. It exists to ensure that:

- the contribution of older people to family, community and society is recognised and valued; and

- older people are able to influence policies and services that affect them.

At the last election in 2003, nine people over the age of 60 were elected from an electoral register of 40,000 – the turnout was a healthy 47 per cent.

Members of the Older People's Council sit on a number of city forums, committees and panels.

Example from Scotland

Dumfries and Galloway is a large rural area of Scotland with a rapidly ageing population structure. Since 2003, its Older People's Services Development Group has provided a formal partnership of older people working together with service providers.

The group is a full partner in the formal planning network and has worked to ensure that older people's issues are taken seriously. It has increased the influence older people and their carers have on matters that are important to them, including informing strategic decision-making. Among its other activities, the group collates and disseminates the views of older people and their carers, and strives to improve the quality and standard of life for older people in Dumfries and Galloway. As part of this work, it has decided how to spend over £400,000 of public money on services for older people.

3.11   We want to build on examples like these so that good practice is spread nationally. That means ensuring that we have effective mechanisms in place for sharing learning between local authorities, and that central government provides local authorities with the incentives and flexibilities to develop systems that are right for their own particular areas and older populations. Chapter 5 describes how these various mechanisms work and what central government and local authorities are doing to improve them.

Safe at home and on the streets

We will continue to develop our anti-crime initiatives and ensure that older people are involved in the design of local strategies.

3.12   We know that fear of crime can have a significant impact on older people's quality of life and prevent them from participating in society to the extent they would wish.

3.13   Home security is one element of this. Although over-65s are at least risk of becoming a victim of burglary, they are more vulnerable than other age groups to distraction burglary – which is where someone uses a trick or deception to gain access to the property. In 2000, we set up a Distraction Burglary Task Force to gather information about this problem, and to identify and share good practice and increase overall awareness. As a result of this, many measures are now in place to help prevent distraction burglary including: police forces and Trading Standards working closely together to share intelligence; voluntary sector agencies and local authority providers implementing a range of schemes to improve the appearance and security of homes; and health and care providers offering information and support to some of the more vulnerable older people in their homes.

3.14   From February to April 2004, we also ran a publicity campaign to raise awareness of distraction burglary and to promote safe doorstep behaviour. *How to Beat the Bogus Caller* leaflets giving the Lock Stop Chain Check message were distributed, many regional and local newspapers published

articles on local incidents and initiatives, and local radio stations ran items about distraction burglary and how to combat it. A further distraction burglary campaign was launched on 7 March 2005.

3.15 The Locks for Pensioners scheme was part of the Crime Reduction programme, which ran for three years. Up to £12 million was allocated for the scheme to provide improved home security for low-income pensioners in England and Wales. In England, this initiative operated in conjunction with Warm Front – a scheme to tackle fuel poverty. Similar arrangements, run by the National Assembly, have covered Wales. It is estimated that, as part of the scheme, around 115,000 eligible homes were surveyed, of which around half received security upgrades making their homes safer. The remainder either did not need or did not want them.

3.16 Safe streets is another element. We now have the highest ever number of police officers patrolling our streets. By 2008, there will be 24,000 Community Support Officers (CSOs), helping to create dedicated neighbourhood policing teams and providing up to 36 million patrolling hours a year in communities.

3.17 Older people form a greater proportion of the population in rural areas than is the case in urban areas in the UK. Tackling crime in isolated rural communities can be a particular challenge. In order to ensure that crime reduction strategies reflect the needs of particular communities, we have set up Crime and Disorder Reduction Partnerships (Community Safety Partnerships in Scotland and Wales). We have been consulting with local communities from 2004 to 2005 and we will implement strategies on a rolling programme from 2005 through to 2008.

Housing

We will ensure that an increasing proportion of older people live in decent accommodation.

3.18 Living in a decent, warm and comfortable home is central to maintaining independence and well-being. Therefore, mainstream housing policy needs to reflect the issues that an ageing population raises. Yet a large part of the nation's housing stock was built with little regard for the needs of older people, who can, as a result, find themselves excluded from living an active life for no other reason than their house is ill-suited to their needs.

3.19 Over the next decades, we believe we should move progressively to a position where the lifetime use of a home is taken into account when it is built or when renovations are undertaken. This will, over time, preclude the need for some types of adaptation – including the most expensive types of access modification. In May 2004, we introduced a review of the requirements for dwellings in England, with a view to legislating by 2007 to incorporate the Lifetime Home Standards. The review will also consider whether the Lifetime Home Standards themselves need to be brought up to date to reflect new research, such as that underpinning British Standard BS 8300:2001 – design of buildings and their approaches to meet the needs of disabled people.

3.20 Older people are more likely to live in poor-quality housing the older they grow. We have made great strides in improving housing quality, but there is more to do. In England, around 45 per cent of people over 85 in 2001 lived in housing that did not meet decency standards. To tackle this, the Office

of the Deputy Prime Minister (ODPM) has a Public Service Agreement (PSA) target that, by 2010, all social housing will be in a decent condition, with most of this improvement taking place in deprived areas. We expect the proportion of older people and other vulnerable groups living in homes that are in decent condition to significantly increase.

Transport

> We will take steps to ensure that the needs of older people are taken into account in local transport planning. And we will provide free, off-peak local area bus travel for the over-60s.

3.21   Obviously, an ability to get out and about is central to enabling older people to participate in society. For older people in rural areas, the issue can be particularly acute. Concessionary fare schemes allow people over 60 and disabled people to use local buses at a reduced fare. The Government has acted to ensure that local authorities must provide half-price fares with a free pass as a minimum, but have the discretion to offer more generous or alternative schemes. In Wales, a free bus travel scheme guarantees free local bus travel for people over 60 and disabled people. In Scotland, from April 2006 the existing local scheme will be extended so that older and disabled people will be able to travel free by bus to anywhere in the country, at any time, and those who live on Scotland's islands will be entitled to two free return journeys by ferry to the mainland each year. And in his 2005 Budget, the Chancellor of the Exchequer announced that, from April 2006, free off-peak local area bus travel will be available to everyone over 60 and disabled people in England.

3.22   The Social Exclusion Unit report *Making the Connections*, published in February 2003, highlighted accessibility problems and ways to overcome them. In the light of its recommendations, the Department for Transport has asked local authorities in England and Wales to produce framework accessibility strategies in their provisional local transport plans. Guidance issued in December 2004 encourages authorities to think about the needs of various groups, including older people, when developing their strategies and proposals to improve accessibility.

3.23   These plans should provide a clearer and more systematic approach to identifying and tackling the barriers faced by everyone in the community, but especially those with difficulties in accessing key services – including healthcare, employment, education and food shops. While transport facilities will play an important part in finding solutions, the location of services and the way they are delivered has as significant an influence on accessibility as transport provision. The plans should therefore consider other approaches, for example bringing services to the customer rather than taking the customer to the service.

Learning

> We will actively seek ways of opening up more opportunities for older people to learn and will remove upper age limits from loans for higher education fees.

3.24   There is good evidence that older people can benefit substantially from continuing to learn and gain new skills as part of a fulfilling and active retirement. For example, 80 per cent of learners aged 50–71 reported a positive impact from

learning in areas such as their enjoyment of life, self-confidence, and their ability to cope with events such as divorce or bereavement, while 28 per cent reported an increased involvement in social, community and voluntary activities.[38] For many, involvement in learning represents an important form of social activity. Older people who are more highly educated experience benefits to their mental and physical health.[39]

3.25   In recent years, participation in learning and training by older people has risen. The National Adult Learning Survey 2002 showed that 51 per cent of those aged 60–69 were learners, compared with 47 per cent in 1997. In 2003/04, there were over 600,000 people aged 60 and over on Learning and Skills Council-funded courses.

3.26   We recognise the need to keep under review any existing age barriers that may prevent older people from engaging in learning. That is why we have decided that from 2006 there will be no age limit attached to higher education fee loans. We will also work towards raising the age limit on maintenance loans to match the State Pension Age.

3.27   As detailed in the recently published Skills White Paper, we have given a commitment to safeguard the continuing availability of a wide range of learning for leisure, personal interest and community development purposes. We expect older people to be significant beneficiaries of this safeguard.

3.28   There is, however, a crucial distinction between ensuring continued availability and providing all such courses free through the public purse. We believe it right to prioritise the use of public funds to help those who have no qualifications achieve a full Level 2 qualification, and to help individuals improve their literacy and numeracy skills. Substantial numbers of older people will benefit from the free tuition available. However, this does mean that some other learners, including some older people, may have to pay more for their courses in the longer term.

3.29   There is wide variation between different areas in the amount and range of learning available and the fees charged to older people. It is right that such discretion should remain in order to take account of local needs and circumstances. However, the Learning and Skills Council in England, following on from the 2003 Skills White Paper, is proposing major reforms to the way learning for personal and community development is planned and funded. These aim to meet the safeguards for this type of learning and for opportunities for older people. This will ensure greater fairness in the distribution of public funding between areas and greater alignment of the availability of local learning opportunities with national priorities.

Leisure

We are taking steps to ensure that older people can access leisure opportunities, including modernising public libraries so that they provide a high-quality service for people with disabilities, particularly visual impairment.

3.30   Longer, healthier lives give older people the opportunity to enjoy leisure

38 *Learning in Later Life: Motivation and Impact*, DfEE Research Report 138, 2000.
39 Schuller et al, 2001, *Modelling and Measuring the Wider Benefits of Learning: Wider Benefits of Learning Paper No. 1*, Institute of Education.

activities. We are ensuring that a wide range of activities can be enjoyed by them.

3.31   Museums are places for everyone to enjoy – between 2000/01 and 2003/04, the number of over-60s visiting Department for Culture, Media and Sport-sponsored museums and galleries increased by 44 per cent.

3.32   Libraries are trusted and well used by older people. They provide not only book borrowing facilities, but also access to newspapers, magazines and free internet access through the People's Network initiative. They have a key part to play in maintaining active minds. As many older people begin to struggle with disabilities, particularly visual impairment – public libraries offer services to support them. As part of the People's Network software, 84 per cent of libraries have screen magnification software and 75 per cent have text-to-speech software. In addition, there are services such as the lending of Braille, large print and audio books. Public libraries also offer housebound services and mobile libraries for those who cannot access their local library. Some 29.7 per cent of library users are over 65, and many of them benefit from these outreach services.

3.33   Free television licences for the over-75s were introduced in November 2000. As a group, over-75s are more likely to be reliant on television for information and entertainment, for reasons of poor health and reduced mobility. Free access to television is therefore a tool for social inclusion.

3.34   Digital switchover will make it possible for everybody to enjoy the benefits of digital television. It provides an improved picture and better audio performance, and offers more television and radio channels

than analogue television. Digital television also offers various degrees of enhanced and interactive services. These can include information services, e-mail and digital subtitling and audio description services to assist those with hearing and visual impairments. Already 30 per cent of retired females over 65 are taking advantage of the benefits of digital television, but we are taking steps to ensure that potentially vulnerable customers do not lose out when the switchover takes place. For example, we are in touch with the National Consumer Council, the Consumers' Association, the Voice of the Listener and Viewer, RNID for deaf and hard of hearing people, the Royal National Institute of the Blind and a number of other organisations that are helping to develop the Digital Television Action Plan.

Volunteering and citizenship

We will seek to encourage even more older people to do voluntary work, including establishing a new national co-ordinating body to drive this work forward.

3.35   We have a vision of a society where voluntary activity flourishes and where all individuals and communities are enabled to play a full part in civil society. While the level of community participation in this country is fairly high, opportunities to contribute are not evenly spread across all groups in society. We are determined that everyone should have the opportunity to volunteer, especially those at risk of social exclusion.

3.36   In particular, although the overall level of community participation among people aged 50–64 is broadly in line with the general population, as Figure 8 shows, people of Asian background are less likely than their White or Black counterparts to be involved in

volunteering. While some of this difference may be the result of different cultures and traditions, we believe that more can be done to draw on the wealth of experience older people bring to volunteering.

Figure 8: Participation in community and voluntary activities in the 12 months before interview, all adults aged 50 and over (England and Wales)
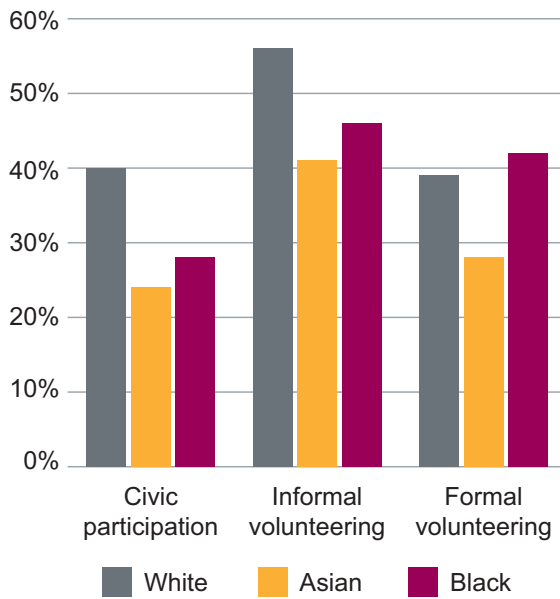
Source: *2003 Home Office Citizenship Survey: People, Families and Communities*

Civic participation is defined as contacting a local councillor, MP, etc.

Informal volunteering is defined as giving unpaid help as an individual to people who are not relatives.

Formal volunteering is defined as giving unpaid help through groups, clubs or organisations to benefit other people or the environment.

3.37   The Experience Corps was launched in November 2001 with significant financial backing from the Government. Its mission was to encourage people aged 50 and over to volunteer their skills and experience for the benefit of local communities. It has since redefined its mission to become the 'voice of experience', celebrating the achievements, commitment and dedication of its 200,000 members.

3.38   We continue to invest substantially in older volunteers – in 2004/05, we committed £4 million. We have also commissioned the Women's Royal Voluntary Service to create a new national co-ordinating body, Volunteering in the Third Age (VITA), to promote the value and impact of older volunteers, particularly those aged 65 and over. The aim of VITA is to increase the numbers of older volunteers and improve their volunteering experience by facilitating the sharing of best practice across the voluntary and community sectors.

3.39   We are exploring how to better engage older people who, perhaps through advancing health problems or widowhood, are at a greater risk of isolation or depression. We are also working to promote volunteering to civil servants who are coming up to retirement age and to encourage a greater use of volunteers of all ages in the delivery of public services.

3.40   One area in which volunteers can make a difference is in the field of sport. The Step into Sport project encourages participants to acquire the skills and confidence to get involved in sports leadership and volunteering. Up to June 2004, over 1,700 older people have taken community sport leadership awards. Funding has been agreed for this project up to 2008, and it will continue to offer opportunities for older people to become involved with PE and school sport programmes.

Healthy living in retirement

We will actively promote healthy living at all ages.

3.41   The less activity people engage in – mental or physical – the less able they become. Similarly, the longer people in their 50s remain away from work, the more difficult they find it to return. Evidence across a wide range of indicators shows the benefits of activity once people become engaged in it.

3.42   These benefits extend beyond physical and mental health. The English Longitudinal Study of Ageing found that, for each of five income groups, people with better health assessed themselves as being higher on a socio-economic 'ladder' than people with poorer health. In other words, health affected people's perceptions of their social status and economic well-being, regardless of the objective position.

3.43   Individuals can begin to turn things round for themselves by adopting healthier lifestyles. The foundations for a healthy later life are laid in childhood, but even at the oldest ages people can improve their health and quality of life by being sensible about exercise, diet and lifestyle. This is something each of us must do for ourselves, but public services will support and advise individuals in making better choices.

3.44   *Choosing Health*, the recently published White Paper on public health in England, recognised that for many adults – including older people – an active lifestyle is essential to maintaining good health.

3.45   The White Paper delivery plan includes specific proposals to encourage physical activity among older people, for example through piloting free swimming schemes.

The Government's programme

- Establishing a new CEHR to root out age discrimination.

- New ways of giving local authorities incentives to involve older people in local decision-making.

- Crime reduction programmes, such as the £12 million initiative to improve home security for low-income pensioners in England and Wales. Record numbers of police and CSOs patrolling our streets.

- Legislation planned in 2007 to require new homes to be built to Lifetime Home Standards. And the ODPM PSA has a target to increase the proportion of older people living in decent accommodation.

- All local authorities in England and Wales have been asked to draw up five-year transport plans that identify the accessibility issues affecting an ageing population and their priorities for addressing them.

- On top of existing legislation requiring local authorities to meet half of local bus fares for people over 60, from 2006 free off-peak local area bus travel will be extended to them and to disabled people in England. And free bus travel will be extended in Scotland.

- Greater access to learning, including the removal of the age cap for higher education fee loans from 2006.

- A range of measures to ensure that older people can enjoy leisure activities, including modernising local amenities such as public libraries.

- Promoting healthy living among older people through proposals in the recent White Paper on public health to encourage physical activity.

- Measures to encourage volunteering, including a new Home Office-funded national co-ordinating body (VITA) to provide a focal point for older volunteering.

4

Services that promote well-being and independence

CHAPTER 4

Services that promote well-being and independence

Summary

In developing modern public services for older people, our overarching objective is to promote well-being and independence. We want to achieve a society where older people are active consumers of public services, exercising control and choice, not passive recipients. This requires a culture change, by both individuals and providers.

We have done much to create modern, high-quality services that respond to needs. But older people can still experience barriers in accessing these services, and they do not exercise control to the extent that many of them can and want. The next stage of our reform will be to develop services further, join them up, simplify access to them and increasingly offer a range of choices to put individuals in control of their lives.

We are addressing the barriers by:

- ensuring that older people can remain living in their own home for as long as possible, in warmth and comfort;

- putting the older customer in control, for example, by individual budgets to those who want them so that they can use them to 'buy' their own care packages;

- increasing our support for carers, including older carers;

- building, for the first time, an integrated home visiting service that can offer older people a full care, benefit, heating and housing check-up, so they receive all the support they need;

- promoting healthy living among older people;

- developing one-stop access to services, including piloting a fully integrated service so that older people can ring a single telephone number for advice on the full range of services available locally;

- tackling rural exclusion; and

- tackling the specific disadvantage that black and minority ethnic elders can face.

In taking these proposals forward, we will be building on progress already made through the Single Assessment Process (which brings together assessments for health and social care), the establishment of The Pension Service (a service dedicated to tackling pensioner poverty) and Link-Age (a new concept that brings The Pension Service, local authorities and in some cases the voluntary sector into strategic and operational partnerships to deliver joined-up services locally).

Principles

- Older people should be able to retain independence and control over their lives, even when they come to need support or healthcare. Services for older people should be accessible and put the needs and wants of the individual at the centre.

- Older people are entitled to dignity and respect at all stages of their lives. That means protecting the vulnerable from abuse and setting high standards for services.

- Older people, like any other group in society, have complex lives; this should be reflected in public services for them. An individual older person might need financial support, care or NHS services, but equally, and possibly at the same time, he or she might want access to life-enhancing activities such as sport or volunteering. Services should support independence, not foster dependency.

Modernising public services

4.1   We are committed to the development of modern public services that meet modern expectations and aspirations.

In that context, the Prime Minister has set out four principles underpinning public sector reform. These are:

- national standards and a clear framework of accountability;

- devolution and delegation to the front line;

- more flexible arrangements for service delivery; and

- expanding choice for the consumer.

4.2   For older people, we intend to translate those principles into modernised services that make a real difference to individuals, wherever they live and whatever their ethnic background. We will develop services that will become increasingly:

- **focused on the promotion of well-being and independence**: we will help older people to retain independence and control over their lives, even when they come to need support or healthcare;

- **easy to access**: we will develop services in a way that means older people will have easy access and will have to give information only once;

- **customer focused**: we will organise services for the convenience of the individual customer, not the provider; and

- **aimed at tackling social exclusion**: all older people are entitled to dignity and respect at all stages of their lives. We will organise services to work for the most excluded, ensuring that they are respectful, flexible and culturally appropriate.

Promoting well-being and independence: what do we mean?

4.3   This chapter is about how we can best shape public services to give individuals greater control and choice so as to promote their independence and well-being. Chapter 1 set out the different factors that older people see as most important to their well-being and quality of life. While some of these – such as good social networks – depend on individuals, families and communities rather than on public services, public service provision is a key factor in many older people's lives. As people become older and frailer, more services tend to be engaged.

4.4   The three key groups of services that help older people remain independent, comfortable and warm at home are:

- **support at home:** providing support, care and alternative housing options in ways that ensure older people themselves have control over the package of support;

- **income:** the delivery of pensions and benefits, such as Pension Credit, Housing Benefit, Council Tax Benefit and disability and carers' benefits; and

- **health:** building effective partnerships between the NHS, local communities and older people themselves to keep them healthy.

Support at home: ensuring that homes are fit to live in and, where necessary, providing care and support

A home fit to live in

4.5   Generally, older people want to remain living in their own home for as long as possible. Sometimes, that means providing adaptations or other support. That support comes in a variety of guises:

- **Supporting People** is a new programme introduced from April 2003 to bring together and improve housing-related assistance previously split between the benefit system and a variety of local programmes. Older people are the biggest group assisted under Supporting People and, in England, accounted for £339 million of its budget of £1.8 billion in 2003/04. More than 950,000 older households were helped through this programme. The overall budget will continue at a similar level until 2007/08. Most recipients of Supporting People help currently live in sheltered or extra care housing. About 60,000 live in other settings. We want to increase the proportion of users who live in owner-occupied housing. The box below describes the scheme in more detail. In Scotland, we estimate that in 2003/04 about a quarter of the £426 million Supporting People budget was devoted to helping about 77,000 older people live independent lives.

Supporting People

Launched in April 2003, the programme provides a range of housing-related support services to enable vulnerable people to live independently. For older people it commonly provides:

- support with daily living skills: older people may need to learn new living skills, for example if they lose a partner who had exclusively handled aspects of household management, or they may need help reacquiring those skills;

- low-level housing-related practical support, such as helping to find a handyman or gardener;

- support in accessing benefits, health and personal care services: information, advice and help in claiming benefits or accessing the community care and health services that older people may need;

- community alarm services and Telecare, which send help when the alarm is triggered automatically or by older people themselves to monitor their safety and well-being;

- help in establishing or maintaining social support: older people can become isolated and may need help to set up new and maintain existing social support networks; and

- Emotional support and befriending, including counselling, to help older people manage stress or isolation.

- **Extra care housing** offers a model of service delivery that allows people who need a good deal of assistance to stay independent, living in their own homes with a range of facilities and support designed to meet their needs. The model can be used to provide accommodation and services to a range of people with social care needs. Through the Department of Health (DH)-initiated Extra Care Housing Fund and the Housing Corporation's Approved Development Programme, we are providing £180 million towards new extra care housing units in 2004–06. DH's original target of producing 15,000 new extra care housing places between 2004 and 2006 is on line to be exceeded in the first year of the programme. We believe that extra care housing promotes independence and choice through a sustainable model and, given the success of the programme, an additional £60 million for new extra care housing was announced in the 2004 Spending Review. This new funding will be made available in 2006–08.

- **The Disabled Facilities Grant** is a grant to adapt the homes of people with disabilities and is administered by local authorities. It is means-tested and subject to a limit of £25,000 at any one time. On average, 37,000 grants are made each year for about £5,500 each. In 2003/04, about £140 million went in grants to older people under this programme, out of a programme total of £200 million. A cross-departmental review of the operation of the grant will report in May 2005.

- **Improving home security**: between 2000 and 2002, the Locks for Pensioners scheme installed home security improvements in 56,000 pensioner households at a cost of £5.5 million and checked a further 71,000 homes.

- **Warm homes**: no older person should have to live in a cold home, so we have set a target to eradicate fuel poverty by 2010 for vulnerable households in England – all households containing a person over 60 and in receipt of certain benefits are included in that definition. All parts of the UK have a target to eradicate all fuel poverty by 2016–18. We have already made significant progress, cutting the numbers of older people in fuel poverty by half since 1997. In part, this demonstrates the success of the Department for Environment, Food and Rural Affairs' (Defra's) Warm Front scheme (and parallel schemes in other countries of the UK), which provides grants for heating and insulation measures for people on certain benefits. To date, over 950,000 households in England have received assistance. The scheme has now been provided with an extra £140 million funding from the 2004 Spending Review. In Scotland, the Central Heating Programme provides free central heating, insulation and energy advice to all pensioners, whether or not they receive benefits.

- **Improving services that help people live at home**: the Access and Systems Capacity Grant (£584 million in 2005/06) expands the range of services provided by social services, and the Delayed Discharges Grant (£100 million in 2005/06) supports local authorities' responsibilities following discharge from hospital. A similar scheme operates in Scotland, as one of the Executive's Partnership Agreement commitments to reducing delayed discharge.

4.6   We need to ensure that these various forms of support work together as effectively as possible. For example, the Audit Commission's reports in 2000 and 2002 on equipment services said these services were badly organised and poorly co-ordinated across health and social services. Therefore, we committed ourselves in the NHS Plan to establish an integrated system for equipment services by 2004 and this is now up and running.

4.7   The next step will be to see how far we can go in integrating wider services, and we discuss later in the chapter how we propose to do this.

Helping people stay in their own homes: a case for more low-level support?

4.8   Over recent years, many more people than before have been helped to remain in their own homes. This has been achieved through shifting the focus of care, with far more hours of help being delivered to a smaller but higher-need number of households – those most at risk of moving into residential care. This is illustrated in Figure 9.

Figure 9: Changes in the number of households receiving home care services and the number of contact hours, 1993–2003 (England)

Households receiving home help or care (left-hand axis)

Average number of contact hours per household per week (right-hand axis)
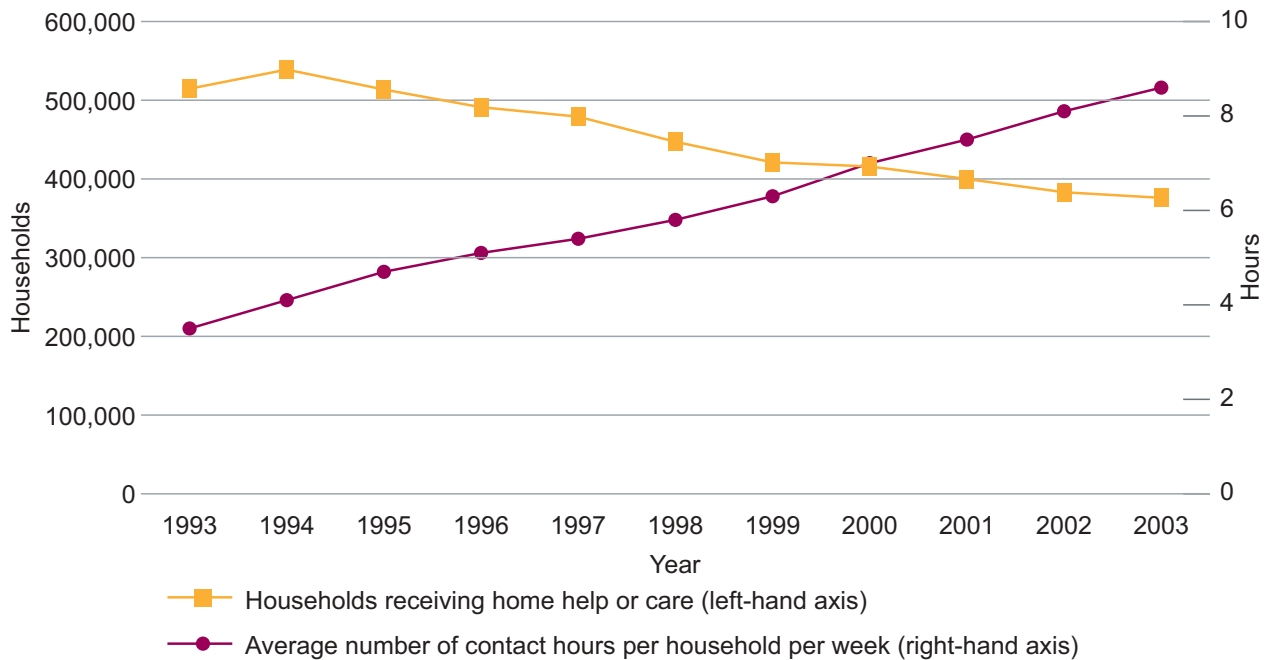
4.9 Since 1998, the number of households receiving intensive home care in England has risen by 43 per cent, 662,000 people aged 65 and over being helped to live at home in March 2004. Alongside this, there has been a reduction in the proportion of the oldest people needing to enter residential care. In Scotland, similar trends towards increased care at home are evident, and a range and capacity review is currently modelling different care scenarios accordingly. The Scottish Executive, NHS Scotland and local authorities will be involved in drawing up a new seamless strategy for healthcare and community care for older people. The Executive has also just published a new framework for joint services for older people, *Better Outcomes for Older People*.

4.10 Improving the quality of life for more older people by helping them to live at home was a target we set in 2002 to support our National Service Framework (NSF) for older people. It committed to helping more people stay in control of their own lives by ensuring that 30 per cent of people receiving local authority care did so at home. That target has now been met, two years ahead of schedule.

4.11 We need to maintain a focus on this high-level support to the most vulnerable, but consider how we can support those with lower-level needs.

4.12 A consequence of the shift in focus of social care is that fewer people now receive low or medium formal care through local authorities, despite a large increase – 77 per cent – over the decade in the total number of hours of care delivered. However, it continues to be the case that too many older people are admitted to hospital as an emergency because the right community services are not available. It has been argued that an increase in preventive measures, including more low-level support, would reduce this problem. Preventing falls, for example, is a major contributor to independence and well-being among older people and greatly reduces the need for

expensive interventions by the NHS and social care. This was recognised in our commitment to introduce a local integrated falls service in England by April 2005. We are on track to meet this commitment.

4.13   Evidence suggests that there are substantial potential benefits for older people in low-level prevention aimed at improving well-being and involving the whole range of local services, such as housing and transport. In consultations and research, older people themselves identify the provision of low-level support as a gap to be filled. And in its recently published report, *Excluded Older People*, the Social Exclusion Unit (SEU) focused on when these services can be effective at preventing exclusion, targeted on the right person at the right time, for example when a partner or carer dies.

4.14   We believe that, in principle, there is a case for refocusing resources on preventive low-level care over the longer term. However, in order to develop robust future strategies using finite resources, we need to understand the costs and benefits of a preventive approach more clearly.

Control and choice through individual budgets

4.15   So far, we have discussed the extent and focus of social care and other support. But another crucial issue is the form in which that help is made available – notably whether it is provided directly or in the form of an individual budget that the older person can use as they see fit – either as services, cash or a combination of both.

4.16   As we say in our Green Paper *Independence, Well-being and Choice: Our vision for the future of social care for adults in England,* older people should have

choice and control over the resources spent on their behalf by the state. In England, between 1 and 2 million older people currently receive support from the state for personal social care, housing and other services. These services account for over £7 billion of public money and are there to support and assist older people to improve their quality of life and enable them to live more independently. But the resources will achieve these outcomes only if they put older people at the heart of service delivery through much greater choice and control.

4.17   At present, support for older people who need care or assistance comes in a mixture of forms from different sources within government. It can be in the form of cash benefits, services or occasionally a choice between the two.

• Social security benefits represent the primary cash source – mainly from Attendance Allowance (and Disability Living Allowance for those whose need for care arose before age 65).

• The provision of care and support in older people's own homes is arranged by social services and the NHS.

• The financing of long-term support in care homes is provided on a means-tested basis.

• In addition, there is the range of support set out above to help adapt older people's homes so that they can remain there safely and comfortably for longer, or (via Supporting People) to provide support for older people in sheltered housing, such as warden services.

• In Scotland, free personal as well as nursing care has been in place since 1 July 2002.

4.18   In order to enable older people to have greater choice and control of their social care arrangements, Direct Payments have been available to older people since 2000 to enable them to take cash in lieu of care. The programme has transformed the lives of those who have been able to take it up. But although the number of older people using Direct Payments has recently increased, it remains – at only 6,300 in 2004 – a fraction of those we believe want choice over their lives.

4.19   It can sometimes be difficult for older people needing care to make full use of Direct Payments because of the degree of responsibility involved in managing all aspects of a budget, for example, in becoming the employer of a care assistant. The complexity of this approach can be a major barrier to take-up. For some older people, Direct Payments in cash are likely to remain an attractive option, but for others we want to develop a system that has the advantages without the downsides.

4.20   We therefore propose to pilot the introduction of a new system of individual budgets for all older people eligible for social care or other support. We believe this approach will enable users to exercise much greater control and choice over their arrangements, and to be supported to do so.

4.21   In an individual budget, the resources that the state has allocated to meet an older person's needs are made clear and are held in that person's name – somewhat like a bank account. The client controls this resource, and uses it to have choice and control over how and when they

Diagram 1: The key elements of an individual budget – a pilot model
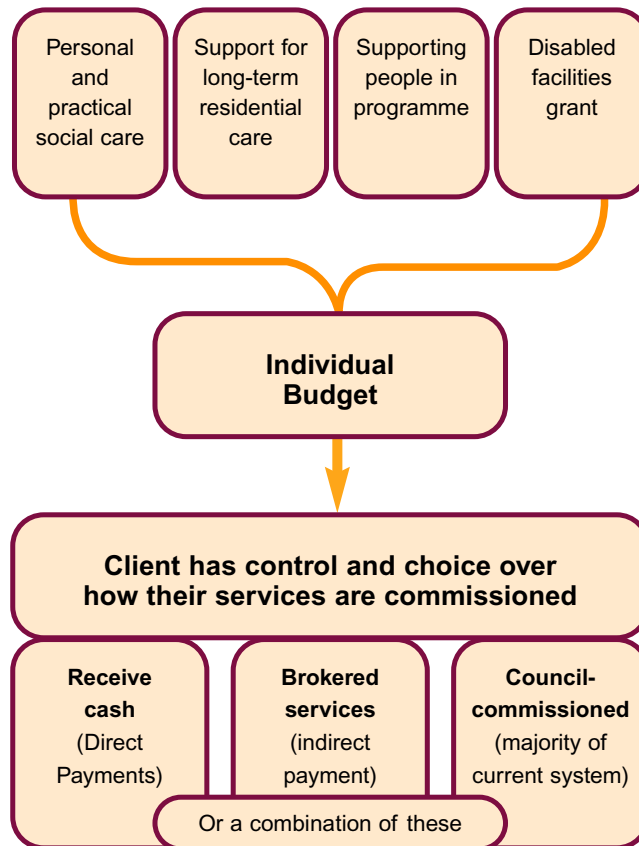
want to receive care and support, with resources taken as a combination of:

- cash (as in existing Direct Payments);

- services brokered by their adviser; and

- council-commissioned services (the current default).

The individual budget is created by assessing an individual's needs for the range of services included. This needs assessment is used to allocate the individual budget, which is expressed in money terms and takes account of the client's financial situation.

4.22   Individual budgets are built on the principles of choice and flexibility. They develop the Direct Payments model in two key ways, which are:

- **flexible**: in general, an individual will still be able to receive the value of their support as a cash payment (though some specific budgets may need to be tied to particular purposes). However, if they find this too burdensome, they can opt to have the money held by a care manager or other third party who would deal with administering it on their behalf; and

- **personalised and integrated**: Direct Payments cover social care budgets only. But individual budgets will be piloted to bring together resources from beyond social care to include housing support and other funding streams. Different ways of pooling these resources could be trialled in pilots – for example, housing elements might be ring-fenced for purchasing housing adaptations in some pilots, while in others more flexible models will be trialled. This will enable individual needs to be met more holistically, with services shaped genuinely around the needs and capacities of each individual, rather than forced into a pre-existing pattern of service provision, whether in social care, housing or elsewhere.

4.23   Local authorities could also be granted a permissive power to include other discretionary services in individual budgets, for example leisure and transport servcies provided by individual councils. The scope of these could be explored further in pilots.

4.24   Individual budgets will be linked to a Care Concordat, agreed through the decision-making process by an older person, their client manager and a third party (for example a carer or independent advocate). This agreement will set out:

- the assessed needs of the older person;

- which of these needs are eligible for assistance;

- the resources available in the individual budget; and

- how this money is to be spent to meet the individual's needs and to achieve the agreed outcomes – in particular, who will spend the budget (the older person or another party on their behalf) and what the budget will be spent on to ensure that their needs are met (ie the personalised service package).

4.25   To make individual budgets truly effective, they need to be accompanied by other reforms to existing policy, many of which build on existing work already being carried out by government:

- a transparent and **simplified assessment process** of need and ability to pay, which unifies the current complex and costly assessment processes. This model will be built on lessons learnt from the In Control pilots, the existing Single Assessment Process for health and social care and the Link-Age project;

- **a single 'client manager'** at the local level with whom the user agrees resource levels and care plans. The single case manager will help the client navigate the various services available to them that are provided by the state;

- **a transparent financial allocation** by local authorities, so that given levels of need and ability to pay lead more automatically, according to published criteria, to a clear resource allocation within an individual budget; and

- **independent advice and advocacy** built in from the start, so that older people have the support they need to make informed choices.

4.26   These aspects of individual budgets, which are integral components of the policy package, will be tested in the piloting process due to start later this year. They will remove the key barriers to the take-up of Direct Payments identified by the Social Exclusion Unit in *Excluded Older People*, empowering the most excluded to take advantage of this approach and enjoy choices and control previously unavailable to them. We will extend the pilots to the Supporting People programme with caution. We will include this programme in 9 of the pilots but the maximum amount of Supporting People funding exposed to individual budgets in any one authority will not exceed 1% of that authority's annual allocation.

4.27   Overall, we are confident that by extending choice and by simplifying assessment processes, which currently can be too complex, overlapping and bureaucratic, these proposals have the potential to bring significant value for money benefits. Our aim is that they should be affordable within the current local authority budgets and not impose a new burden on local authorities.

4.28   Pilots of individual budgets on these lines will commence later this year. If the pilots show the anticipated benefits, we will begin rolling out individual budgets nationally within the lifetime of the next Parliament.

Support for carers

4.29   Of course, no analysis of the care support system would be complete without acknowledging the contribution made by family members. Most older people do not receive any kind of formal support for their needs. Only around one in five women aged 75 and over receives paid help, and at younger ages the proportions are much smaller. At all ages, family members are the principal support-givers. This is likely to be the case as far ahead as we can see. No strategy that depends solely on 'growing' the paid support sector to meet future needs can be successful or affordable. Consequently, at the heart of our long-term strategy must be policies that recognise and support carers in the vital role they play.

4.30   The strategic challenge is fourfold:

- firstly, to encourage wider neighbourhood support for carers. This requires cultural change and is addressed by our policies to achieve sustainable communities and promote more active citizenship;

- secondly, to enable people of any age with substantial caring responsibilities to strike the right balance between their caring responsibilities and the rest of their lives. In April 2000, we introduced a new Carers' Grant of £140 million over three years in England to encourage authorities to develop new services to give carers a break. For 2004/05, we allocated a further £125 million which we expect authorities to use for this purpose. And our employment policies, set out in Chapter 2, will assist carers in the future to balance work and caring more effectively;

- thirdly, to protect the income and future pension expectations of people who sacrifice earnings or other opportunities because of their caring role. Steps include: providing them with additional pension from April 2002; increasing the earnings they can have while still receiving Carer's Allowance to help them stay in work; and introducing a new two-month bridging period to protect carers' income when the person they cared for has died; and

- finally, to recognise that a significant share of family caring is undertaken by people who are themselves already past State Pension age. The role of older carers is likely to increase in the future. That is why an important element of our reforms has been to enable people who started to have caring responsibilities after 65 to claim Carer's Allowance.

Income: the delivery of pensions and benefits

4.31   Chapter 1 set out our policies for ensuring that older people have a decent income in retirement. In addition, in his 2005 Budget, the Chancellor of the Exchequer announced that anyone entering hospital from April 2005 will continue to receive their full state pension, Incapacity Benefit, Severe Disablement Allowance and Income Support for the full duration of their stay in hospital. People who entered hospital before April 2005 and have had their benefits reduced under the current downrating rules will have them restored to the full rate from April 2006.

4.32   But the way in which we deliver our pension policies is important too, particularly in relation to the take-up of benefits. The great majority of people over 65 receive pensions, and many receive other benefits too. Often benefits form the greater part of overall income. Delivering these services efficiently and in a way that clients find acceptable is a key part of the way the state relates to older citizens.

The Pension Service

4.33   The creation of The Pension Service in 2002, and the introduction of Pension Credit in 2003, were major steps forward in delivering modern services to millions of older people. They moved us from a position where obtaining the right support involved completion of lengthy claim forms and office visits to one where:

- pensioners have a dedicated service;

- a local service is focused on visiting those older people who need home visits;

- claims to Pension Credit (which replaced the Minimum Income Guarantee) and other relevant benefits can be taken over the telephone; and

- the Pension Credit claim form has been reduced from 40 pages to 10.

4.34   In the longer term, we want to move to a position where we will be able to make payment of Pension Credit more automatically, with minimal need for claim completion. This step-by-step approach is already delivering real benefits for customers wishing to claim state benefits.

Link-Age

4.35   In 2004, the Department for Work and Pensions (DWP), in collaboration with other government departments and the Local Government Association, developed a Link-Age model which met our 2001 manifesto commitment to provide a better integration of health, housing, benefits and social care for older people. Link-Age involves local networks of services for older people, and is already taking steps to bring some of the services together.

4.36   The three key elements in the initial phase of work are:

- **joint visiting teams**: for the first time, an integrated visiting service that can offer older people a full, personal care, benefit, heating and housing check-up so they receive all the support they need;

- **'Alternative Offices'**: having listened to what older people tell us they want, we have introduced a new arrangement that enables them to lodge claims to benefits with local charities, rather than government agencies, if they so wish. They do not have to send documents to The Pension Service; and

- **a £13 million Partnership Fund**, which supports not-for-profit organisations to run innovative pilots aimed at encouraging take-up of benefits, particularly among those we know are the most likely to miss out on entitlements, such as some minority ethnic groups or those who are socially excluded. Defra contributed £1.72 million to this Fund for pilots targeted at the most deprived quarter of rural districts.

4.37   These are very significant developments, but we discuss later in the chapter how we can develop them still further so that, as well as helping to ensure take-up of benefits, they can also help individuals access care and housing support as part of a seamless service offering.

Health

4.38   Maintaining good health is a dominant concern for older people. It is the key to a good quality of life and to fully independent living. It is also important for the functioning of the NHS that older people keep well, and that acute conditions are not allowed to develop when they could be prevented.

4.39   Of course, maintaining good health is not just a matter for government and the NHS. Older people have a responsibility to look after themselves, often with the help of their families, and to choose healthy and active lifestyles that reduce the risk of disease and harm wherever possible.

4.40   The foundations for good health in old age are laid early in life, so part of our strategy to meet demographic change is to give a sure start to children and young people. But activity, good diet and mental stimulus can improve chances at any age.

Promoting health	Then	Now
Take-up of flu vaccinations (65+)	65% (2000)	71% (2004)
Still quitting smoking after four weeks (60+)	12,900 (2000/01)	42,900 (2003/04)
Screened for breast cancer	103,000 (2000)	148,700 (2003)

4.41   We have made good progress in promoting health among today's older people and in changing attitudes, particularly in tackling age discrimination in the NHS. Building on these foundations, our ambitions for the future are:

- to promote health and enable well-being: we discuss in Chapter 3 the actions we are taking to promote active ageing. Mental and physical activity, allied to healthy diet and smoking cessation, can have a dramatic effect on the health of older people; and

- to continue to strengthen services for old-age conditions, including giving priority to tackling mental health problems in older people. Examples of progress include:

  – since 1991, substantial increases in the numbers of consultants in old-age psychiatry and medicine; and

  – progress in the early detection of treatable illnesses through the Single Assessment Process (described later in the chapter).

4.42   Despite this progress, there is more to do. In 2004, we published three important documents that set out the next steps for improving health overall in England, and for the health of older people: the NHS Improvement Plan, *Better Health in Old Age* and the White Paper *Choosing Health: Making healthy choices easier*. As we develop plans within this framework, key issues for older people's health are:

- joined-up working between health and local authorities to align plans and targets most effectively;

- moving forward in anticipating and preventing ill-health, for example by developing intermediate care facilities to pre-empt the need to enter hospital, not merely to provide convalescence afterwards, or by scanning for risk of fractures in high-risk people with a history of falls;

- building capacity to deliver more responsive, timely services, for example to see everyone in a specialist clinic within one week of a mini-stroke instead of the current performance of seeing 50 per cent of people in two weeks;

- an improvement in mental health services; and

- better management of complex and long-term conditions.

4.43   Central to taking forward our health agenda in England is the NSF for older people. One of the core principles of the NSF for older people is that services should be available to meet the identified health and social care needs of those who need them, regardless of age. This principle was reiterated in our latest NSF, which was published on 10 March. It will transform care and support services for people of all ages with long-term neurological conditions.

4.44   This new NSF aims to improve the lives of people living with long-term neurological conditions such as Parkinson's

disease, multiple sclerosis, motor neurone disease and acquired brain and spinal cord injuries, and to help them live as full and independent a life as possible. Key themes in the NSF are:

• putting the individual at the heart of their care, providing person-centred care, and giving people information in order to make decisions about their treatment and care and how they want to live their lives. This will include comprehensive assessments and regular reviews of needs, joint health and social care plans, and self-referral;

• better provision of rehabilitation in hospital and in the community;

• better access to a flexible range of services, including rehabilitation, equipment, accommodation and personal care to help people live as independently as possible;

• comprehensive palliative care services towards the end of life; and

• support to families and carers to meet their needs, both as carers and in their own right.

4.45   The NSF focuses on neurological conditions, and includes 11 quality requirements based on evidence from services for people with those conditions. But the intention is that the principles and themes set out in the NSF will apply equally to the millions of people living with other long-term conditions, for example by demonstrating the importance of person-centred care for everyone who uses health and social care services. Similarly, the evidence in the NSF about the value of improving access to assistive technology and expanding palliative care provision can

apply to people of all ages living with disabilities and persistent pain.

4.46   Key to the delivery of the NSF is a new approach by all care professionals to working together across service boundaries. And that shared, multi-disciplinary approach has to be taken at all levels. That is why ministers have charged Professor Ian Philp (National Clinical Director for Older People's Services) and Kathryn Hudson (National Director for Social Care) with the task of jointly leading delivery of the NSF.

4.47   Addressing the needs of vulnerable, including older, people who lack capacity to make decisions for themselves is an important part of our strategy, and we are doing this through the Mental Capacity Bill. More than 2 million adults in England and Wales have limited capacity to make decisions, and nearly 6 million people care for them. With our ageing population, these figures are likely to rise. The Bill provides a legal framework for making financial, health and welfare decisions on behalf of those who lack capacity, updating current provisions for appointing attorneys, replacing the receivership scheme with court-appointed deputies, and creating a new Court of Protection. Provision is made for a new Independent Mental Capacity Advocate to represent those who have no one to speak up for them when important decisions are being taken about treatment or residence. The Bill's assumption of capacity means an end to the days when people were simply labelled 'incapable'. Instead, they will be empowered to make as many decisions as possible for themselves. In Scotland, the Adults with Incapacity (Scotland) Act 2000 has a similar function.

Diagram 2: Information for assessments to access different sources of help and information given for each programme of assistance

Dorothy is 83. She lives alone in a house with an upstairs toilet and bathroom. She has had a fall and broken her hip, and now needs help to continue to manage at home. She might be eligible for assistance from several different sources. These are the current processes she has to undergo. (NB: there is no single prescribed Supporting People process, but the same questions apply.)

Attendance Allowance (AA)	*Single Assessment Process (SAP)*	*Supporting People*
Attendance Allowance is a state benefit for people who need help with daily living. To claim it she needs to fill in a 28-page form. National (UK-wide) criteria apply, and it is not budget limited or means-tested. Her doctor has to support the information she gives on it. Dorothy spends several hours completing the claim form for AA. *She has to list all her medical conditions* (osteoporosis, arthritis, high blood pressure) *and what medication or treatments she has for each one; what care or help she currently gets and from whom; her GP; what routine daily tasks (such as washing or dressing) she can't perform on her own; how much help she needs; any equipment she uses (her walking stick); and if she needs any supervision to prevent danger to herself.*	The SAP is a joint assessment by health and social care agencies of the whole range of needs. She is interviewed while in hospital by a team of health and care professionals to explore her health problems and her ability to manage independently, and to assess what health and personal care she needs, and from whom. In the course of the interview, Dorothy is questioned about all her *medical conditions and what medication she is receiving*. She is also asked about her general physical and mental condition, her diet, and if she has had a flu jab. Again she is asked about *her ability to conduct routine daily tasks (personal, such as washing and dressing, and household, such as cleaning and shopping) and what support she has from family or other informal carers* (her daughter); *her personal safety when alone in her own home; her home* (its suitability in terms of location and *what difficulties it presents with no downstairs toilet or bathroom); her mobility and ability to use the stairs;* and proximity to amenities and transport. Also the team looks at *how well she manages money and paying bills;* and her *financial situation, to see if she is claiming the benefits she could be entitled to.*	Supporting People provides housing-based support to enable vulnerable people to live independently in their own homes. Dorothy is visited by a social worker at home to look at what help she needs to enable her to continue to manage in her own home. The social worker then investigates possible Supporting People services available that may be able to help Dorothy. Staff from the Supporting People services then visit Dorothy to assess her needs in more detail. The staff from the Supporting People services ask Dorothy about *her ability to manage independently in her own home and her ability to manage her bills, budget and finances*. They also ensure that she is *maximising her income and receiving appropriate benefits. They assess her ability to manage her own accommodation in terms of safety, security and awareness,* as well as her awareness of her responsibilities as a home owner. She is asked about *her existing social network and relationships with family and friends*, and whether she needs to establish these.

Bringing it all together

4.48   As this chapter has shown, we have made significant headway in developing programmes of support for older people, such as Link-Age. However, older people can still find it difficult to make the best use of the options available to them, for example by claiming Attendance Allowance as soon as they can or by taking decisions at the right time about their future accommodation needs.

4.49   The principal factor limiting older people's use of services is the bureaucratic and complex process required to claim them. The table on page 58 illustrates some of the complexity of the current system.

4.50   We therefore plan to develop our Link-Age model further, building more effective links between different parts of central government, local authorities and other organisations to join up the various parts of the system. Our plans are summarised in the box below.

4.51   The common theme in these areas of work is a new approach to service delivery that puts customers first, ensuring that they have control and choice – that is the thrust of our Green Paper, *Independence, Well-being and Choice*. Indeed, some local authorities are already making progress in delivering such customer-focused services.

The key strands of new work:

- **Easy access to information about services**: we are working with local authorities to develop single access points for information about services available locally, including e-methods for those who find them convenient; and we are developing a new 'welcome pack' to be sent automatically to people reaching age 65, setting out the range of services available to them.

- **Customer focused**: we will give older people more choice about how they make claims to Pension Credit and other benefits, because they have told us that is what they want; we will pilot a new single care assessment, so that older people with care needs have to give information only once; and we will pilot a Link-Age Plus service that delivers a fully integrated service to the individual.

- **Focused on promotion of well-being and independence**: we will equip front-line public sector staff so they can advise and signpost on a wide range of service offerings, including leisure, life-long learning and volunteering opportunities.

- **Aimed at tackling social exclusion**: we will build new partnerships between The Pension Service, fuel poverty scheme providers, such as Warm Front in England and similar schemes in the devolved administrations, and utility companies to eradicate fuel poverty.

Nottinghamshire example

Nottinghamshire County Council has approached the Link-Age concept from a history of partnership working with older people, voluntary organisations and other statutory services.

For example, The Pension Service, social housing providers, the Legal Services Commission and the County Council are working together to provide quality-assured one-stop services.

Similarly, social services, Primary Care Trusts and the voluntary sector are working in a single, multidisciplinary team to provide front-line health and social care assessment and services, including:

- a rapid response service to prevent unnecessary hospital admissions;

- an equipment service provided by occupational therapists; and

- a volunteer visiting service.

In developing these new services, the County Council ensures the active engagement of older people themselves through various mechanisms, including:

- a network of older people's advisory groups;

- a county-wide older people's Strategic Partnership Group; and

- a local Strategic Management Board that is focused on delivering in line with the steers from the Strategic Partnership Group.

4.52   We want to build on examples such as that in Nottinghamshire so that this kind of service offering is available nationally. To do this we will use information gained from the Link-Age consultation (a summary is published on The Pension Service website, www.thepensionservice.gov.uk) and other relevant research.

4.53   Good local leadership is what makes examples such as Nottinghamshire possible. This issue is discussed in Chapter 5.

A fully integrated service – Link-Age Plus

4.54   The Link-Age programme will deliver significantly improved outcomes for individual older people. However, in a small number of areas, we intend to go further and pilot a Link-Age Plus service to provide a fully integrated service. Link-Age will continue to work with the Social Exclusion Unit to ensure that these pilots will meet the needs of the most excluded and are also linked to the individual budget pilots described earlier in the chapter. The pilots will be designed to meet the needs of each local area, but they will conform to a set of principles including: older people must be involved in the design of the service; the services will reflect the diversity of older people, their needs and aspirations; pilots will be easy to access in terms of location, opening times, etc; they will be focused on promoting well-being and independence, going beyond health and social care; and the service will be respectful of its customers.

4.55   Possible different models for a Link-Age Plus area are shown in the box below:

Basic model	Broader model	Ambitious model
• Social services • The Pension Service • Health services • Housing • Local voluntary sector organisations	Basic model plus: • Jobcentre – New Deal 50 Plus and adult careers • Home safety and improvement • Leisure services – t'ai chi and/or yoga • Transport • Adult education • Fire, police and neighbourhood wardens	Basic and broader model plus: • Advocacy • Approved trader scheme • IT • Shopping • Support for carers • Volunteering

4.56   Over the forthcoming year, we will develop the detail of the Link-Age Plus pilot, involving stakeholders throughout.

Improving the standards of care

4.57   The Government has taken vigorous steps to improve quality in care services. Over the two years ending April 2004, the National Minimum Standards drove up the quality of care homes for older people, when the proportion meeting the minimum standards rose from 26 to 48 per cent. However, we also want to modernise this approach to regulation so that it is more proportionate, reflects the aspirations of the people using the service, and delivers quality and outcomes for users. We have agreed with the Commission for Social Care Inspection that it should take forward the programme of work to modernise regulation, including for home care services, while in parallel we review the National Minimum Standards and associated regulations. In Scotland, responsibility for regulating a wide range of care services lies with the Care Commission.

4.58   There are examples of communal or semi-communal living that, although not care homes as such, nevertheless demonstrate how older people can be supported in ways that enable them to maintain independence and control.

Reeve Court: providing support; maintaining independence

Reeve Court is a retirement village in the North West with homes for over 300 older people. Each flat and bungalow has its own front door, kitchen, living room and one or two bedrooms.

The village provides:

- **security**: through CCTV and swipe card-controlled access;

- **activities**: through social events, a health and fitness studio, an IT centre, etc; and

- **health**: through a full-time nurse who offers a holistic advice service covering, for example, lifestyle, fitness and diet.

4.59   Reeve Court was developed by a charity, and it is a good example of how older people can be supported in a communal or semi-communal setting without losing control or their independence.

Tackling rural exclusion

4.60   Quality of life in rural communities is generally good. But remoteness, lack of public transport and the centralisation of services mean that many older people in rural areas can have difficulties in accessing essential services. This can also lead to them feeling isolated and excluded, particularly if they do not have access to a car. Because rural deprivation is not often found in concentrated clusters of people, it is harder to idenfify – and therefore harder to tackle. Older people in rural areas may be suffering from acute deprivation, but may

remain hidden from view amongst apparent neighbouring affluence.

4.61   The challenges and issues facing older people in rural areas are broadly the same as those facing their urban counterparts. But we need to recognise that different approaches are often required for rural areas and ensure that delivery mechanisms are appropriate for rural older people, so that they also benefit from improvements in services and a better quality of life.

4.62   In November 2004, Defra published a new Rural Services Review that shows how national standards are being delivered by local initiatives to ensure that people in rural areas have equitable access to good quality public services. The Review included a focus on older people.

Tackling the needs of black and minority ethnic elders

4.63   Too often older people find difficulty accessing services and benefits, and this can be compounded for members of black and minority ethnic (BME) groups.

Benefits

4.64   One example is access to benefits; the National Audit Office said in their 2002 report, *Tackling Pensioner Poverty: Encouraging take-up of benefits*, that 'certain subgroups are more affected by some barriers than others. For example, many pensioners from ethnic minorities have difficulty reading English…' In addition, DWP has commissioned and published a large-scale research project examining this issue.[40]

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40 DWP, December 2003, *Delivering benefits and services for black and minority ethnic older people* (DWP Research Report 201).

4.65   In order to tackle the particular issue of benefit take-up, The Pension Service has developed audio tapes, videos, DVDs, posters and other printed material in a number of languages to describe The Pension Service and what it does, entitlement and what that means for people, how direct payment of pensions and benefits works, and the types of changes that have to be reported.

4.66   In addition, DWP is working to raise its staff's understanding of the issues facing BME groups and we have developed a series of informative reference material to help their work within ethnic communities.

Health

4.67   There are also specific issues about health and healthcare that affect BME elders. For example, people of Asian background have higher rates of diabetes than their White counterparts, and those of African Caribbean background have a greater propensity to develop hypertension. Both conditions increase the risk of heart disease and stroke in old age. DH is giving high priority to supporting BME groups in addressing cardiovascular risk.

4.68   We also need to be sensitive to cultural differences that, if not acknowledged, can lead to poor diagnosis, incorrect treatment and poor overall service from the NHS.

4.69   One example of this is in the area of cognitive impairment. As Chris Parker and Ian Philp pointed out in their 2004 paper,[41] 'there is a well-documented tendency for cognitive tests to underestimate the abilities of older people in black and minority ethnic groups'. This, the authors argue, is a result of culturally unsuitable testing

methodologies. The result can be a 'substantially higher risk of mistaken diagnosis of dementia'. The authors note that 'culture-free' tests are showing promising results.

4.70   These are just two examples of how action by the NHS can help break down the barriers that can lead to disadvantage amonge BME groups.

41 British Geriatrics Society, 2004, *Age and Ageing.*

The Government's programme

- Giving older people the support they need to remain in their own home for as long as possible, in warmth and comfort.

- Piloting individual budgets, so that those who wish to can 'buy' their own care packages, and simplifying the assessment process.

- Gathering the evidence about the longer-term impact of shifting resources from high-level to lower-level care support.

- Creating The Pension Service to provide an organisation dedicated to tackling pensioner poverty.

- People entering hospital to keep full entitlement to their State Pension, Incapacity Benefit, Severe Disablement Allowance and Income Support for the full duration of their stay.

- A Link-Age project that is delivering one-stop services so that older people have to give information only once, and an integrated visiting service so that people who need it can have a full, personal, overall check-up of their needs and entitlements.

- Promoting health among older people.

- Developing a fully integrated service pilot – Link-Age Plus – that goes beyond the initial Link-Age service.

- Taking steps to ensure that, when people do end up going into residential care, they receive a high-quality service.

- Tackling rural exclusion.

- Tackling the specific disadvantages that BME elders can experience.

- Building on *Excluded Older People*, the SEU will publish a report with an agreed plan of government action on exclusion in winter 2005/06.

5

Organising ourselves to deliver

CHAPTER 5

Organising ourselves to deliver

Summary

To deliver an integrated strategy we need the right systems and organisations in place at all levels of government. And we need powerful partners to promote the necessary changes in culture.

Our model must combine central leadership with devolved initiative. Central government owns some of the levers of change; others are the responsibility of local authorities and the health service. Many are within the scope of powers devolved to Scotland, Wales and Northern Ireland. Leadership and support from government require a response from older people, employers and voluntary bodies to change attitudes to ageing.

To drive this strategy forward we propose:

- stronger, more accountable machinery, with an effective role for partners at national level;

- clearer leadership at local level in managing the totality of the social change that an ageing society will bring;

- simple, effective and consistent ways of assessing progress towards the outcomes we want, including changes in public attitudes; and

- better ways to help us look and plan ahead by reflecting changes in our assessment of the impact of demography, and scientific advances that promise new solutions.

We need coherence to drive forward radical changes we want to see.

The voice of older people needs to be heard as part of wider consultative processes. They need to be involved – and to involve themselves – in decision-making. The channels at national and local levels will be developed.

There are a number of issues for consultation in this chapter and Annex 1 on how we assess progress.

Introduction

5.1   Central government and local authorities need to find ways of working together effectively to raise the priority they attach to planning for ageing communities and meeting the needs of older people. The emphasis should be on achieving shared outcomes, and effective co-ordination with that in mind. Devolution means that approaches within the UK will differ in some respects.

5.2   This chapter describes how we propose to equip central government to deliver its contribution to this strategy. It also suggests ways of improving interactions with local authorities to do so, recognising that older people are a shared priority. Our vision for the future of local authorities provides the context. Government will need the support of a wider partnership to achieve cultural change and tackle ageism. Part of that task involves the engagement of older people themselves in the decisions that affect them.

Organising central government to look ahead and respond

Government co-ordination

We will strengthen central government co-ordination and involve our stakeholder partnership in assessing progress.

5.3   At least seven different government departments have responsibility for major services directed to older people. That is why, in 1998, we established an Interministerial Group on Older People to co-ordinate activity across government. The group sponsored the Better Government for Older People network to inform ministers on older people's issues and to spread best practice locally, and the Older People's Advisory Group to give older citizens a channel to government.

5.4   In 2001, the Interministerial Group was superseded by a formal Cabinet Sub-Committee on Older People. In late 2004, an additional Cabinet-level group was charged specifically with driving forward this strategy document. The Cabinet Sub-Committee on Older People will continue to co-ordinate Government action, with a

stronger remit to drive toward this wider-ranging strategic programme for an ageing society.

5.5 Although the strategy is a cross-government one, the Department for Work and Pensions (DWP) leads on taking it forward. The Secretary of State for Work and Pensions is the Government's Champion for Older People and the Minister for Pensions supports him. He is advised by a Partnership Group made up of key stakeholder organisations and older people themselves. This strategy will give the group a clear focus. In addition, we propose to involve members of the group in the periodic assessment of progress towards the outcomes identified later in this chapter and the work of the Observatory on Ageing we propose to establish within DWP.

The devolved administrations

5.6 Chapter 1 explained that this is a broad strategic framework for the whole of the UK. The devolved administrations in Scotland, Wales and (when the Assembly is restored) Northern Ireland have responsibility for health and social care, housing and local authority services which are critical to the well-being of older people. Their powers differ and in some cases they have chosen different paths to respond to local needs and priorities. Northern Ireland, for example, has long had an Equality Commission with a statutory framework in the fields of equal opportunity, religion, race and disability. There is also a Human Rights Commission. A Northern Irish strategy for older people has just been published for consultation, drawing on similar principles

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Strategy for Older People in Wales

Following extensive consultation involving older people, the Strategy for Older People in Wales (January 2003) provides an integrated framework for government at all levels to address the implications of an ageing population and improve services for older people. The strategy puts citizenship for older people at the centre of its vision, so that we all move away from a model that sees old age as a problem and a burden to a model of engagement and participation for all older people. The key aims include:

- reflecting the United Nations Principles for Older Persons, to tackle discrimination against older people wherever it occurs, promote positive images of ageing and give older people a stronger voice in society;

- to promote and develop older people's capacity to continue to work and learn for as long as they want, and to make an active contribution once they retire;

- to promote and improve the health and well-being of older people through integrated planning and service delivery frameworks and more responsive diagnostic and support services; and

- to promote the provision of high-quality services and support which enable older people to live as independently as possible in a suitable and safe environment and ensure services are organised around and are responsive to their needs.

Funding of £10 million is being made available by the Assembly Government in the period to 2006–07 to ensure robust implementation of the strategy in collaboration with all partners – local authorities, the NHS, the voluntary sector and especially older people who through a citizen-centred approach are at the heart of the strategy.

to the UK framework. Scotland has adopted a different approach to funding personal care. It has also established the Older People's Consultation Forum. This brings together all the main older people's organisations and ministers in a dialogue about the issues and policies which matter to them. The Welsh Assembly has published its own older people's strategy, within the framework of its own devolved powers.

5.7　This document illustrates relevant local practice, but does not describe in detail the differences between policy approaches in the different countries of the UK. There is scope for diversity, driven by local democratic choices and the need to experiment to promote change.

5.8　The Welsh Assembly, for example, has decided that it would wish to take the powers to appoint an Older People's Commissioner for Wales. This is an interesting development and we will want to see how it works. For the UK as a whole our priority is to establish the Commission for Equality and Human Rights (CEHR), which will enforce all equality legislation and have wide powers to examine all forms of inequality. There are other structures in England to supervise services for older people and tackle abuse.

Commission for Equality and Human Rights

5.9　We have committed ourselves to the creation of a single CEHR, with specific legal responsibilities for issues around age and employment within its wider powers to provide equality generally. The Commission's important and wide-ranging role is identified in earlier chapters.

Anticipating future change – scanning the horizon

We will set up machinery through the Office of the Chief Scientist to ensure that Government has the best available information on potential scientific and technological advances affecting strategies for our ageing society.

5.10　As indicated in Chapter 1, science and technology have the potential to provide new responses to the challenges of ageing. The Office of Science and Technology (OST) is setting up the machinery to ensure that Government has the best available information on potential scientific and technological advances affecting strategies for our ageing society. A working group of chief scientific advisers from several departments is looking at future changes in the population and will consider whether this be framed into a grand challenge for government departments.[42] This work will be informed by the OST Horizon Scanning Centre.

An Observatory on Ageing

We will develop improved arrangements to share knowledge about ageing issues and service successes – to provide a sound foundation for policy and promote culture change.

5.11　There is a growing volume of research and analysis into the implications of an ageing society from universities, independent think-tanks, international bodies such as the Organisation for Economic Co-operation and Development (OECD) and through the activities of local networks. The Government-supported

42 The basis of a 'grand challenge' was described in the DTI five-year plan, 2004.

English Longitudinal Study of Ageing is breaking new ground by showing us how economic, social and health factors over time interact to affect the quality of our later life. And wider-ranging research programmes are being supported by the Research Councils. Awareness and application of this work can help us take better and more timely decisions. There is room for improvement in the way knowledge on ageing issues is shared within government, and made available more widely to inform plans and decisions, challenge stereotypes and change attitudes.

5.12   DWP will develop new arrangements for spreading and applying knowledge in and outside government, using the successful Observatory model developed by the European Union (EU).

Organising locally to respond to ageing

From 2005, local authorities' performance with their partners in delivering quality services and approaches for older people will be assessed.

5.13   There can be no single right way to deliver a strategic approach to ageing locally. However, whatever local variations there may be, a key principle is that issues relating to older people need to be:

- embedded in the normal planning and management structures of local agencies – older people's issues should not be ghettoised in separate 'older people's departments' or in social services;

- looked at holistically across services provided by the local authority and others; and

- pursued with the engagement of older people themselves, within the framework of wider local consultative arrangements.

5.14   This has structural implications. In England, the most important local machinery to deliver the above principles are:

- the Local Strategic Partnership, which brings together a network of important local players and – importantly – provides a forum in which health and local authorities can plan jointly for outcomes that need input from both; and

- the Sustainable Community Strategy or local Neighbourhood Renewal Strategy where relevant: both are designed as overarching plans reflecting the totality of local needs.

5.15   The overall effectiveness of service delivery locally is assessed – for local authorities in England – through the Comprehensive Performance Assessment (CPA). Assessments are carried out by the Audit Commission, and authorities are awarded an overall categorisation ranging from poor to excellent. The Audit Commission has proposed that the new CPA for single tier and county councils, which comes into effect from September 2005, will include the performance of local authorities, with their partners, in improving the quality of life for older people as a discrete part of the corporate assessment – this has not been the case hitherto. In addition, adult social services – of which elderly people are significant users – are one of two high level service priorities that have most impact in assessing overall

performance. We believe these changes – within a more rigorous CPA – will provide impetus to local leaders to drive the improvement of services for older people and their general quality of life within a more strategic framework.

5.16   In Scotland, local authority performance is assessed by the Best Value Audit, which has been developed by the Accounts Commission. This concentrates on what available evidence sources say about the authority's performance in meeting outcomes. The audits lead to an agreed action plan for improvement.

5.17   As part of the debate about our new 10-year vision for the future of local authorities[43] in England, we have published *Securing Better Outcomes: Developing a new performance framework* for discussion about proposals to improve the way local performance is driven and assessed. Our aim is to improve outcomes for all people through a framework that strikes the right balance between high performance standards, cost effectiveness and local priorities that meet people's needs and aspirations. We will ensure that progress made in meeting the needs of older citizens and engaging them in decisions is sustained.

Local leadership

5.18   As part of the 10-year vision, we have also published our proposals for discussion on how local authorities' capacity to provide a truly effective and comprehensive local leadership role can be strengthened.[44] We believe local authorities, working in partnership as necessary, should take the lead role locally in planning for the ageing of their communities.

5.19   In developing this strategy, a number of ideas were put to us about ways of driving this agenda, including:

- a requirement to produce an explicit local strategy for older people;

- the appointment of a local older people's champion; and

- a statutory duty to promote the well-being of older people.

5.20   Our guiding principle is that local authorities should give proper weight to meeting the needs of older people and to population ageing in general planning and management arrangements. We believe that the best way to achieve this mainstreaming of issues arising from population ageing should be decided locally, provided effective provision is made. We see no need to introduce new duties or requirements on local authorities in this respect. We would welcome views on these ideas and in particular on ways in which the incentives and accountability between local authorities and their partners to work together effectively could be strengthened. If you wish to respond to the 10-year vision's discussion paper on the local leadership role and how it might best be exercised in relation to the ageing of society, the address is supplied in Annex 2, which lists issues for consultation.

Driving up standards in other parts of the system

National Service Framework

5.21   The preceding section has mainly dealt with the responsibilities of local authorities in their local leadership role. However, many of the key services for older

43 The Future of Local Government: Developing a 10-year vision, ODPM, 2004.
44 Vibrant Local Leadership, ODPM, 2005.

people are delivered through the NHS; that too needs to deliver modern joined-up services. An important mechanism for driving up standards and quality in services relevant to older people is England's National Service Framework (NSF) for Older People, published by the Department of Health in 2001. Standard 8 promotes health and active life in old age. NSF 8 has been very successful in driving up quality across the areas to which it applies. The application of the NSF is being reviewed by the Audit Commission, Healthcare Commission and Commission for Social Care Inspection with a view to reporting by the end of the year.

Commission for Social Care Inspection

5.22   The final piece of the jigsaw of responsibility at local level is the Commission for Social Care Inspection (CSCI), established in April 2004 to bring together standard-setting, inspection and regulation across the social care sector in England. In each local authority area, CSCI:

- registers the private and voluntary care services that are required to meet national standards;

- inspects, assesses and reviews all care services in that area. This includes private and voluntary care services and local council social services departments;

- inspects boarding schools, residential special schools and further education colleges with residential students aged under 18;

- publishes an inspection report detailing its findings after each inspection;

- provides the local authority with details of the number and quality of private and voluntary care services in its local area; and

- deals with complaints about care service providers.

5.23   From 2005, CSCI will review complaints about local authority social services departments.

5.24   In Scotland, responsibility for regulating a wide range of care services lies with the Care Commission. The Care Commission works to National Care Standards published by Scottish ministers which set out what a person using the service can expect to receive from that care service and how to raise any concerns.

Going further to promote partnership working

5.25   The preceding sections in this chapter show how better quality of life for older people cannot be delivered by any agency working in isolation: local authorities cannot do it alone, so the CPA measures how well they are working with partners; the NHS cannot do it alone, so the NFS focuses on partnership working between the NHS and local authorities.

5.26   These partnerships are becoming more effective. But there are still too many overlaps and interfaces, especially between health and social services. Chapter 4 illustrates how complicated the systems are from the customer's point of view when they are seeking access to care support. Finding better ways of getting services to work together is key in unlocking the effective use of resources and delivering good outcomes.

5.27   Local Strategic Partnerships (LSPs) give effect to the need to bring partner organisations together in strategic coalitions in order to deliver cross-organisational change. LSPs have been a success, but they are hampered from making still more improvements by the inflexibility and complexity of funding streams and targets which tend to encourage organisations to work in silos, rather than collaboratively.

5.28   That is why we have been working with local authorities in England to develop a new approach called Local Area Agreements (LAAs). These were announced in July 2004 and they will provide an important new set of flexibilities – including financial flexibilities – to help local leaders deliver more integrated services and strategies.

5.29   In the coming months the Government and its local authority partners will be deploying these new flexibilities in developing new approaches to integrating care and support arrangements for older people illustrated in Chapter 4.

Local Area Agreements – better ways of working together

Local authorities and their public sector partners in public health, community safety, education and children's services recognise that the biggest differences can be made by working together. But partnerships throw up new challenges, as each of the partners brings its own set of funding streams, targets and reporting requirements. While these may work well when organisations act independently, they can become highly complex and burdensome when organisations try to work together. At best they add unnecessary bureaucracy – at worst they discourage partnerships and new solutions. There have too often been too many complicated funding streams coming from individual central government departments.

Local Area Agreements (LAAs), announced in the Spending Review 2004, will simplify matters. They will be struck between Government, the local authority and its major delivery partners in an area, working through the LSP. They will be structured around just three service blocks – Children and Young People; Safer and Stronger Communities; and Healthier Communities and Older People.

LAAs, which will be negotiated locally, will enable local areas to focus on delivery of a limited number of key outcomes, agreed jointly between local authorities and their partners and Government Offices for the Regions. They will rationalise funding streams, simplify auditing and monitoring processes and reduce bureaucracy. This means greater freedom and flexibility to find local solutions to local problems. Local Public Service Agreements (LPSAs) can offer the incentive of a reward for achieving extra improvement beyond what would have been expected anyway. The rewards can be used by the partnership as they choose. In LAA areas, LPSAs sit alongside the LAA as part of a whole Agreement.

Pilot LAAs are now under way in 21 areas. In January 2005 we announced a further pilot phase of 40 Agreements.

5.30 The local framework for planning for an ageing society is necessarily complex. We would welcome views on whether the arrangements described above provide a robust enough structure to enable local leadership to develop effective strategies and demonstrate that they have them.

Consultation question …

Are local arrangements for planning for an ageing society robust and sufficient, when Local Area Agreements and the proposed strengthening of the Comprehensive Performance Assessment in 2005 are taken into account? Are there areas of the existing machinery that need improvement?

Engaging older people in local decision-making

5.31   Paragraph 5.5 describes the ways central government involves older people in general policy issues. The proposed CPA assessment criteria emphasise the importance of effective engagement with older people in the development of local strategies. The Audit Commission's report *Older People – building a strategic approach* (2004) describes techniques for making consultative approaches successful.

5.32   Older people have an opportunity of influencing local decision-making through their participation as elected local councillors and board members of public bodies. However, this activity peaks in the age group immediately above and below State Pension Age. Building the implications of population ageing and the needs of older people effectively into local decisions requires channels that enable older age groups, including people in communal

homes, to participate effectively. We invite stakeholders to share good practice on how to encourage this.

Assessing progress towards the outcomes we expect from our strategy

5.33   Annex 1 describes our proposals for developing outcomes and indicators to help both central and local authorities to assess progress. These would apply initially in England only, to allow for the availability of coherent sources. We do not propose additional targets.

Consultation question …

Annex 1 sets out our proposals and asks for responses to a series of questions about how the proposals might be developed. We would welcome responses by 28 July.

5.34   These proposals aim to provide a transparent and uncomplicated means of assessing progress in five domains that are central to quality of life in the context of ageing:

• independence in inclusive communities;

• healthy, active living;

• fairness in work and later life;

• material well-being; and

• support and care.

5.35   They are relevant to furthering the principles we have set out. They also reflect the five dimensions of quality of life that, according to survey work, matter most to older people. And they incorporate the

seven dimensions of independence identified by the Audit Commission (see Chapter 1). However, they are not intended to cover comprehensively progress in improving employment rates and skills. DWP and the Department for Education and Skills are developing a range of relevant indicators.

5.36 Our intention is to develop a small number of indicators of progress against each domain, to provide the basis for a review of trends and progress which would be published periodically. The indicators would incorporate relevant government targets and local authority performance indicators. They would not add to the existing range of government targets, but harness existing targets and wider indicators to the assessment of quality of life improvement as ageing progresses. Over time we would expect central government and local authority performance regimes to reflect relevant elements of this approach as it develops. Some indicators will clearly be more applicable at the central or local level.

5.37 We will announce our conclusions in response to the consultation in the autumn.

Changing the image of ageing

5.38 The Government will give a lead through this strategy and programmes like Age Positive for employers. The CEHR will also be a powerful new force for change. Age should come to mean less as older people are recognised for the contribution they can make to our economy as workers, consumers and key players in family and social life.

5.39 A wider range of institutions can help to hasten that process so that society and older people themselves benefit faster. The Communications Act 2003 placed an

obligation on the Office of Communications (Ofcom) to have regard to provide advice about the communication interests of older people. To further that, Ofcom, with support from the Department for Culture, Media and Sport, is working with Help the Aged on workshops to develop media literacy. They involve older people through the Speaking Up for Our Age network.

The international context

5.40 Many countries around the world are experiencing population ageing for different combinations of reasons. In Western Europe relative affluence, long-term investment in healthcare, reduced levels of work-related accidents and disease, and falling birth rates following a post-war baby boom have produced comparable trends. The USA faces similar trends, though with a higher level of immigration to offset them. Japan is experiencing a sharp increase in the average age of its population, and low birth rates in China may lead in the same direction.

5.41 The UK is leading in encouraging relevant international organisations to add value. They can promote better understanding of the impact of ageing on economies and societies, exchange best practice, and raise the political profile of the key issues, so that they drive the direction of policy:

- The UK played a leading role in the agreement in Madrid in 2002 of the UN International Plan of Action on Ageing. We support its guiding principles of ensuring that older people share in economic development, participation and growth; advancing health and well-being through equal access to services for health protection and prevention; and ensuring that the right environment exists

to enable and support a positive experience of ageing. This strategy strengthens the UK's response to the UN Plan and the ten commitments established in the UN regional strategy to give effect to it.

- The initiative of the Portuguese and UK Governments led to the Lisbon European Council's conclusions of April 2000 on economic reform in the EU. Their objective is the improvement of the performance of European goods, services, labour markets and social security in order to deliver the growth and jobs we need to respond to the challenges of demographic change in a competitive world. Activating those conclusions is now a key priority of the programme of the European Commission under the leadership of its recently appointed President, Jose Manuel Barroso.

- Under UK chairmanship, the conclusions of the March meeting of Labour and Employment Ministers of the group of eight leading industrialised countries reinforced previous commitments to focus policy on meeting the challenges of ageing populations, especially through action to increase employment and to secure sustainable pensions.

- The UK holds the EU presidency from July to December 2005. It covers the important half-way point between the Lisbon European Council and the target date of 2010 for the objectives that EU countries agreed. The UK presidency will concentrate on progress on growth and jobs, which are the EU's priorities for developing its social model. The presidency will host events, for example on poverty, inactivity and rehabilitation back into work, and on informed choices on pensions.

- The UK supports the intellectual lead the OECD has given in examining the impact of population ageing on labour markets, social systems, policy-making and delivery.

5.42 The themes of our strategy – growing employment, active ageing in inclusive communities and transforming public services to support independence and choice, and sustainability – are reflected in the priorities for international co-operation.

The Government's programme

- Stronger central government co-ordination, with leadership from DWP, building on existing Cabinet structures.

- A clearer focus on our strategic outcomes for our national stakeholder partnership in assessing progress and promoting cultural changes in society.

- A powerful Commission for Equality and Human Rights to tackle ageism within its wider remit to promote diversity.

- A forum led by the Chief Scientific Adviser to harness science and technology to the challenges of ageing.

- An Observatory on Ageing within DWP to make better use of the evidence to inform debate and action.

- From 2005, the performance of local authorities with their partners on services for older people to be assessed by the Audit Commission, including the engagement of older people in decisions.

- Local leadership on ageing issues and ways of improving performance matched to local needs to be addressed in the development of the Government's 10-year vision for local authorities.

- Review of the implementation of the NSF by the Audit Commission, Healthcare Commission and CSCI has started, reporting around the end of the year.

- A simple and transparent set of outcomes and indicators to assess progress towards improved quality of life as people age to be developed, published and periodically reviewed.

ANNEXES

ANNEX 1

Assessing the quality of life of older people: the outcomes we want and the indicators that matter

Purpose

Chapter 5 asks for your views on how we assess and track progress towards the objectives of this strategy.

We need to find a balanced way of assessing what constitutes quality of life for older people to further the principles of the strategy set out in its chapter. This provides the basis for identifying the outcomes and indicators of progress that matter most. We have to be selective, because the potential range of factors is so wide. The outcomes and their indicators will become the means of assessing periodically our overall progress towards enabling older people to achieve a higher quality of life. We see this as an important tool for central government and local authorities, voluntary bodies and the private sector. Its purpose is to assess directional progress, not set a basis for inspection or performance assessment procedures.

Our intention is not to add to the target regimes that already apply to central government, health services and local authorities. Indeed we expect to use those targets among the wider range of indicators of progress. Some will be indicators of service-delivery outputs, others of outcomes (eg health) and some will draw on subjective survey responses from older people.

Grouped under key headings, each of which constitutes a significant dimension of the quality of life, our aim is to provide:

- a balanced assessment of progress and gaps;

- a means of unifying a variety of different target and performance regimes around the objectives of the strategy; and

- a resource to enable different players to assess how the development of their own performance regimes can evolve to serve our common purpose.

The means

Following consultation with partner organisations, the following five domains were agreed as the most relevant to assessing progress in older people's quality of life:

- independence within inclusive communities;

- healthy, active living;

- fairness in work and later life;

- material well-being; and

- support and care.

The emphasis here is the quality of life. Trends in the employment of older people and the improvement of their skills will continue to be assessed separately within the regimes being developed by the Department for Work and Pensions (DWP) to assess the impact of their programmes to help unemployed and inactive people. The Department for Education and Skills will also develop their assessment of progress towards the objectives of the recent Skills White Paper.

Chart A1 under the heading of quality of life, provides an overview of the five domains and lists the key questions that need to be addressed to assess progress. These provide a straightforward basis for identifying the measurable dimensions that matter most. Overall, the chart provides a snapshot of the ground we should cover in assessing progress and the inter-relationship between domains, while minimising confusing overlaps.

Do respondents believe we have captured the key elements and questions?

Chart A2 illustrates how we intend to move from the key questions for each domain to an easy-to-follow template for measuring and assessing progress within each domain by applying it to 'independence within inclusive communities'. The 'what matters most' column identifies the main areas for assessment. Suggested indicators (we propose no more than about four) are logged against each area. And for each area we would propose to assess the trend overall. A balanced scorecard at the bottom of the page would sum up the overall picture.

Do respondents find this a transparent way of presenting assessments?

Do respondents have suggestions about the key areas for measurement and the best indicators/sources?

Charts A3 to A6 repeat that process for the other key domains identified in Chart A1, but without the illustrative indicators we have provided for 'independence within inclusive communities'.

We would welcome views on relevant indicators and the right balance necessary to measure progress nationally and locally. Clearly, some domains may be more relevant to one level than another when it comes to determining the development of responses – for example, although incomes may vary from area to area, national responses are likely be more effective.

Guidance on selection of data and indicators

Good data and indicators are:

- relevant to the success criteria against which this strategy will be measured, based on the Government's values and Public Service Agreements relevant to ageing (listed at the end of this annex) for ageing;

- specific to older people, or broken down by age groups that identify older people. The exception to this is data indicative of preparing for later life, such as better planning for retirement;

- focused on achieving outcomes, though outputs that contribute critically to those outcomes should be included (for example, the volume of recipients of Pension Credit has a bearing on the incomes of pensioners);

- based on information that is publicly available, including locally gathered information that should be available to the local community as well as for local authority, audit and inspection purposes; and

- sufficiently robust to demonstrate meaningful, convincing trends.

Next steps

We invite responses by 28 July.

In parallel, we will consider:

- how to develop this assessment model alongside other relevant exercises such as Opportunity for All, further work by DWP on measuring material well-being and pensioner poverty, and major academic research projects;

- how best to involve stakeholders in the development of the model and the periodic publication of assessments, building on the Minister of State's (Work and Pensions) Partnership Group; and

- the frequency of publication of assessments, taking account of the key phases of central and local authority performance regimes.

We will announce our conclusions in the autumn.

These proposals apply to England only. In Wales, separate dialogue will be undertaken by the Welsh Local Government Association on this issue, and there are different arrangements in Scotland.

Chart A1: Quality of life domains

Quality of life

Independence within inclusive communities

Are older people exercising independence?

Are older people able to exercise choices that give them control over key aspects of their lives?

Are older people able to participate as much as they wish in their local community?

How can we reduce the damaging isolation of older people?

Healthy, active living

Is access to healthcare proportionate to older people's needs?

Are people remaining in good health for longer?

Are older people taking measures to maintain their health and fitness?

Are older people mentally and physically active?

Fairness in work and later life

Are older people able to find jobs if they want them and are they treated fairly in employment?

Are older people involved equitably in the decisions that affect their lives?

Are older people unfairly exploited?

Is there evidence of age discrimination in access to goods, services and employment?

Material well-being

Are retired people able to sustain key elements of their previous lifestyle?

Are extremes of poverty and deprivation being tackled?

Do older people have sufficient wealth to provide them with security in retirement?

Are older people able to use their resources to best effect?

Are people planning ahead for retirement?

Support and care

Is the supply of care and support responsive to what people need?

Is support available in a variety of forms to meet diverse needs?

Does the care available enable older people to maintain their independence and quality of life?

Is care affordable?

Are care standards protecting older people from abuse?

Are informal sources of care, especially carers within the family, being facilitated and supported?

Chart A2: Independence within inclusive communities

What do the indicators show?

Possible indicators

What matters most

Key questions

Housing and the home. Quality of housing, suitability for older people's needs. Availability of suitable adaptations

- **1.** Decent homes – social and private sector
- **2.** Percentage of people in receipt of care who enter residential care; numbers supported to remain at home
- **3.** Choice over where people live
- **4.**

Are older people exercising independence?

Neighbourhood and security. Location of homes in safe and secure local environments

- **1.** Older people as victims of crime compared with the rest of the population
- **2.** Perceptions of safety
- **3.**
- **4.**

Are older people able to exercise choices that give them control over key aspects of their lives?

Social networks and involvement. Evidence of intergenerational interaction/isolation

- **1.** Frequency/type of contact with family and friends
- **2.** Examples of intergenerational engagement
- **3.** Use of local leisure facilities
- **4.** Ad hoc local transport surveys

Are older people able to participate as much as they wish in their local community?

Getting out and and out. Public and private transport, evidence of mobility, access to facilities and services

- **1.** Access to key places using local transport?
- **2.** Access to a car
- **3.** Take up of concessionary fares
- **4.** Ad hoc local transport surveys

Information and choice. Evidence of ease of access to the information older people need and evidence of the availability of real choices

- **1.** Older people's knowledge of key information sources
- **2.**
- **3.**
- **4.**

How can we reduce damaging isolation of older people?

Perceptions of independence. Evidence that older people feel that they are independent

- **1.** Evidence of choices exercised by older people
- **2.**
- **3.**
- **4.**

Balanced Scorecard [Narrative assessment of the overall picture derived from the indicators]

Chart A3: Healthy, active living

Key questions	What matters most	Possible indicators				What do the indicators show?
Is access to healthcare proportionate to older people's needs?	**Living longer and healthier lives.** Evidence of increase in healthy life expectancy and reduced morbidity, trends in debilitating mental illness	1.	2.	3.	4.	
Are people remaining in good health for longer?	**Freedom from disease or injury.** Evidence of incidence of illness or injury that inhibits activity and choice	1.	2.	3.	4.	
Are older people taking measures to maintain their health and fitness?	**Access to treatment.** Availability of appropriate treatment at point of need and smooth transition into appropriate support and care	1.	2.	3.	4.	
Are older people mentally and physically active?	**Keeping healthy and active.** Evidence of healthier lifestyle choices being adopted throughout the life cycle. Evidence of take-up of learning and leisure opportunities	1.	2.	3.	4.	

Balanced Scorecard [Narrative assessment of the overall picture derived from the indicators]

Chart A4: Fairness in and out of work

Key questions	What matters most	Possible indicators				What do the indicators show?
Are older people able to find jobs if they want them and are older people treated fairly in employment?	**Employment.** Evidence of participation and equality of opportunity in the labour market	1.	2.	3.	4.	
Are older people involved equitably in decisions that affect their lives?	**Goods and services.** Evidence that older people can access goods and services as required	1.	2.	3.	4.	
Are older people unfairly exploited?	**Consultation.** Evidence of opportunities for older people to have their say and make a difference, particularly when decisions affect their lives	1.	2.	3.	4.	
Is there evidence of age discrimination in access to goods, services and employment?						

Balanced Scorecard [Narrative assessment of the overall picture derived from the indicators]

Chart A5: Material well-being

Key questions	What matters most	Possible indicators					What do the indicators show?
Are retired people able to sustain key elements of their previous lifestyle?	**Incomes.** Evidence of trends in income relative to the median, and income disparities	1.	2.	3.	4.		
Are extremes of poverty and deprivation being tackled?	**Expenditure.** Evidence of consumption patterns which show that main needs are being met (eg ability to meet home maintenance costs and routine household expenditure)	1.	2.	3.	4.		
Do older people have sufficient wealth to provide them with security in retirement?	**Poverty.** Evidence of trends in extremes of low income and take-up of entitlements to raise incomes	1.	2.	3.	4.		
Are older people able to use their resources to best effect?	**Wealth.** Evidence of trends in capital assets, to provide people with security against unexpected financial demands, and their use (eg equity release)	1.	2.	3.	4.		
Are people planning ahead for retirement?	**Planning ahead and informed decisions.** Measures taken early in the life-course can help ensure that income in retirement matches expectations. Increased financial awareness should lead to better planning for retirement	1.	2.	3.	4.		

Balanced Scorecard [Narrative assessment of the overall picture derived from the indicators]

Chart A6: Support and care

What do the indicators show?

Possible indicators

What matters most

Key questions

Need for care. Evidence of availability of care to match need

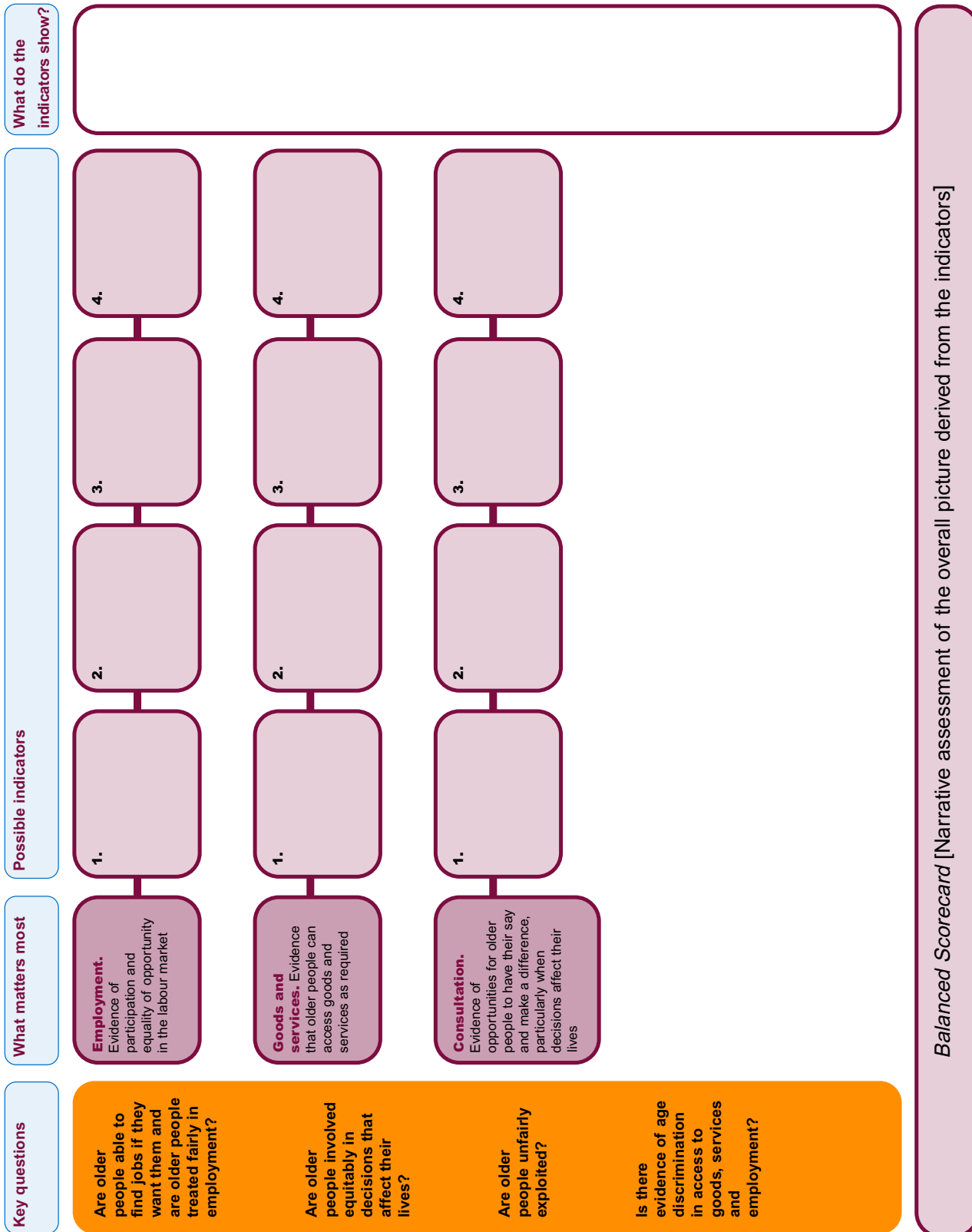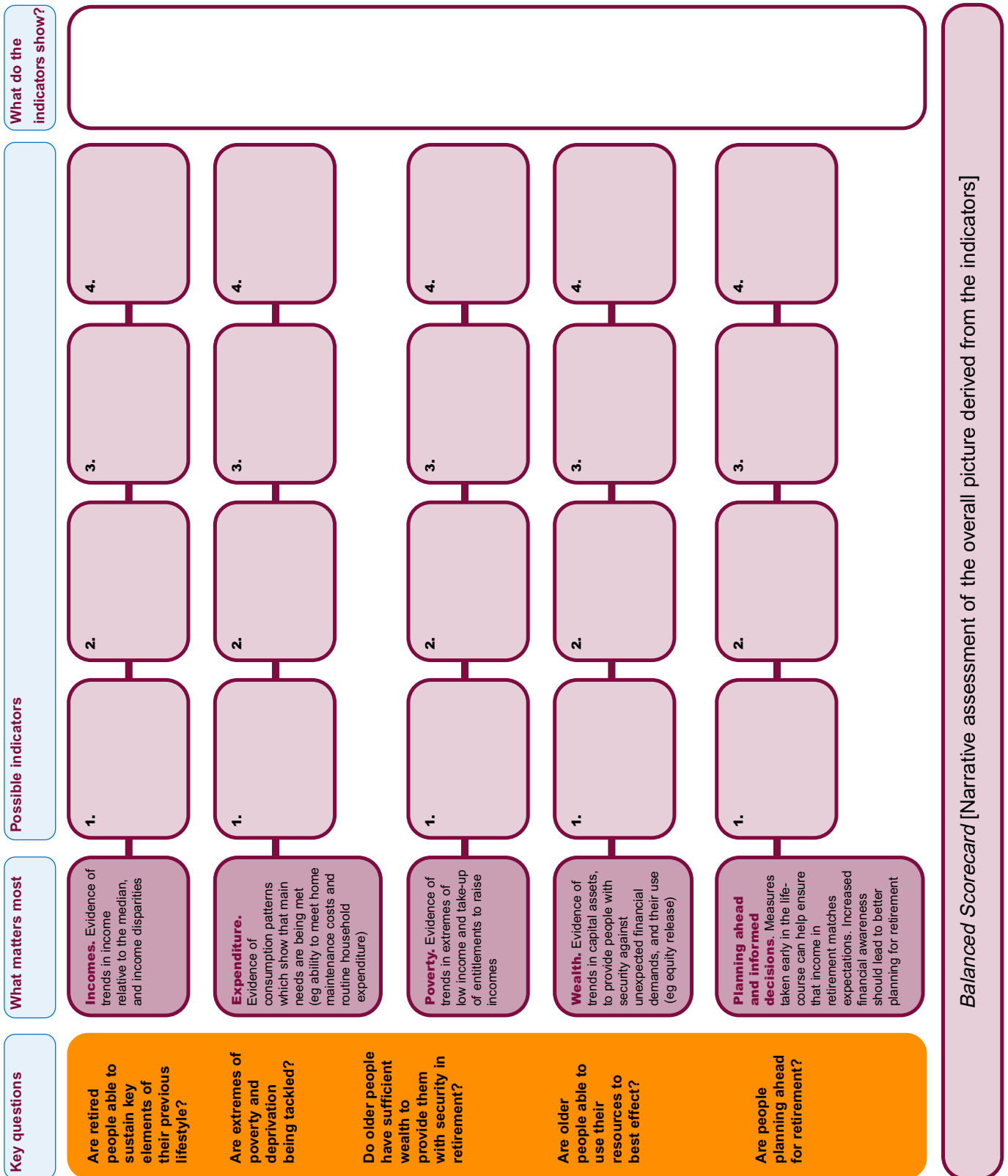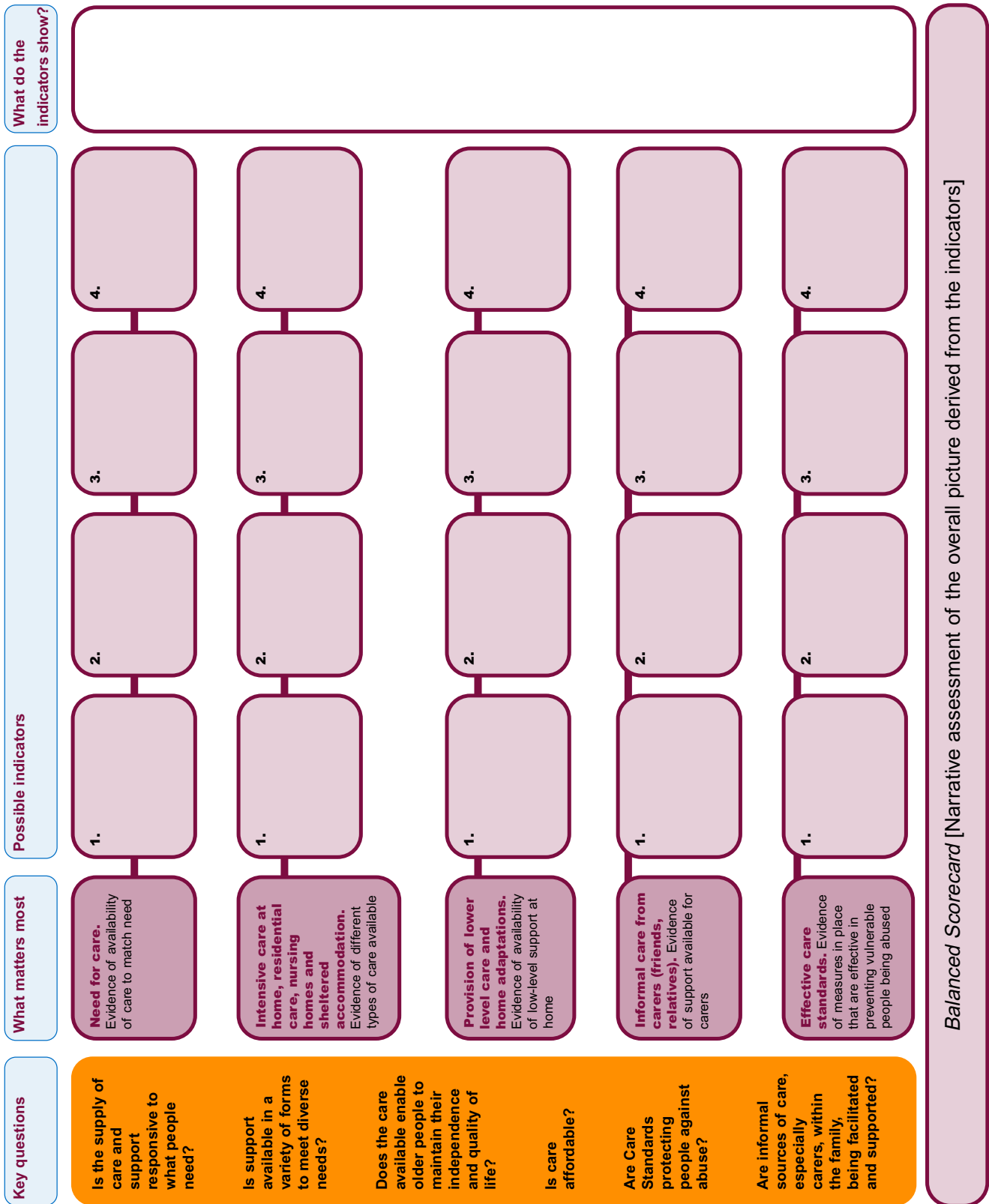**Is the supply of care and support responsive to what people need?**

1. | 2. | 3. | 4.

Intensive care at home, residential care, nursing homes and sheltered accommodation. Evidence of different types of care available

Is support available in a variety of forms to meet diverse needs?

1. | 2. | 3. | 4.

Provision of lower level care and home adaptations. Evidence of availability of low-level support at home

Does the care available enable older people to maintain their independence and quality of life?

Is care affordable?

1. | 2. | 3. | 4.

Informal care from carers (friends, relatives). Evidence of support available for carers

Are Care Standards protecting people against abuse?

1. | 2. | 3. | 4.

Effective care standards. Evidence of measures in place that are effective in preventing vulnerable people being abused

Are informal sources of care, especially carers, within the family, being facilitated and supported?

1. | 2. | 3. | 4.

Balanced Scorecard [Narrative assessment of the overall picture derived from the indicators]

Relevant Public Service Agreements – key departments

Department of Health

PSA 8: improve the quality of life and independence of vulnerable older people by supporting them to live in their own homes where possible by:

- increasing the proportion of older people being supported to live in their own home by 1 per cent annually in 2007 and 2008; and

- increasing by 2008 the proportion of those supported intensively to live at home to 34 per cent of the total of those being supported at home or in residential care.

Office of the Deputy Prime Minister

PSA 7: by 2010, bring all social housing into a decent condition, with most of this improvement taking place in deprived areas, and, for vulnerable households in the private sector, including families with children, and increase the proportion who live in homes that are in decent condition.

Department for Work and Pensions

PSA 4: as part of the wider objective of full employment in every region, over the three years to spring 2008, and taking account of the economic cycle:

- demonstrate progress on increasing the employment rate, jointly with HM Treasury;

- increase the employment rates of disadvantaged groups (lone parents, ethnic minorities, people aged 50 and over, those with the lowest qualifications and those living in the local authority wards with the poorest initial labour market position); and

- significantly reduce the difference between the employment rates of the disadvantaged groups and the overall rate.

PSA 6: by 2008, be paying Pension Credit to at least 3.2 million pensioner households, while maintaining a focus on the most disadvantaged by ensuring that at least 2.2 million of these households are in receipt of the Guarantee Credit.

PSA 7: improve working-age individuals' awareness of their retirement provision such that, by 2007/08, 15.4 million individuals are regularly issued a pension forecast and 60,000 successful pension traces are undertaken a year.

Department for Environment, Food and Rural Affairs

PSA 4: reduce the gap in productivity between the least well performing quartile of rural areas and the English median by 2008, demonstrating progress by 2006, and improve the accessibility of services for people in rural areas.

PSA 7: eliminate fuel poverty in vulnerable households in England by 2010 in line with the Government's Fuel Poverty Strategy Objectives.

ANNEX 2
Issues for consultation and the consultation arrangements

The Government would welcome views on the issues and proposals set out in this strategy document.

Specifically, we are seeking views on the following points.

Chapter 5
Promoting partnership working

Paragraphs 5.25 to 5.30

We have strengthened the Comprehensive Performance Assessment and we are piloting Local Area Agreements to encourage local partners to work together to tackle issues that matter to local people.

- Are local arrangements for planning for an ageing society robust and sufficient, when Local Area Agreements and the proposed strengthening of the Comprehensive Performance Assessment in 2005 are taken into account? Are there areas of the existing machinery that need improvement?

Chapter 5 and Annex 1
Outcomes and indicators

Paragraphs 5.33 to 5.37 and Annex 1

In the quality of life chart we have tried to identify the domains that contribute most to an older person's quality of life. These are: independence within inclusive communities; healthy, active living; fairness in work and later life; material well-being; and support and care.

Under each of these we have listed key questions that we think need to be addressed in order to measure progress.

- Are these the right domains and will addressing these questions give us a good picture of progress in these areas?

Balanced scorecards

The balanced scorecards show movement from the key questions in each domain, through to those areas that older people say matter most to them. Under each heading we are looking for indicators that could be used to assess progress within each of these areas.

Some of these indicators will be statistically based (how many, how long, etc), but some are likely to be qualitative information drawn from longitudinal surveys.

- Do respondents believe we have captured the key elements and questions?

Independence within inclusive communities has been partially worked up to include some indicators that could be used to measure progress against each key area to be assessed. We want to select indicators and sources for all of the areas within each of the five domains.

- Do respondents have suggestions about the key areas for mesurement and the best indicators/sources?

The independence within inclusive communities chart is meant to provide a template for the other domains.

- Do respondents find this a transparent way of presenting assessments?

The consultation arrangements

The Government is committed to a wide-ranging consultation process. We welcome written comments on the issues and proposals in this document. In addition, it is our intention to develop a programme of follow-up events on publication of the strategy that will enable us to hear the views of all groups with an interest.

The consultation, which will run from 23 March 2005 to 28 July 2005, will particularly aim to take views from academics, local authorities, members of the business community, employers, professionals, service providers and representative voluntary sector organisations. Views from the wider public are also welcome.

The Government welcomes comments and views from individuals and organisations. When responding, please state whether you are responding as an individual or representing the views of an organisation. If responding on behalf of a larger organisation, please make it clear who the organisation, represents and, where applicable, how the views of members were assembled.

Please address (unless otherwise indicated) any comments on this document by 28 July 2005 to:

Opportunity Age Consultation
Department for Work and Pensions
4th Floor
Tavis House
1–6 Tavistock Square
London
WC1H 9NB

Comments can also be sent by email to **opportunity-age@dwp.gsi.gov.uk**

If you are responding by email, please include 'Response Opportunity Age' in the header.

A list of those consulted is available to view on www.dwp.gov.uk/opportunity_age. If you have any suggestions of others who may wish to be involved in this process, please contact us.

The information you send to us may need to be shared within the Department for Work and Pensions (DWP) and the other government departments who have a responsibility for the issues and proposals set out in this paper. Information may also be published in a summary of responses received as part of this consultation. We will assume that you are content for us to do this, and that if you are replying by email, your consent overrides any confidentiality disclaimer that is generated by your organisation's IT system.

According to the requirements of the Freedom of Information Act 2000, all information contained in your response, including personal information, may be subject to publication or disclosure. Where respondents request that information given in response to the consultation be kept confidential, this will only be possible if it is consistent with Freedom of Information obligations.

How the Government will respond

We will aim to give an initial response to comments by autumn 2005 on www.dwp.gov.uk/consultations/2005/index.asp Paper copies will be available on request.

People wanting clarification on any points in this document should contact:

Mark Heholt
Telephone: 020 7391 1787
Email: mark.heholt@dwp.gsi.gov.uk

The consultation is being conducted in line with the *Code of Practice on Consultation*. The criteria are listed below. The full version can be accessed at www.cabinet-office.gov.uk/regulation/Consultation/

The six consultation criteria

1. Consult widely throughout the process, allowing a minimum of 12 weeks for written consultation at least once during the development of the policy.

2. Be clear about who may be affected, what questions are being asked, and the timescale for responses.

3. Ensure that your consultation is clear, concise and widely accessible.

4. Give feedback regarding the responses received and how the consultation process influenced the policy.

5. Monitor your department's effectiveness at consultation, including through the use of a designated consultation co-ordinator.

6. Ensure your consultation follows better regulation best practice, including carrying out a Regulatory Impact Assessment if appropriate.

DWP values feedback on how well it consults. If you have any comments on the process of this consultation (as opposed to the issues raised), please contact the DWP Consultation Co-ordinator. In particular, please tell us if you feel that the consultation does not satisfy these criteria. Please also make any suggestions as to how the process of consultation could be improved further. Please contact:

**Geoff Ashton
DWP Consultation Co-ordinator
5th Floor East
Trevelyan Square
Leeds
LS1 6EB
Telephone: 0113 23 2 7107
Email: geoff.ashton@dwp.gsi.gov.uk**

Consultation arrangements for other publications

This strategy makes reference to other discussion and consultation documents. You may also wish to submit views in relation to the issues they raise.

Chapter 2
Age and the workforce

Extending flexible working rights for carers of adults

Paragraphs 2.35 to 2.38

In our consultation document *Work and Families, Choice and Flexibility* we ask what is the case for extending the law to carers of adults and what types of caring the law should cover. Copies of the document are available at www.dti.gov.uk/er/workandfamilies.htm. We would like to hear your views.

Responses should be received no later than 25 May 2005 and sent to:

**Shirley Drake
Employment Relations Directorate
Department of Trade and Industry
Room 3125
1 Victoria Street
London
SW1H 0ET**

Comments can also be sent by email to **workandfamilies@dti.gsi.gov.uk**

Chapter 5
Organising ourselves to deliver

Securing better outcomes

Paragraph 5.17

Part of the debate on a 10 year strategy for local government focuses on ways in which a more flexible performance framework can encourage improved performance that is better tailored to local circumstances, with greater participation by local people and accountability to the users of public services.

The discussion paper *Securing Better Outcomes: Developing a new performance framework* discusses these ideas in detail. We would welcome views on whether we have identified the range of components for a new performance framework and if it will meet the challenges of population ageing. Views should be sent to:

The Local Government Strategy Unit
Office of the Deputy Prime Minister
Eland House
Bressenden Place
London
SW1E 5DU

Comments can also be sent by email to:
performanceframework.localvision @odpm.gsi.gov.uk

Local leadership

Paragraphs 5.18 to 5.20

As part of the broader development of a vision of what local authorities across England should look like in ten years' time, the Government would welcome views on how issues arising from population ageing can be promoted within the local leadership agenda. The discussion paper *Vibrant Local Leadership*, and further details on the local vision debate can be found at **www.odpm.gov.uk/localvision**

Views on this agenda should be sent to:

The Local Government Strategy Unit
Office of the Deputy Prime Minister
Eland House
Bressenden Place
London
SW1E 5DU

Comments can also be sent by email to:
Leadership.localvision@odpm.gsi.gov.uk

ANNEX 3
Glossary of terms

Age Positive

The Age Positive campaign encourages employers to adopt non-ageist employment practices and promotes the benefits of older workers to business. The campaign works through advertising and exhibitions and fedatures age positive awards and champions.

Attendance Allowance (AA)

AA is a non-means-tested, non-contributory benefit paid as a contribution towards the extra costs associated with disability where a person becomes disabled or where benefit is claimed after the age of 65. It is paid at two rates, depending on the level of need.

Audit Commission

The Audit Commission is an independent body responsible for ensuring that public money is spent economically, efficiently and effectively and delivers high-quality local and national services for the public.

Basic State Pension (BSP)

BSP is a non-earnings-related pension based on an individual's National Insurance contribution record.

Better Government for Older People (BGOP)

BGOP is a partnership between central government, local authorities, voluntary organisations and older people themselves (via the Older People's Advisory Group) working together to share information and good practice, develop productive partnerships and encourage more joined-up strategies and services.

Carer's Allowance

Carer's Allowance is a benefit paid to people who spend at least 35 hours a week caring for a severely disabled person.

Carer's Grant

The grant forms part of the Government's strategy for carers. It is designed to stimulate diversity and flexibility in provision of breaks for carers, or direct services to carers to support them in their caring role.

Cohort

A group of people who were born around the same time. So, for example, the cohort born in the 1920s will have retired in the 1980s and early 1990s and will currently be aged between 76 and 85.

Commission for Social Care Inspection (CSCI)

The single, independent inspectorate for all social care services in England. In Wales, regulation of social care is through the Care Standards Inspectorate for Wales. In Scotland, the Scottish Commission for the Regulation of Care (Care Commission) is responsible for regulating a wide range of care services.

Community Legal Service (CLS)

The aim of the CLS is to improve access for the public, to quality information, advice and legal services through local networks of services supported by co-ordinated funding and based on an assessment of local needs.

Community strategy

A strategy for promoting and improving the economic, social and environmental well-being of local authority areas and for contributing to sustainable development in the UK. In Wales, this is known as a Community Plan.

Compulsory retirement age

The age, which may be set out in a contract of employment, at which an employer can require an employee to retire. Employees can always retire at an earlier age if they choose. After 2006, legislation to prohibit age discrimination will set out that a compulsory retirement age may only be set below 65 if this can be objectively justified. See also Default Retirement Age.

Consumers' Association (CA)

An independent charity that aims to improve the standard of goods and services provided to the people in the UK.

Convention of Scottish Local Authorities (CoSLA)

CoSLA is the representative voice of Scottish local authorities and also acts as the employers' association on behalf of all Scottish councils. See Local Government Association.

Council Tax Benefit

An income-related benefit designed to assist with the costs of council tax.

Crime and Disorder Reduction Partnerships (CDRPs)

CDRPs are a combination of police, local authorities, other organisations and businesses who have joined together to develop and implement strategies for tackling crime and disorder in their local area. In Scotland, local authority led Community Safety Partnerships bring together a range of public and voluntary sector organisations, such as police, fire and rescue services and health boards to plan and deliver an integrated approach to community safety.

Decent homes standard

The Government's decent homes standard extends the fitness standard, requiring homes to be in a reasonable state of repair, have modern kitchen and bathroom facilities, adequate levels of insulation and an effective heating system to ensure that the home can be kept warm, as well as meeting the current statutory minimum standard.

Default retirement age

From 2006, there will be a national default retirement age of 65 at which employers can (if they choose to) require an employee to retire. Employers will be able to set a retirement age below the default age only where this can be justified, and they will also have a duty to consider any requests to work beyond the default age. Employees will retain the choice to retire at an earlier age. See also Compulsory retirement age.

Devolved administrations

Some policies and services are different in Northern Ireland, Scotland and Wales and are the responsibility of the devolved administrations in each country. The Welsh Assembly Government is the devolved government for Wales and is accountable to the National Assembly for Wales. The Scottish Executive is the devolved government for Scotland, accountable to the Scottish Parliament. The Northern Ireland Assembly is currently suspended and the Secretary of State for Northern Ireland has assumed responsibility for the direction of Northern Ireland departments.

Digital Television Action Plan

The Action Plan outlines the various tasks that need to be completed to enable the Government to make decisions about the timescale for the switchover to digital television and the strategy for going forward. It is updated regularly.

Direct Payment

Direct Payment is payment of benefit and State Pension into a bank/building society or Post Office® card account, and is now the normal method of payment.

Direct Payments

Direct Payments enable people eligible for social care to take cash in lieu of services and buy their own support directly.

Disability Living Allowance (DLA)

DLA is a social security benefit that may be paid to people under 65 who have a long-term health problem, mental or physical, that affects their everyday activities.

e-skills UK

e-skills UK is a not-for profit, employer-led organisation, licensed by government as the Sector Skills Council (SSC) for IT, telecoms and contact centres. It is part of a network of SSCs which brings together employers, trade unions and professional bodies working with government to develop the skills that UK business needs. See also Sector Skills Councils.

Fairer Charging

Fairer Charging is a scheme to ensure that amounts charged for home care by local authorities should be broadly the same across the country and reflect people's income, including disability benefits.

Financial Services Authority (FSA)

The FSA is the UK's single regulator of financial services, independent of, yet accountable to, Parliament, stakeholders and Treasury ministers. It has four statutory objectives: market confidence; public awareness; consumer protection; and the reduction of financial crime.

Fuel poverty

Fuel poverty is where a household cannot afford to keep adequately warm at a reasonable cost. The UK Fuel Poverty Strategy defines this as where a household needs to spend more than 10 per cent of its income on fuel use.

General Social Care Council (GSCC)

In England, the GSCC registers social care workers and regulates their conduct and training. In Wales, the equivalent is the Care Council for Wales. In Scotland, the equivalent organisation is the Scottish Social Services Council.

Government Offices (GOs)

The nine GOs work with regional partners, including local authorities, regional development agencies and other organisations, to achieve the Government's aims in a joined-up way, delivering improvements to communities across the English regions.

Gross domestic product (GDP)

GDP provides a measure of total economic activity. It measures the sum of the value added created through the production of goods and services within the economy.

Housing Benefit (HB)

HB is an income-related benefit that assists with the costs of rented housing. It is administered by local authorities within rules set by DWP.

Improvement and Development Agency (IDeA)

IDeA supports local authorities to improve their performance. Their four main areas of activity focus on: improving the quality of leadership; improving service delivery; strengthening corporate capacity; and helping local authorities build sustainable communities. In Wales, Syniad is an equivalent organisation. In Scotland, the Improvement Service aims to provide local authorities with positive assistance to support continuous improvement in service delivery.

Incapacity Benefit (IB)

IB is a taxable, contributory benefit for people who are unable to work because of sickness or disability.

Income Support

An income-related benefit payable to people below age 60 not in remunerative work, whose net income is less than a minimum level set by Parliament. It is determined by age, family membership and other circumstances.

Institute for Fiscal Studies (IFS)

IFS is an independent research organisation which aims to promote effective economic and social policies through rigorous analysis of their impact on individuals, families, firms and the public finances.

In-Work Training Grant

This is a grant available to those who meet the criteria for the New Deal 50 plus programme and who are starting a new job. The training grant can be used to help someone improve their skills and help them progress or get a better job. It can be paid to employers or training providers.

Jobseeker's Allowance (JSA)

JSA is a benefit that replaced contributory Unemployment Benefit and Income Support for those aged over 18 needing financial support because of unemployment.

Learning Skills Council (LSC)

The LSC is responsible for the planning and funding of all post-16 education and training up to, but not including, higher education. It replaced the Further Education Funding Council and the Training and Enterprise Councils.

Legal Services Commission

The Legal Services Commission looks after legal aid in England and Wales. Through the Community Legal Service (CLS), the Legal Services Commission helps people who are eligible for legal aid to protect their rights. In Scotland, the equivalent body is the Scottish Legal Aid Board.

Lifetime Home Standards

These are standards that require features allowing for adaptability and flexibility to be designed into homes when they are built, lessening the need for expensive adaptations or alternative accommodation should a resident become disabled.

Local Exercise Action Pilots (LEAP)

LEAPs are locally run pilot programmes, jointly funded by the Department of Health, the Countryside Agency and Sport England, to test and evaluate new ways of encouraging people to take up more physical activity. The pilots will run for two years with a wide range of activities reaching various target groups, including community walking programmes for elderly people recovering from strokes.

Local Government Association (LGA)

The LGA represents the local authorities of England and Wales and is a lobbying organisation that exists to promote better local government. See Convention of Scottish Local Authorities for Scotland.

Local Public Service Agreements (LPSAs)

A voluntary agreement negotiated between a local authority and Government as a whole which aims to improve the delivery of local public services by focusing on targeted outcomes with support from Government, incorporating a reward element.

Local Strategic Partnership (LSPs)

An LSP is a single body providing an overarching framework within which organisations join together to tackle issues that matter most to local people. LSPs bring together public, private, business, voluntary and community sectors, to identify the top priorities of a community and to work with local people to address them. Community planning is a process used in Scotland whereby a local authority and other local agencies, including community, voluntary and private sector interests, come together to develop and implement a shared vision for promoting the well-being of their area and improving public services.

Minimum Income Guarantee

A means-tested benefit which provided pensioners with a minimum level of income. From October 2003, it was subsumed into Pension Credit. See also Pension Credit.

National Consumers' Council

A non-departmental public body set up by the UK Government in 1975 to safeguard the interests of consumers.

National Minimum Standards (NMS)

NMS are set by the Department of Health for a range of services, including care homes, domiciliary care agencies and adult placement schemes. The Commission for Social Care Inspection must consider the NMS in assessing a social care provider's compliance with statutory regulations. In Scotland, these are Care Standards.

National Service Framework (NSF) for older people

The NSF for older people is one of a series of long-term Department of Health strategies for improving specific areas of care. The NSF for older people sets standards for the care of older people across health and social services, regardless of setting, to tackle discrimination, provide person-centred care, promote health and independence and organise services according to people's needs. These standards are not used in Scotland.

Neighbourhood renewal strategy

The national strategy for neighbourhood renewal sets out the Government's vision that within 10 to 20 years no one should be seriously disadvantaged by where they live. This will be achieved by making sure public services: work more effectively for those in greatest need; have better resources for the task; and have new structures and programmes in place to renew neighbourhoods.

New Deal

A programme to enable people to move from welfare to work. New Deal is targeted at specific groups – lone parents, the long-term unemployed, partners of unemployed people, people aged 50 and over, people with disabilities and the young.

Office of Communications (Ofcom)

Ofcom is the independent regulator for the UK communications industries, with responsibilities across television, radio, telecommunications and wireless communications services. Ofcom exists to further the interests of consumers as the communications industries enter the digital age.

Pension Credit

Pension Credit, which became payable in October 2003, provides a guaranteed level of income for all pensioners aged 60 and over, and rewards those aged 65 and over who have built up modest incomes or savings for their retirement. See also Minimum Income Guarantee.

Pensions Commission

The Pensions Commission is an independent body which was set up by the Government to look at pensions. The Commission's remit is set out in full in the December 2002 Pensions Green Paper, *Simplicity, Security and Choice: Working and saving for retirement.*

People's Network Initiative

This initiative provides free or low-cost internet access using computer terminals installed in over 4,000 public libraries across the UK.

Personal pension

An arrangement between an individual and a pension provider, for example a stakeholder pension arranged through an insurance company.

Primary Care Trust (PCT)

PCTs are free-standing NHS bodies with responsibility for delivering better health-care and health improvements in their local area. They have their own budgets and commission services or directly provide a range of community health services as well as set priorities. In Wales, these are known as Local Health Boards. Scotland does not have PCTs.

Public Service Agreements (PSAs)

PSAs set out what the public can expect the Government to deliver within the spending plans set at the Spending Review. Every large government department has a PSA, which sets out a single aim, a number of objectives, and targets linked to the objectives.

Quintile

Quintile groups are formed by dividing the population, when ranked by income, into five equal-sized groups. Some analysis in this publication is based on quintiles of single pensioners or pensioner couples.

Registered Social Landlords (RSLs)

RSLs (commonly known as housing associations) are independent not-for-profit organisations, registered with and regulated by the Housing Corporation under the Housing Act 1996. In Scotland, Communities Scotland is responsible for registering and regulating RSLs under powers contained in the Housing (Scotland) Act 2001.

Sector Skills Councils (SSCs)

SSCs are independent, UK-wide organisations developed by groups of influential employers in industry, business or public sectors of economic or strategic significance. SSCs are employer-led and actively involve trade unions, professional bodies and other stakeholders to tackle the skills and productivity needs of their sector throughout the UK. See also e-skills UK.

Sector Skills Development Agency (SSDA)

SSDA has been established to underpin the Sector Skills Councils (SSCs) network and promote effective working between sectors. It funds, supports and champions the UK-wide network of employer-led Sector Skills Councils (SSCs).

Severe Disability Allowance (SDA)

SDA is a non-means-tested benefit for people aged between 16 and 65 who have been unable to work due to illness or disability for over 28 weeks and who have not paid the required National Insurance contributions to qualify for Incapacity Benefit. Since April 2001, it has not been possible to make a new claim for SDA.

Sheltered housing

Sheltered housing is easy-to-manage accommodation offering a variety of services to enable a person to live independently. It usually features the added security of a warden or scheme manager who is resident or lives nearby and can be called in an emergency.

Skillsmart

Skillsmart is a not-for-profit organisation funded jointly by the retail sector and government to work with retailers to raise skills levels within the industry. Run by retailers for retailers, it operates under licence to the Department for Education and Skills and is part of the Skills for Business Network.

Social care

This covers the wide range of services designed to support people in their daily lives and help them play a full part in society. Social care includes those services directly commissioned by local authorities and those services which an individual or family organise and commission themselves.

Social exclusion

Social exclusion is the process that can take place when people or areas suffer from a combination of linked problems such as unemployment, poor skills, low incomes, poor housing, high crime environments, bad health and family breakdown.

Speaking Up for Our Age

This is a national campaign run by Help the Aged to give older people the chance to make their voices heard on the things that matter to them.

Spending Review

Spending Reviews are based on a three-year forward-look and are updated every two years. Under the Spending Review, HM Treasury negotiate with a department to set fixed three-year administration budgets (Departmental Expenditure Limits). In return for this funding, performance targets are set through a Public Service Agreement. These define the key priority areas/improvements that the public can expect.

State Pension

State Pension is a contributory benefit payable from State Pension Age to people who have paid enough of the right class of National Insurance contributions to qualify. It is made up of two parts: the basic State Pension and additional pension.

State Pension Age (SPA)

SPA is the age at which an individual can claim their State Pension. It is currently 65 for men and 60 for women. The State Pension Age for women will gradually increase to 65 between 2010 and 2020.

Sure Start

Sure Start is a cross-departmental initiative bringing together government, early years and childcare programmes that promote the development of young children.

Telecare

Telecare covers information and communication technology installed in a person's home to monitor their safety and well-being.

Trading Standards

Trading Standards is the name given to the enforcement in the UK of a wide range of consumer rfelated legislation, covering areas such as product safety, fair trading and environmental controls.

Ufi learndirect

Ufi Ltd is the organisation responsible for learndirect. Its mission is to use e-learning to boost the employability of individuals and the productivity and competiveness of organisations.

Voice of the Listener and Viewer (VLV)

VLV is an independent organisation that represents both citizen and consumer interest in broadcasting, and works for quality and diversity in British broadcasting.

Warm Front

Warm Front is the Government's main programme for tackling fuel poverty in the private sector in England. Those in receipt of certain benefits are eligible for insulation and heating measures for their home. In Wales, there is a similar programme also known as Warm Front. In Scotland, Warm Deal provides grants for a package of insulation measures to people on a range of passport benefits and a smaller grant to

people aged 60 and over not on benefit.
In Northern Ireland the scheme is known
as Warm Homes.

Web portal

A web portal is a website considered as an
entry point to other websites, often by being
a search engine or providing access to a
search engine.

Winter Fuel Payments

These are lump-sum annual payments to
people aged 60 or more to help with fuel
bills. The amount varies with age and with
the number of people aged 60 and over in
the household.

Working Tax Credit

Working Tax Credit is designed to help
people on low incomes, whether they are
employed or self-employed, and can
include support for qualifying childcare.
Extra help is available for people working
30 or more hours per week, people with a
disability, or people over 50 who recently
returned to work after a period on benefit.

ANNEX 4

List of abbreviations

Abbreviation	Description
CPA	Comprehensive Performance Assessment
CEHR	Commission for Equality and Human Rights
CSCI	Commission for Social Care Inspection
CSO	Community Support Officer
DCMS	Department for Culture, Media and Sport
Defra	Department for Environment, Food and Rural Affairs
DfES	Department for Education and Skills
DH	Department of Health
DTI	Department of Trade and Industry
DWP	Department for Work and Pensions
ELSA	English Longitudinal Study of Ageing
EU	European Union
GAD	Government Actuary's Department
LAA	Local Area Agreement
LPSA	Local Public Service Agreement
LSC	Learning and Skills Council
LSP	Local Strategic Partnership
NAW	National Assembly for Wales
NSF	National Service Framework
ODPM	Office of the Deputy Prime Minister
OECD	Organisation for Economic Co-operation and Development
Ofcom	Office of Communications
OST	Office of Science and Technology
PCA	Personal Capability Assessment
PSA	Public Service Agreement
UN	United Nations
VITA	Volunteering in the Third Age

ANNEX 5
Bibliography

Footnotes are used to accompany specific references in the text. This Annex lists the primary documents on which the strategy is based.

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