A review of the evidence base on older people in NI

A review of the evidence base on older people in Northern Ireland

Age NI

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Executive Summary

The aims of the report

- To explore policy initiatives and statistical evidence relevant to older people, in the context of an ageing society and reductions in public expenditure in the UK and in Northern Ireland.
- To contextualise the discussion within a framework that promotes a citizenship and rights based approach to ageing, promoting inclusion and grounded in the principles of independence, autonomy and choice.

Key Themes: Poverty; Health and Social Care; Equality and Human Rights

The current social and economic context

- Northern Ireland is entering an era of public spending restraint. How this impacts on public service provision will depend to a large part on the decisions made by the Northern Ireland Executive with regard to the distribution of the block grant. Oxford Economics have estimated that if cuts are applied to all departments equally, this will mean an 8.4% reduction in spending across all services. If health spending is protected at its 2010-11 levels, this will mean a 15% reduction in spending in other departments. If education is also protected (with health) the reduction in spending in other departments will be around 21%.

- The reduction in spending on welfare at the UK level will also have an effect on the living standards of older people in Northern Ireland. Many of the benefits older people are entitled to have received some protection from the UK Coalition government. Despite this the Institute for Fiscal Studies has estimated that changes announced in the 2010 Budget to tax and benefits will mean the poorest fifth of pensioner households in the UK will experience a 2.4% reduction in net income.

An ageing society

- By 2029/30, total expenditure on health, long term care and state pensions is expected to be 2.5% of GDP higher than in 2009/10, although this increase is expected to be partially offset by a decline in education spending.

- The population of both Great Britain and Northern Ireland is ageing but the population of Northern Ireland is younger than in the other constituent countries of the UK. Increasing the length of working lives through measures, such as raising the default retirement age, is expected to reduce some of the pressures on UK public spending by increasing tax revenues and limiting demands for benefits.

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4 Office for National Statistics (2010) Table 1.2 Population: constituent countries of the UK
The proportion of older people (aged 50 to state pension age) in employment increased throughout the UK between the mid 1990s and up to the onset of the recession in 2008. However employment amongst older people continued to be lower in Northern Ireland than in other constituent countries of the UK. Women are particularly exposed to the immediate impact of public spending cuts. In the Northern Ireland public sector women account for about 63% of the total workforce and over 75% of part time employees.

In comparison to younger age groups the unemployment rate for the over 50s remains relatively low in the UK and in Northern Ireland. There has however been a recent increase in long term unemployment amongst those aged over 50. This suggests that older people who are unemployed may be experiencing increased difficulty in re-entering employment.

Active labour market schemes to help people return to employment tend to have poorer job entry outcomes for older people than younger age groups. Between 2002/03 and 2006/07 just over 25% of New Deal 25+ participants aged 25-29 entered unsubsidised employment upon leaving the programme, in comparison to less than 10% for those aged 50 and over. Recent statistics on the performance of the new Steps to Work programme show the trend for fewer older participants to gain unsubsidised employment persists.

Income and Poverty

The proportion of pensioners in the bottom two quintiles of the income distribution was higher in Northern Ireland than elsewhere in the UK in the period 2006-2009. Between the late 1990s and the middle of the last decade the proportion of pensioners in poverty declined across the UK. Progress appears to have largely stalled since this point however and in Northern Ireland the proportion of pensioners in low income has started to rise and remains higher than in the other constituent countries of the UK. The proportion of older people who are fuel poor increased in Northern Ireland between 2001 and 2006 and the overall proportion of all households experiencing fuel poverty remains higher in Northern Ireland than England, Scotland or Wales.

Maximising the take-up of Pension Credit has been suggested by the Institute for Fiscal Studies as likely to be the most cost effective means for addressing low income amongst those aged 65 and over. Yet improving the take up of means tested benefits amongst older people in Northern Ireland, as in the rest of the UK, remains challenging. The caseload take up for Pension Credit in NI for 2009 is estimated to have ranged between 66% and 79%.

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with expenditure take up ranging between 73% and 84%. The total amount of weekly unclaimed income was estimated as ranging from £1.18 to £2.26 million per week.\(^\text{15}\)

- In Great Britain the DWP is piloting automatic payment of Pension Credit which could improve take up. Research examining the attitudes of older people to the introduction of automatic payment indicated some concerns around privacy, security of data and accuracy, but was largely positive with many respondents expressing the view that it would be a means to tackle non-claiming due to stigma and lack of awareness about entitlements.\(^\text{16}\) Currently, no such pilot is being trialled in Northern Ireland.

**Health and Social Care**

- Though the population is ageing, this does not necessarily mean that the costs of care will be unsustainable. While estimates may predict the size of the population over the age of 65 in the future, it would be wrong to assume that the age-related level of need for health and social care services will continue to be the same as at the present time.
- The DHSSPS (NI) estimates that the cost of treating the population over the age of 65 will grow by 30% over the next ten years.\(^\text{17}\)
- The average annual cost of providing health and social services to an adult male or female ranges between £1,000 and £2,000 up to the age of 64 years. It ranges between £2,000 and £4,000 for a man or woman aged between 65 and 79 years, rising sharply for a person over the age of 80 years, to a maximum of £12,000 for a woman aged over 85 years.\(^\text{18}\)
- Future health and social care expenditure will depend on the health of the population. Men and women in Northern Ireland at age 65 have a similar life expectancy to other areas of the UK and a comparatively good, healthy life expectancy, but the lowest disability free life expectancy.\(^\text{19}\) As a consequence a higher level of need for health and social care services is anticipated in Northern Ireland than in other areas of the UK.
- Poor health and well being is linked to poverty, inequality and exclusion.\(^\text{20}\) Recent rises in the level of poverty in Northern Ireland are therefore worrying. Within Northern Ireland, health outcomes in deprived areas are generally worse than in Northern Ireland as a whole.\(^\text{21}\)
- Future expenditure will also depend on the efficiency of services. Hospital statistics for 2009/10 in Northern Ireland show that, while numbers of admissions of older people to hospital increased last year, numbers of beds decreased. This was achieved through an increase in day procedures and a decrease in average length of stay in hospital.\(^\text{22}\)
- Support services for those discharged from hospital (similar to the ‘re-ablement packages’ announced for England in Oct 2010) decrease demand on hospital services. Many support


\(^{17}\) DHSSPS (Oct 2010) Strategic Resources Framework: Health and Social Care Expenditure Plans for NI by Programme of Care and Key Service 2009-10

\(^{18}\) DHSSPS (Oct 2010) Strategic Resources Framework: Health and Social Care Expenditure Plans for NI by Programme of Care and Key Service 2009-10

\(^{19}\) Iparraguirre J. L. (2009) Public expenditure on older people in NI, Belfast: ERINI

\(^{20}\) Allen, J. Older people and well being, Institute for Public Policy Research


\(^{22}\) DHSSPS (2010) Hospital Statistics 2009/10, Belfast: DHSSPS (NI)
and preventative services are delivered by the third sector\textsuperscript{23} and the quality and sustainability of these services is likely to be put at risk by any reduction in core funding.

- Models of social care provision include decisions on the relative distribution of costs between public and private sectors and the relative weighting of services between institution based care and home based care. In 2008/9 the number of older people in Northern Ireland who were fully funded - receiving ‘care packages’ – was 15,104: 9,485 (63%) for institution based care and 5,619 (37%) for intensive home based care\textsuperscript{24}.
- In 2008/9, Of the 9,485 people funded for institution based care, 6,579 (69%) were in nursing home care and 2,906 (31%) in residential care\textsuperscript{25}.
- In 2008/9, 17, 252 people over the age of 65 received home based care. Of these, 5,619 people received ‘intensive care packages’ and over 11,000 people received lower levels of care from under 5 hours to 10 hours per week\textsuperscript{26}.
- The number of people in Northern Ireland with Dementia is estimated to rise to 60,000 by 2051\textsuperscript{27}. The cost of informal care for the families of those with dementia is said to be approximately 38% of the total cost of care. Any cuts to dementia services will likely add to demands for informal care and increase the contribution made by families to meeting the total costs of care.

**Equality, inequalities and human rights**

- The Equality Act introduced in April 2010 in Great Britain will (from 2012) strengthen protection against discrimination in access to goods, facilities and services by prohibiting unequal treatment on the grounds of age. Northern Ireland needs similar legislation if equal treatment is to be promoted and exclusionary practices\textsuperscript{28} addressed.
- Developments in the expansion of the digital economy may inadvertently contribute to older people’s exclusion from accessing more affordable services (financial, leisure, educational health etc) by virtue of the fact that they are less likely to use the internet. The proportion of people in all age groups accessing the internet in Northern Ireland has risen during the last 10 years, but individuals aged over 60 remain less likely to access the internet than younger age groups\textsuperscript{29}.
- Attitudes amongst the general public towards older people in employment have become more positive over the last thirty years\textsuperscript{30}, but age discrimination continues to be perceived by older people themselves as a barrier to employment. There is some evidence that despite the introduction of legislation to tackle age discrimination in employment some negative

\textsuperscript{23} Stone E. (2010). *Response to the Scottish Government Finance Committee Inquiry: To consider and report on how public spending can best be focussed over the longer term on trying to prevent, rather than deal with, negative social outcomes*, York, Joseph Rowntree Foundation
\textsuperscript{24} DHSSPS (2010) *Adult Community Statistics, 1 April 2008-31 March 2009*, Belfast: DHSSPS(NI); DHSSPS (2010) *Domiciliary Care Services for adults in NI*, (based on one week in Sept 2009), Belfast: DHSSPS(NI) Community Information Branch
\textsuperscript{25} DHSSPS (2010) *Adult Community Statistics, 1 April 2008-31 March 2009*, Belfast: DHSSPS (NI)
\textsuperscript{26} DHSSPS (2010) *Adult Community Statistics, 1 April 2008-31 March 2009*, Belfast: DHSSPS (NI); DHSSPS Community Information Branch (2010) *Domiciliary Care Services for adults in NI*, (based on one week in September 2009), Belfast: DHSSPS (NI).
\textsuperscript{27} DHSSPS (2010) *Improving Dementia Services in NI: A regional strategy*, Consultation paper
\textsuperscript{28} Fitzpatrick, B & Kingston, I. (2008) *Older people’s access to financial services*, The Equality Commission for Northern Ireland
\textsuperscript{29} Northern Ireland Statistics and Research Agency (2010) *Continuous Household Survey*
attitudes and recruitment practices persist amongst employers with regard to hiring older people, although this varies within and between different sectors of the labour market.

- Differences and inequalities in wealth in older people’s incomes, pension rights, savings and assets reflect the accumulation of advantage and/or disadvantage over the life course. If poverty and exclusion in later life are to be reduced then policy should consider how to promote inclusion across the whole lifecycle of an individual.

- There is some evidence that though institutional ageism within the health services has decreased, some health care professionals hold ageist views about older people, which may result in a limited choice of treatment.

- The lack of statistics on dementia and on other mental health problems among minority ethnic communities in Northern Ireland is concerning and may contribute to less responsive and appropriate services for some (potential) service users.

- The proposed introduction of mental capacity legislation in Northern Ireland will enhance the rights of older people whose capacity may be impaired due to dementia or other health problems. Unless it is accompanied by a fully funded advocacy service it will only offer protection to those who can afford to pay for legal service.

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33 CPA (2009) Ageism and age discrimination in secondary care in the United Kingdom
Introduction

In 1991, the United Nations Principles for Older People were adopted by the General Assembly as a set of principles (they are not legally binding) intended to influence governmental policy towards older people\(^\text{35}\). The principles encourage governments to organise their services around; Independence, Participation, Care, Self-fulfilment and Dignity\(^\text{36}\). Given the current economic climate and impending reductions in public expenditure, it is important that policymakers bear these principles in mind as they proceed to implement a range of public service reforms. As the UK recovers from economic recession and experiences reductions in public expenditure, it is important to understand the social and economic evidence in relation to older people in Northern Ireland and Great Britain. This report is organised around the themes of;

- Poverty
- Health and Social Care
- Equality and Human Rights

Age NI have identified these themes as being at the core of their work and vision for a transformative and sustainable change in the treatment of older people, based on a citizenship approach to ageing that promotes inclusion and is grounded in improving older people’s capacity to exercise independence, autonomy and choice. The report provides a review and overview of existing evidence across these three themes, drawing on academic research around older people and best practice in service delivery, policy and legislation. If older people are to be empowered to actively participate in, and contribute to society then it is necessary, as the Northern Ireland Executive recognise, for policy to promote inclusion and minimise the factors that contribute to social exclusion\(^\text{37,38}\). Work by Levitas \textit{et al}\(^\text{39}\) on social exclusion across the lifecourse points to the multidimensional nature of social exclusion and led to the development of a useful conceptual model for thinking about how social exclusion manifests itself. Known as the Bristol Social Exclusion Matrix (BSEM), this model includes three interconnected domains; Resources, Quality of life and Participation (along with ten sub-dimensions) (see figure 1.). Research on well being amongst older people points to the overlapping nature of these three domains and how changes in any of the domains is likely to influence how older people experience social inclusion and the autonomy to shape their own lives. We know for example, that there is a relationship between inequality, poverty and poor housing and the experience of poor physical and mental well being in later life. Crime and poor local living environments contribute to depression, isolation and ability to actively engage in society\(^\text{40}\). Discriminatory practice meanwhile, can lead to exclusion from accessing services and the labour market and reduce participation in other social and voluntary activities, contributing to a sense of rejection by society and a personal loss of respect, and dignity\(^\text{41}\). The consequences for individual well being that result from exclusion and isolation from family and friendship networks

\(^{35}\) Help the Aged (2007) Human Rights policy,

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seems to reduce an individual’s capacity to deal with other problems. Low levels of contact with family and friends and weak social relationships and community engagement for example, are associated with poorer general well being amongst older people. Conversely, a higher level of social support and interaction with family and friends is associated with greater resilience and an improved capacity to deal with challenging life events, such as the onset of chronic illness\(^\text{42}\).

**Figure 1: Understanding social exclusion – the Bristol Social Exclusion Matrix model\(^\text{43}\)**

A full exploration of social exclusion and older people is beyond the remit of this paper, but the focus of the report means that it does touch on some of the relevant issues around exclusion and the implications for quality of life and an individual’s opportunity to participate fully in society. The first section of the report provides an overview of ageing and labour market trends in the current economic context. The second section outlines income and poverty amongst older people in Northern Ireland and compares these to England, Scotland and Wales. The third section considers health and social care policy in the context of an ageing society. The fourth section examines equality policy and inequalities in access to the labour market, goods, facilities and services and health and social care. The implications of inequalities in access to assets and savings across the lifecourse are also considered, while section five provides some brief concluding comments.


1. The current social and economic context

The economy and public spending

Prior to the onset of the recession, the UK experienced 63 quarters of sustained economic growth. The downturn in the world and UK economy brought this to a halt, and in Northern Ireland this translated into a contraction of the economy in 2009 of about 4.1%. In the short term, economic growth is predicated to remain below pre recession levels, with growth of only 0.9% predicted for 2010 and 1.9% for 2011. The challenge presented by the persistence of weak economic growth in Northern Ireland makes the task of managing Coalition Government’s planned contraction of public expenditure particularly challenging. The aim of the Coalition is to rapidly reduce the level of UK debt and pursue a reshaping of the UK economy through an emphasis on spending reductions rather than tax rises. The proposed spending reduction will be achieved through a mix of changes to levels of departmental spending and changes in the tax and benefits system, with the latter expected to contribute £11billion by 2014-15.

The Northern Ireland Executive (hereafter the Executive) pursues a policy of parity with Great Britain in relation to social security spending, and it can be expected therefore that a retrenchment in welfare spending will feed through to recipients of benefits in Northern Ireland. The effect of the tax and benefit reforms announced in the 2010 Budget will have a negative impact on the net income of all households within the UK, though different household types and groups in the income distribution will be affected more than others. Modelling of the effects the reforms will have on net household income by the Institute for Fiscal Studies suggests that the poorest pensioner households in the income distribution have been given some protection in relation to other household types. The poorest fifth of pensioner households will experience a 2.4% reduction in net income due to tax and benefit changes. In comparison, a non-working lone parent household is estimated to face a 6.3% reduction and a workless couple with children an 8.6% reduction in income. The Coalition has proposed reductions in UK public spending of around 25%, and the total public expenditure envelope for the UK and this affects the level of (DEL) funds allocated to Northern Ireland through the Barnett Formula. Spending on social security related matters however is largely driven by demand and is outside the block grant. Nonetheless changes in social security arrangements will affect the poverty risk older people face and are important for whether older people have adequate resources to participate fully in society.

50 It is important to note that whilst the Executive are responsible for allocating Departmental Expenditure Limit resources they are not responsible for Annually Managed Expenditure where spending is driven by demand, such as a rise in unemployment. Changes in the latter therefore have limited affect on resources available for the former as AME spending is provided direct from HM Treasury (see Oxford Economics (2010) p. 8 & p. 9, http://www.nicva.org/sites/default/files/Oxford%20Economics%20Report%20-%20impact%20on%20NI%20July%202010.pdf)
The share of funds allocated to Northern Ireland is not hypothecated for spending on particular policy areas, which permits the Executive to determine programme priorities irrespective of those pursued in Great Britain. The potential impact on Northern Ireland departmental current expenditure in real terms up to 2015-16 has been modelled in a paper by Oxford Economics and Economic Research Institute Northern Ireland (ERNI). Three scenarios were modelled, including; one where reductions in spending are applied across all departments equally; one with health expenditure protected and one where health and education expenditure are protected. The outcome of the Executive applying spending constraints equally is an 8.4% reduction in spending across all departments. If the Executive protect health spending at its 2010-11 levels, estimates are that all other departments on average would experience a 15% reduction in spending. If education were to be protected by the Executive along with health then average cuts in current expenditure applied to other departments would need to be around 21%. The implications for service delivery posed by this level of retrenchment are that it will likely limit the scope and range of provision available and increase pressure to deliver public services more efficiently and more effectively in order to best protect service quality and availability. The report by Oxford Economics/ ERNI suggests that the Executive may be able to increase its freedom to manoeuvre on policy priorities and the extent of spending cuts by revisiting the decision not to increase the Regional Rates on domestic and commercial property, but it is recognised this has political implications.

An ageing society

The Executive has committed itself to promoting the social inclusion of older people, but maintaining a commitment to programmes which improve older people’s incomes, autonomy and ability to participate in the social, civic and political life is likely to be challenged by the decline in economic performance caused by the financial crisis and the pressures associated by policymakers with the changing age profile of society. The Office for Budget Responsibility has identified the ageing profile of society as one of the key challenges to ensuring fiscal sustainability into the future. The pressure on public resources linked to an ageing of the population structure is expected to be partially offset by a levelling off and then decline in education spending, but overall by 2029-30 total expenditure on health, long term care and state pensions is expected to be 2.5% of GDP, higher than in 2009-10.

The population of the United Kingdom as a whole is projected to rise from a figure of 61.4 million in 2008 to 71.6 million in 2033, with the population of Northern Ireland expected to rise from 1.8 million to 2 million during the same period. The average median age of the UK population is projected to rise from 39.3 to 42.2 and the number of people in the UK aged 60 or over is projected to reach about 20.6 million by 2033, up from about 13.6 million in 2008. During the past three decades life expectancy at birth and amongst the ‘oldest’ old has continued to rise, although there is some variation between the countries of the UK (table 1.1 & table 1.2)

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54 Office for Budget Responsibility (2010) Pre-budget forecast-June 2010, p. 59
Table 1.1: Male life expectancy in years (at birth and age 80) by constituent country of the UK

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>71.1</td>
<td>5.8</td>
<td>77.7</td>
<td>7.9</td>
</tr>
<tr>
<td>Scotland</td>
<td>69.1</td>
<td>5.5</td>
<td>75</td>
<td>7.3</td>
</tr>
<tr>
<td>Wales</td>
<td>70.4</td>
<td>5.6</td>
<td>76.9</td>
<td>7.7</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>69.2</td>
<td>5.8</td>
<td>76.3</td>
<td>7.3</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics

Table 1.2: Female life expectancy in years (at birth and age 80) by constituent country of the UK

<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>77</td>
<td>7.5</td>
<td>81.9</td>
<td>9.2</td>
</tr>
<tr>
<td>Scotland</td>
<td>75.3</td>
<td>7.2</td>
<td>79.9</td>
<td>8.6</td>
</tr>
<tr>
<td>Wales</td>
<td>76.4</td>
<td>7.4</td>
<td>81.2</td>
<td>9.1</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>75.5</td>
<td>7.3</td>
<td>81.2</td>
<td>8.9</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics

In the same period the median age of the population of Northern Ireland has risen from 28 to 36 years of age \(^{58}\) and between 1999 and 2008 the number of people of pensionable age in Northern Ireland grew from 258,000 to 301,900, whilst the number of people aged 85 increased from 23,200 to 28,700 \(^{59}\). The number and proportion of people of pensionable age in both Northern Ireland and Great Britain grew between 1981 and 2009, but as noted by Iparraguirre, the pensionable population in Northern Ireland represents a smaller proportion of the total population than in other parts of the UK. In Northern Ireland in 2009, it was 16.9% while the UK average was 19.4% \(^{60}\) (see also Table 1.3 and Table 1.4). Official estimates project a rising proportion of the population will be aged over 65 by 2031, but the proportion varies by constituent country of the UK and remains lowest in Northern Ireland (Table 1.5).


Table 1.3: *Total population and number of people older people in GB and NI aged over 65 (male) and aged over 60 (female) in 1981 and 2009*

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>56.357</td>
<td>10.035</td>
<td>61.792</td>
<td>12.007</td>
</tr>
<tr>
<td>Great Britain</td>
<td>54.814</td>
<td>9.810</td>
<td>60.003</td>
<td>11.705</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>1.543</td>
<td>0.224</td>
<td>1.789</td>
<td>0.302</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics 64
*Figures may not sum due to rounding to nearest thousand

Table 1.4: *Percentage of population aged over 65 (male) and aged over 60 (female) in 1981 and 2009*

<table>
<thead>
<tr>
<th>Country</th>
<th>Older people as % population in 1981</th>
<th>Older people as % population in 2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>United Kingdom</td>
<td>17.8</td>
<td>19.4</td>
</tr>
<tr>
<td>Great Britain</td>
<td>17.9</td>
<td>19.5</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>14.5</td>
<td>16.9</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics 62

Table 1.5: Projected percentages of population aged 65 and over in 2031 by constituent country

<table>
<thead>
<tr>
<th>Country</th>
<th>Total population 2031 (millions)</th>
<th>Percentage aged 65-74</th>
<th>Percentage aged 75 and over</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>60.071</td>
<td>10.4</td>
<td>11.6</td>
</tr>
<tr>
<td>Wales</td>
<td>3.326</td>
<td>11.7</td>
<td>13.6</td>
</tr>
<tr>
<td>Scotland</td>
<td>5.532</td>
<td>12.2</td>
<td>12.5</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>2.005</td>
<td>10.7</td>
<td>10.9</td>
</tr>
</tbody>
</table>

Source: Office for National Statistics 63

An ageing population affects the ratio of the population of working age persons to those of pensionable age. Allowing for the phasing in of later retirement age, the ratio of working age people to those of pensionable age in the UK is projected to have declined from 3.23 in 2008 (people of

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working age, per person of pensionable age), to 2.78 by 2033\textsuperscript{64}. Presumptions about future needs and demands presented by an ageing society and the implications for the structuring and financing of public services often emphasise the anticipated support ratio of working age persons to person of pensionable age\textsuperscript{65}. The level of resources available to provide support and facilitate independence amongst older people however, only partly depends on the transfer of resources between the current working age population and those of pensionable age\textsuperscript{66}. A later retirement age and commensurate increase in the proportion of older people in employment would be expected to increase tax and National Insurance contributions and reduce benefit expenditure. Recent changes in the state retirement ages are recognition of the change in population demographics, life expectancy and their relationship to public income and expenditure. The Pension Act 2007 reformed the qualifying age for the Basic State Pension so that eligibility progressively rises to 66 for men and women between 2024-26 (the Coalition is currently consulting on bringing this forward), to 67 between 2034-36 and to 68 between 2044-46.\textsuperscript{67} Raising the state retirement age further in order to extend working lives has been advocated as a means by which the Government might help to reduce the UK deficit. A discussion paper for the National Institute of Economic and Social Research estimates that extending the working lives of citizens by one year could increase tax revenues and reduce benefit expenditure enough to reduce the UK deficit by 1\% of GDP permanently\textsuperscript{68}.

Measures that extend working lives may mitigate the financial pressure on public spending but, as Iparraguirre notes, there is a danger that discussion of ageing consequently becomes primarily about the ‘cost’ of older people to society. If so, it risks marginalising the many and varied contributions older people make to the economic, social, civic and cultural fabric of society, through employment, consumption, voluntary work, care work and other activity\textsuperscript{69}. To maximise such contributions and ensure older people participate actively in society it is important that public policy continues to address low income, unresponsive service provision and age discrimination to promote independence, choice and autonomy for older people in public service reform and access to the labour market.

The labour market

At the time the Executive face implementing public spending constraints, the prospect of sluggish economic growth has resulted in a weakening in the demand for labour. The ILO unemployment rate for June-August 2010 in Northern Ireland stood at 7.0\%, comparing favourably to other regions within the UK and the overall unemployment rate for Great Britain of 7.8\%\textsuperscript{70}. This however, disguises what has been a substantial increase in the ILO unemployment rate for Northern Ireland,\

\textsuperscript{64} Office for National Statistics (2010) Population Trends 139, Spring, P. 110  
\url{http://www.statistics.gov.uk/populationtrends/downloads/Pop-trends-spring10.pdf}

\textsuperscript{65} Office for National Statistics (2010) Population Trends 139, Spring, P. 109  
\url{http://www.statistics.gov.uk/populationtrends/downloads/Pop-trends-spring10.pdf}


\textsuperscript{68} Barrell, R. et al (2009) How to pay for the crisis or macroeconomic implications of pension reform, National Institute of Economic and Social Research, \url{http://www.niesr.ac.uk/pdf/EWItfin.pdf}

\textsuperscript{69} Iparraguirre, J. L. (2009) Public Expenditure on Older People in northern Ireland, Economic Research Institute of Northern Ireland, \url{http://www.erini.ac.uk/Publications/PDF/ERINIMon43.pdf}

\textsuperscript{70} DETI (2010), Monthly Labour Market Report – October, \url{http://www.detini.gov.uk/lmr_october_2010.pdf}

\textsuperscript{71} This refers to the ILO measure of unemployment which includes those without work and who had been looking for work in the past four weeks and who are able to start within the next two weeks or were waiting to start employment.
from a figure of 3.3% in May-July 2007, and the continuing rise in the claimant count within Northern Ireland in comparison to falls in most areas of Great Britain. The persistence of weak economic growth however, is likely to affect women and men in different ways, reflecting the continuing differences between men and women in terms of their representation in specific sectors of the economy and concentration in particular occupations and positions in the labour market. Of all female employees for example, 38% are part time (compared to 8% of male employees), and 93% of female employees work in the service sector, in comparison to 63% of male employees. The improvements in the Northern Ireland economy during the late 1990s and into the 2000s were accompanied by changes in the labour market that echoed broader UK trends, including growth in service sector employment and decline in manufacturing employment, so that in 2010 the number of manufacturing jobs stands at 74% of their 2000 level in Northern Ireland and 59% of their 2000 level in Great Britain. The changing structure of the labour market has been accompanied by a growth in female labour market participation and increased employment amongst older people. Between 1996 and 2008 there occurred a rise in the proportion of older workers in employment across the UK; the percentage of those aged 50 to state pension age in employment rose from around 65% to over 70% for men, and from about 60% to 70% for women. All constituent countries of the UK benefited from this trend, but the proportion of older men and women in employment in Northern Ireland continued to lag behind the proportion of older people in employment in England, Scotland and Wales. Accompanying the increase in employment has been a decrease in economic inactivity across all countries, but again the rate remained higher in Northern Ireland. For men aged 50 to state pension age the proportion citing sickness or disability as the reason for economic inactivity in 2008 was about 20%, compared to about 11% in England and 15% in Scotland. Similarly, for women aged 50 to state pension age the proportion citing sickness or disability as the reason for economic activity was much higher in Northern Ireland, and the proportion who cited looking after family as the reason for economic activity in Northern Ireland 2008 was 14%, double the rate of 7% for the rest of the UK.

The recession has had a negative impact on employment prospects within Northern Ireland, but the employment rate for women in May-July 2010 of 65.5%, whilst remaining below that of men (71.3% May to July 2010), has shown a milder decline during the recession and remains notably higher than in 1995 when the employment rate for women stood at 56.6% and for men at 68.8%. However, weak economic growth and impending public spending cuts are likely to continue the downward pressure on employment and this may begin to disproportionately impact on women. As Kelly and

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78 DETI (2010) *Comparison of work age rates* - table 2.12, the figures provided are for working age rates of females aged 16-59 and males aged 16- 64, [http://www.detini.gov.uk/deti-stats-index/stats-surveys.htm](http://www.detini.gov.uk/deti-stats-index/stats-surveys.htm)
Tomlinson note, women’s employment in Northern Ireland during the recession may have been protected so far by their strong representation in the public sector workforce where they account for 63.3% of the total workforce and over 75% of part time employees in the Northern Ireland public sector. With the Coalition committed to public spending reductions over the next parliament the risk is that women’s current and future living standards will deteriorate. Cuts in employment within the public sector will directly reduce women’s employment opportunities and capacity to save for retirement, which the generation of jobs in the private sector expected by the Office for Budget Responsibility may not replace.

Alongside this, the change to the up-rating of benefits and tax credits in line with the Consumer Price Index rather than the Retail Price Index or Rossi Index will reduce the value of these benefits for claimants. A series of complex reforms to the tax credit system were also announced the June 2010 budget, including the ending of eligibility for households with incomes above £40,000 per year, a reduction in the income disregard in the Working Tax Credit from £25,000 to £5,000 and a rise in the withdrawal rate from 39% to 41%. These measures may erode the incentives to take up paid work for women in low and middle-income households as they strengthen the disincentive for ‘potential’ second earners within couple families (often women) to seek employment. Gendered patterns of caring and employment have meant that current cohorts of older women enjoy less financial security and show a greater reliance on means tested benefits once retired than men, exacerbating the risk of poverty. Greater labour market participation of younger women and changes to the pension system should help mitigate this in future, however, an ageing society makes it likely that more people will require some form of care and that much of this will be provided informally, particularly given that care service provision will shrink following spending cuts. The previous Government introduced the right to request flexible working for those caring for dependent adults, potentially providing carers with the opportunity to realise a better work life balance. Yet any increase in demand for informal care may fall disproportionately on women, although many men also provide care. Data from the English Longitudinal Study on Ageing shows that in 2005/06, 17% of women and 8% of men aged between 50 and state pension age had provided care for someone in the previous week. Given the extent to which caring activity is cited as a reason for female economic inactivity in Northern Ireland amongst older women, this should raise concerns amongst policy makers on the grounds of age and gender equality and its potential impact on female employment. The current economic context and public expenditure envelope is likely to prove challenging for ensuring an equitable distribution of opportunities and resource within and between the generations.

In previous recessions weak demand in the labour market has led to the encouragement of early retirement amongst older workers and the marginalisation of older jobseekers. Research for the

Equality Commission Northern Ireland indicates that ILO unemployment rate for those who are 50 plus in Northern Ireland has consistently been below the rate for younger age groups since the start of the recession\textsuperscript{84}. The evidence suggests that those aged over 50 have not been disproportionately affected by weaker labour market demand. The pressure to contain public spending and the relatively low ILO rate is likely however, to mean that older jobseekers are competing for resources with younger jobseekers, given the UK ILO unemployment rate for 18-24 year olds stood at 17.7%\textsuperscript{85} in July 2010 and in Northern Ireland at 17.3% for March to May 2010\textsuperscript{86}.

Specific reforms to in work benefits announced in the budget suggest a mixed picture in terms of the Government’s approach to promoting and facilitating employment amongst older people. The number of qualifying hours required for eligibility for Working Tax Credit, which ‘tops’ up the wages of the low paid will be reduced from 30 hours per week to 16 hours per week for those aged over 60. This is a welcome move that may help sustain participation in employment amongst older people, particularly women, by making part time employment more financially attractive. Yet the budget also announced the withdrawal of the 50 plus element of the Working Tax Credit, payable for 12 months to individuals over 50 years of age following a return to employment and which 17,000 families in the UK were receiving in 2008-09\textsuperscript{87}. This is a disappointing development as it provided support for older people moving off out of work benefits into low paid employment. Whilst the ILO unemployment rate amongst those over 50 is much lower than for younger age groups, the claimant count measure of unemployment, particularly amongst long term claimants, has increased substantially for the over 50 age group. The proportion of those aged over 50 and without work for more than a year in the UK rose from 30.3% in June 2009 to 42.9% in June 2010\textsuperscript{88} and this should raise concerns about the opportunities available to older workers to re-enter employment.

Examination of the last three years of claimant count figures for those aged 50 plus however, does indicate that the employment situation for older people has deteriorated during the recession. A gradual decline in the claimant count numbers came to an abrupt halt in the summer of 2008 and, with the exception of occasional monthly variation, has since been on an upward trend (see figure 1.1). A worrying increase in the long term claimant count of unemployment for the over 50s has also taken place, which from a low of 1, 170 in June 2008 has risen to 2, 925 in August 2010 (figure 1.2).

\textsuperscript{86} Department of Enterprise Trade and Investment (2010) NI Labour Force Survey – labour market statistics table 2.9 unemployment by age, \url{http://www.detini.gov.uk/deti-stats-index/stats-surveys.htm}
\textsuperscript{88} Office for National Statistics (2010) Labour market statistics time series data, \url{http://www.statistics.gov.uk/statbase/TSDdownload1.asp}
Changes to the social security system introduced by the Welfare reform Act 2007, Welfare Reform Act 2009 and 2010 Budget have ratcheted up benefit conditionality and proposed various workfare type programmes and/or reductions in benefit for long term unemployed. The June 2010 budget proposed a 10% reduction in the original Housing Benefit award paid to claimants of Jobseeker’s
Allowance after 12 months. Yet the performance of the New Deal active labour market programmes available to those aged 50 and over in Northern Ireland has been poor. The Northern Ireland Audit Office evaluation of New Deal 25+ noted that older participants achieved significantly worse outcomes than their younger counterparts. Between 2002/03 and 2006/07 just over 25% of New Deal 25+ participants aged 25-29 entered unsubsidised employment upon leaving the programme, in comparison to under 10% for those aged 50 and over. The proportion of participants aged 50 plus in New Deal 25+ who returned immediately to benefits was 60.6% in 2007-08, compared to 48.1% for those aged 25-29. The New Deals have since been replaced in Northern Ireland by the Steps to Work programme. Steps to Work mandates participation for 18-24 year olds in receipt of JSA for 6 months and for those aged over 25 who have been receiving JSA for 18 months. However voluntary participation is also available for those who are economically inactive whether or not they are in receipt of out of work benefits and for JSA claimants prior to the point of mandated activity. The most recent data on employment outcomes (September 2008 to December 2009) for all participants in the Steps to Work programme shows a disparity in job entry performance persists between those aged over 50 and younger participants. Of all participants in Steps to Work aged 18-24, 26% moved into unsubsidised employment, compared to 17% of participants aged 25-49 and 14% of participants aged 50 or above. The figures for employment sustained for 13 weeks show lower outcomes for all groups. 21% of all participants in Steps to Work aged 18-24 moved into unsubsidised employment sustained for at least 13 weeks, compared to 14% of participants aged 25-49 and 12% of participants aged 50 or above. This indicates some improvement in performance in comparison to New Deal 25+, which is welcome. The continued low rates of sustained job entry and the variation in performance by age however, does suggest return to work services continue to struggle to deliver support that meets the particular challenges faced by Northern Ireland’s cohort of older jobseekers. Older jobseekers may increasingly find themselves subject to greater benefit conditionality whilst opportunities to re-enter the labour market remain limited. The approach taken by the Department for Employment and Learning to the structure of active labour market programmes in Northern Ireland through the Steps to Work programme is notable for its divergence from the Flexible New Deal in Great Britain and the Coalition’s proposed replacement of the latter by the Work Programme. Whilst this makes direct comparisons of programme effectiveness difficult, it is important that the Department for Employment and Learning continue to monitor programme performance in Northern Ireland and Great Britain to ensure any emerging best practice can be harnessed for all jobseekers.

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2. Income and poverty amongst older people in Northern Ireland and Great Britain

At the core of older peoples’ capability to participate in society, maintain their independence and realise their self-defined preferences, is having sufficient economic resources, either through a private income or investments, through the social security system or a mixture of all of these. The particular distribution of pensioners across the income scale therefore gives an indication of whether pensioners are more or less likely to have adequate resources for meeting their needs and goals. One way the Government explores this is to divide the income distribution of the UK by quintiles. If we do this we see that pensioner incomes across the UK are tilted towards the lower quintiles for all countries, but the proportion of pensioners within the bottom two quintiles is greater in Northern Ireland than in England, Scotland or Wales (See table 2.1). A concentration of pensioners towards the bottom of the income distribution means they are likely to face a greater risk of poverty and exclusion from full participation in the social, civic and political life of society. To tease out the impact of low income on living standards the Family and Resources Survey includes a deprivation indicator measurement, which asks respondents about activities, goods and services they would like but could not afford. The most recent figures for pensioners indicate that 81% of those answering they would like but could not afford to keep their home in decent decor are located in the bottom two fifths of the income distribution. Similarly, 67% of those who would like, but could not afford to replace worn out furniture were in the bottom two fifths, and of those who would like, but could not afford to save more than £10 per month 67% were in the bottom two-income quintiles.

Table 2.1: Quintile distribution of income for pensioner population by 3 year average 2006/07-2008/09 (AHC)

<table>
<thead>
<tr>
<th>Constituent country</th>
<th>Bottom quintile</th>
<th>Second quintile</th>
<th>Third quintile</th>
<th>Fourth quintile</th>
<th>Top quintile</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>15</td>
<td>28</td>
<td>22</td>
<td>19</td>
<td>15</td>
</tr>
<tr>
<td>Scotland</td>
<td>11</td>
<td>31</td>
<td>25</td>
<td>20</td>
<td>13</td>
</tr>
<tr>
<td>Wales</td>
<td>15</td>
<td>29</td>
<td>25</td>
<td>19</td>
<td>13</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>18</td>
<td>28</td>
<td>23</td>
<td>20</td>
<td>11</td>
</tr>
</tbody>
</table>

Source: Households Below Average Income 2008-09* *percentages may not sum to 100 due to rounding

Meanwhile the latest figures on gross and net pensioner incomes echo findings previously outlined, which shows that across the four constituent countries of the UK the gross and net income of pensioners within Northern Ireland are lower than those in England, Scotland and Wales; conversely, income from benefits is slightly higher (Figure 2.1 and 2.2).

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Taking the period 2006/07-2008/09 for pensioner couples in Northern Ireland, benefit income equated to about 43% of the level of gross income per week, in comparison to about 33% of the gross income level for pensioner couples in England. For single pensioners in Northern Ireland, benefit income equated to about 70% of gross income level per week, in comparison to 58% of gross income per week for single pensioners in England.

Source: Pensioners’ Income Series 2008-09


Whilst a lack of material resources is only one aspect of the multi-dimensional and complex process that is social exclusion, it is nevertheless an important one for the avoidance of poverty and hardship. There are a number of measures for assessing and classifying households as being in low income and at risk of poverty. A common approach, and one used by the UK government to define poverty, is to assess income on a Before Housing Cost basis and an After Housing Cost basis and to use an income threshold that is below 60% of the country’s median household income. For defining those at risk of severe poverty a threshold of 50% of contemporary median income is used. Below we provide details on recent trends for poverty and severe poverty amongst pensioners within Northern Ireland and across the constituent countries of the UK. The disparities in income between the countries and reliance on benefit income in Northern Ireland amongst single and couple pensioners would lead us to expect a greater proportion of pensioners within Northern Ireland to be at risk of poverty than in other countries within the UK, which is what the figures suggest.

Over the period of 1998-99 to 2008-09 all constituent countries of the UK experienced a gradual reduction in the proportion of pensioners living in poverty (see Figure 2.3), but there continued to be some differences between countries. The average of the most recent three year period for example, shows that in Northern Ireland the recent decline in poverty has gone into reverse, with the proportion of pensioners in low income households now rising once again.

Figure 2.3: Percentage of pensioners in households below 60% of median household income (AHC) by three year average and by constituent country

Source: Household Below Average Income 1994-95-2008-09

The Before Housing Cost and After Housing Cost measures each have their particular advantages/disadvantages. The AHC basis is the preferred measure of the DSD for comparison between Great Britain & Northern Ireland due to difference in how water charges are collected and methodological issues in the collection of data for HBAI. For further information refer to DSD (2010) Households Below Average Incomes Northern Ireland 2008-09, p. 133.

The latest single year figures available are for 2008-09, and these show that 23% (AHC) of pensioners in Northern Ireland have an income below the 60% of median income threshold, a figure much higher than the 16% for the UK as a whole. If we look at the proportion of pensioners experiencing income below 50% of median household income during the period 1998/99-2000/01 to 2006/07-2008/09 we can see there are fewer pensioners experiencing what is defined as severe poverty. A downward trend is evident but, with the exception of Scotland, this trend halts by the middle of the last decade, with England, Wales and Northern Ireland experiencing a rise in the proportion in severe poverty. For England and Wales this rise seems to have reached a plateau, whereas for Northern Ireland the rise has continued, reversing the previous progress made in tackling severe poverty (see Figure 2.4).

**Figure 2.4: Percentage of pensioners in households below 50% of median household income (AHC) by three year average and by constituent country**

![Percentage of pensioners in households below 50% of median household income (AHC) by three year average and by constituent country](http://statistics.dwp.gov.uk/asd/hbai/hbai_2009/index.php?page=chapters)

The population of people of pensionable age are not a homogenous group, and the experience of low income and poverty for people of pensionable age varies according to family type, gender and age. In Northern Ireland the proportion of single pensioners in 2008-09 with incomes lower than 60% of median (AHC) for example, is slightly higher (25%) than for pensioner couples (21%). The proportion of Catholic pensioner households below 60% of median household income (AHC) has risen from a rate of 20% in 07-08 to 25% for 2008-09. The proportion of Protestant pensioner with income below 60% of median household income (AHC) has remained constant for 2007-09 at 22% (AHC). There has been a disappointing increase in the proportion of single female pensioners over 75 years of age below 60% of median household income (30%) (AHC) for 2008-09. In 2007-08 the proportion of single female pensioners over 75 years of age with incomes below 60% of the

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105 DSD (2010)*Households below Average Income , Northern Ireland 2008-09*, p. 130,
106 DSD (2010)*Households below Average Income, Northern Ireland 2007-08*, p. 130
median was 23%. The latest data from the Department for Social Development does not include figures for males due to concerns over reliability and validity due to a small sample size, but for 2007-08 the proportion of male pensioners aged over 75 with income below 60% of median household income (AHC) was 18%. One explanation for this is that post war gendered patterns of employment and caring responsibilities in society, together with the structure and regulations of the social security system may be continuing to negatively affect the income of current cohorts of female pensioners. In 2008-09 the net mean income of a single female pensioner was £229 (BHC) and £198 (AHC) in comparison to £262 (BHC) and £229 (AHC) for men. The income males received, through a combination of occupational pensions, personal pensions and investment income, was £45 per week greater than the income women received from those sources when taken together.

The fewer resources available to women through previous occupations and private savings and investments means that ensuring access to a full basic state pension and means tested entitlements is essential. Overall, despite improvements in pensioner poverty over the past 10 years, recent trends suggest progress has, at best, stalled across the UK as a whole and in Northern Ireland is beginning to deteriorate.

**Pension Credit Take-up**

Previous simulations of potential reforms to the pension system by the Institute for Fiscal Studies have suggested that maximising the take-up of Pension Credit is likely to be the most cost effective means for addressing low income amongst those aged 65 and over. Presuming maximum take up of Pension Credit could be achieved, the IFS estimate that it would reduce poverty by 2 percentage points and cost £1.8 billion (cost in 2007-08), whilst maximising the take up of all means tested benefits would reduce poverty amongst older people by 5 percentage points and cost £3.9 billion (cost in 2007-08). As a comparison, making the basic state pension available to all above state pension age, irrespective of national insurance contributions, would reduce poverty by 5 percentage points, but cost £6.9 billion (cost in 2007-08) if implemented immediately. The advantage of moving to universal provision of the basic state pension is that it would reduce the need for means testing and would benefit low income women in particular who traditionally have a more fractured record of paid work and national insurance contributions. Given the economic circumstances, public expenditure constraints and an ageing society however, it seems likely that in the short term Pension Credit will continue as the central means for attempting to reduce low income amongst older people. The Executive has focused on maximising the awareness and the take up of Pension Credit entitlements by pensioner households as part of its overall strategy on inclusion of older people. It is difficult to ascertain how much recent progress has been made in terms of encouraging the take-up of entitlements as the Department for Social Development ceased regular publication of easily accessible take up information in 2009. Even prior to this, the estimated range

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113 For further discussion of these issues and comparison of potential routes for pension reform please refer to Help the Aged (2008) *Automatic payment of benefits and improving the basic state pension*.


of caseload and expenditure take-up information typically means that care must be taken in drawing conclusions as the size of difference between upper and lower estimates of take up provides limited accuracy. Such information is nonetheless a useful guide for tracking trends over time and if we look at Britain we can see continuing problems in achieving optimal take up of Pension Credit. For Great Britain, the Department for Work and Pensions continue to produce take up statistics for Pension Credit as part of their Income Related Benefit series of publications. The latest information available for Great Britain is for 2008-09 and indicates that caseload take-up (the % of all those with entitlement) for Pension Credit as a whole ranged between 62-73%. The take up of Pension Credit on an expenditure basis (the % of total money available that is claimed) is slightly higher, ranging between 71-81%. We know that calculations of the costs and benefits of making a claim, along with perceptions of eligibility to entitlements, are amongst the factors influencing whether or not a claim is made. One explanation for why expenditure take up tends to be higher than caseload take up is that larger awards are more likely to be claimed by those entitled, whereas those with entitlement to only a small amount may be less likely to make a claim. Despite this, many eligible non-recipients of Pension Credit and other benefits are entitled to sums that are relatively large in terms of their overall income. In Great Britain the median weekly amount of Pension Credit unclaimed is £21, with 19% of eligible non-recipients of Pension Credit estimated to be entitled to between £30 and £59 per week, whilst 6% are estimated to be entitled but not claiming over £120 per week. Receipt of Pension Credit may not automatically lift all recipients out of poverty, but it is notable that in Great Britain 56% of eligible non recipients were below 60% of median household income (AHC) compared to 26% of eligible recipients.

For Northern Ireland, the figures for 2004-06 show 38% of eligible non recipients of Pension Credit with incomes below 60% of contemporary median household income (AHC), compared to a figure of 21% amongst recipients of Pension Credit, again indicating the potential importance of take up for poverty alleviation. For 2004-06 the caseload take up of Pension Credit was estimated to range between 49-85%, and the level of expenditure take up was estimated at between 60-91%. As noted above, obtaining an up to date understanding of the Pension Credit take up in Northern Ireland is more difficult since the discontinuation of Income Related Benefits and the latest and most accessible information available is based on June 2009. Between August 2006 and June 2009 the increase in the numbers in receipt of Pension Credit grew by 5.8%, whilst the population of those aged 60 or over grew by just under 6%, suggesting that despite efforts from the DSD to promote Pension Credit take up, the changes in receipt during this period largely reflected the growth in the over 60 population. Estimated figures for June 2009 suggest that the caseload take-up for Pension

Credit as a whole in Northern Ireland ranged between 66% and 79%, with expenditure take up ranging between 73-84%. The total amount of weekly unclaimed income was estimated as ranging from £1.18-2.26 million per week. If the UK Government and the Executive are to ensure older people have the resources necessary to maintain their independence and ability to participate fully in society then a means for maximising take up is required.

One possible method currently being explored by the DWP in pilot programmes is to make automatic payment of Pension Credit. The idea underpinning this is to shift away from relying on individuals making a claim to Government departments making use of the available data they hold on individuals to estimate their entitlements. Estimates could then be followed up by the actioning of a payment or a lesser form of automation, such as informing the potential recipient of their eligibility and/or level of entitlement. The DWP evaluation of the pilot programme is expected to take 18 months and will examine; the reaction of participants to receiving income for which they have not made a claim; the impact on subsequent Pension Credit claims; the quality of the information held on recipients by the department and the logistics of operating an automatic payment system. Qualitative research with older people suggests that such a system is viewed by potential recipients as having a number of strengths that would mark an improvement over the current system and would begin to tackle some of the problems around take-up. Key strengths of automation appear to be; its removal of stigma and the notion that recipients have to go ‘begging’ to officials; its ability to raise awareness of eligibility and promote early claims, helping to avoid hardship; its potential to improve convenience and reduce concerns over the burden of complexity the claims process is perceived to impart on individual claimants. Potential concerns were, however, also raised, regarding privacy, the security of data and the accuracy of the information that Government departments held. On the latter point, participants noted the risk automation posed in terms of official error and potential recipients either not being informed of their eligibility or being wrongly awarded a payment, creating overpayments that are required to be paid back at a later date. Given the complexity of the tax and benefit system, the administrative difficulties associated with reforms to the tax credit system in 2003 and the implications this had for hardship amongst low income households, ensuring any automated payment system for Pension Credit is based on accurate data is essential.

Fuel poverty

The NI executive is committed to a strategy for tackling fuel poverty and has pledged to eradicate fuel poverty in all households by 2016. A household is deemed to be experiencing fuel poverty if they are required to spend more than 10% of their income on all household fuel to maintain an acceptable temperature level in their home (judged to be 21 degrees C in the living room and 18 degrees C in other occupied rooms). The figures available on household fuel poverty at the UK level can be found in the following sources:

level at the time of writing indicate a rise in the number of households experiencing fuel poverty. Since 2004, the number of UK households in fuel poverty has risen from 2 million to 4.5 million in 2008, which is about 18% of all households. The gradual rise in fuel poverty has been experienced across all constituent countries of the UK, but the problem is more severe in Northern Ireland than in England, Scotland or Wales (see table 2.2). There is some indication that older people themselves have become increasingly concerned about being able to heat their homes. The Northern Ireland Life and Times survey has twice asked those aged 55 and over within Northern Ireland to rank the main issues facing older people, once in 2003 and once in 2008. The latest information from the 2008 survey indicates that being able to heat your home has become an increasingly pressing issue for older people. In 2003 keeping warm in winter was ranked as fourth in the list of priorities behind, fear of crime, loneliness and making ends meet. By 2008 keeping warm in winter had risen to second in the ranking, above making ends meet in third place and below fear of crime in first. During the same period the proportion of older people experiencing fuel poverty increased substantially (see table 2.3).

Table 2.2: Estimated proportion of all households in UK who are fuel poor by constituent country 2008

<table>
<thead>
<tr>
<th>Country</th>
<th>Percentage in fuel poverty</th>
<th>Numbers of households in fuel poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>15.6</td>
<td>3,300,000</td>
</tr>
<tr>
<td>Scotland</td>
<td>26.5</td>
<td>618,000</td>
</tr>
<tr>
<td>Wales</td>
<td>20**</td>
<td>240,000†</td>
</tr>
<tr>
<td>Northern Ireland</td>
<td>34.2*</td>
<td>226,000</td>
</tr>
</tbody>
</table>


Note: this table draws together information on the percentages and numbers of households in fuel poverty from devolved administrations and the UK Government. Some of the percentages and figures given refer to different years of data e.g. for Wales the percentage figure refers to estimates by DECC for 2008 and the numbers refer to estimates by the Welsh Assembly Government for 2006.

132 Note: this table draws together information on the percentages and numbers of households in fuel poverty from devolved administrations and the UK Government. Some of the percentages and figures given refer to different years of data e.g. for Wales the percentage figure refers to estimates by DECC for 2008 and the numbers refer to estimates by the Welsh Assembly Government for 2006.
Table 2.3: Proportion of households in Northern Ireland living in fuel poverty by age and year

<table>
<thead>
<tr>
<th>Age of household reference person</th>
<th>2001</th>
<th>2006</th>
</tr>
</thead>
<tbody>
<tr>
<td>17-24</td>
<td>47.6</td>
<td>33.7</td>
</tr>
<tr>
<td>25-39</td>
<td>21.8</td>
<td>23.1</td>
</tr>
<tr>
<td>40-59</td>
<td>19.7</td>
<td>28.2</td>
</tr>
<tr>
<td>60-74</td>
<td>32.1</td>
<td>42.9</td>
</tr>
<tr>
<td>75 +</td>
<td>46.1</td>
<td>55.5</td>
</tr>
</tbody>
</table>

Source: Northern Ireland Housing Conditions Survey 2006

The relationship between socio-economic status, housing condition, fuel poverty and poor health in winter is complicated, but research does indicate that a low income and a home which is difficult to heat produces negative health affects, contributing to excess winter mortality. The Housing Condition Survey Northern Ireland (HCSNI) suggests that older people are more likely to live in unfit dwellings than other age groups. By age of household reference person, 1.7% of those aged 60-74 years of age were recorded as living in unfit dwellings, with this figure rising to 5% for those household reference persons aged 75 and over. The 2006 survey also reports a strengthening of the link between age and unfitness of a dwelling, noting that household reference persons aged 60 and above resided in 68% of all occupied unfit dwellings in 2006, compared to 57% of all occupied unfit dwellings in 2001. The greater likelihood of living in unfit properties, together with limited means of raising additional resources to meet any increase in fuel prices, places the health of older people at risk from cold temperatures. The benefit system therefore plays a key part in improving the resilience of households and helping low income older people avoid fuel poverty.

The annual Winter Fuel Payment to those aged 60 and above of between £125 and £400 depending on circumstance, provides some recognition of the cost of heating for older people and its importance in avoiding hardship and ill health. The Coalition, in setting out their programme for Government, announced that they would protect the Winter Fuel Payments for older people, but did not specifically rule out either means testing or altering the age at which people qualify for the payment. Recent reports in the media suggest there is support within the Coalition for increasing the qualifying age to at least 66 and possibly 75 years of age, to bring Winter Fuel Payments in line with free television licenses. Preliminary research conducted for Age UK shows that, in Northern Ireland in 2008-09, 309,334 people aged 60 or over were in receipt of the Winter Fuel Payment and of this number 66% had incomes below 60% median UK household income (BHC). If the qualifying age rises to 65 under the Coalition, it is estimated that 88,786 older people in NI will lose eligibility and if it rises to 75 years of age 211,922 people would cease to receive this benefit. Many of these older people will not be wealthy and will in fact be living at risk of poverty. Any change in

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142 Age UK (2010) Increasing eligibility age for Winter Fuel Payment benefits in Northern Ireland. How will the older poor be affected? P. 2
qualifying requirements for the Winter Fuel Payment needs to recognise that progress in tackling fuel poverty for older people in Northern Ireland has stagnated (see Table 2.3).
3. Health and Social Care

As the population ages, the issues surrounding the provision and funding of health and social care for older people who require it have become more visible and more contentious. However, while estimates may predict the size of the population that will be over the age of 65 years in the future, it would be wrong to assume that the age-related level of need for health and social care services will continue to be the same as at the present time.

It would also be wrong to assume that the estimates reflect the reality, as there are substantial differences in the projected estimates for health and social care expenditure. While the DHSSPS(NI) estimates that ‘the cost of treating the elderly is expected to grow by 30% over the next ten years’, Iparraguirre estimates that maintaining health and social care services at the current level of service provision, will result in an increase in public expenditure of between 145% and 218% between 2011 and 2041. This latter estimate by Iparraguirre, is derived by taking into account not only the expenditure on the Programme of Care (POC4) for the Elderly (which accounts for an average of 2% of hospital admissions each year), but also the services provided to older people in other health and social care services. For example, in the acute hospital sector, patients aged over 65 years accounted for 34% of all admissions in 2007/8 and ‘used a greater share of the Family Practitioner Services than their population share’.

The question is; will the services continue to be needed and/or provided in the same way in the future as they are now? At present, the majority of people up to the age of 65 years are healthy, and thus make low level demands on the health and social care system. Between the ages of 65 and 80 years they are still relatively healthy, though they use slightly more services. It is only above the age of 80 years that the demand for health and social care services increases rapidly. Evidence of the age-related costs of providing health and social care services at the current level is provided in the recent Strategic Resources Framework 2009/10 from the DHSSPS (NI). The average annual cost of providing health and social services to an adult male or female ranges between £1,000 and £2,000 up to the age of 64 years. It ranges between £2,000 and £4,000 for a man or woman aged between 65 and 79 years, rising sharply for a person over the age of 80 years, to a maximum of £12,000 for a woman aged over 85 years. It is obvious from these statistics that the best way of decreasing expenditure in the future is to improve the health of the population in general, so that everyone may live a healthy and disability free life for much longer.

According to Iparraguirre, men and women in Northern Ireland at age 65 have a similar life expectancy to other areas of the UK, with a comparatively good, healthy life expectancy, but the lowest disability-free life expectancy. In other words, a higher level of need for health and social care services is anticipated in Northern Ireland than in other areas of the UK. The higher level of

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144 Iparraguirre J. L. (2009), Public expenditure on older people in NI, Belfast: ERINI, p. 78.
146 Iparraguirre J. L. (2009), Public expenditure on older people in NI, Belfast: ERINI, p. 74; An equivalent (age-related) hospital statistic had not been published for 2009/10.
need in Northern Ireland is already reflected in the levels of per capita public expenditure throughout the UK. Since 1998 Northern Ireland has had the highest level of per capita public expenditure, as shown in the figures for 2007/8. In that year, figures were: £9,789 for Northern Ireland; £9,174 for Scotland; £8,577 for Wales, and £7,535 for England.\textsuperscript{149} Yet if we look at spending on health and personal social services (2006-07) it was lower in Northern Ireland, £2,096, than in Scotland, £2,313, or Wales, £2,109, though higher than in England, £1,915\textsuperscript{150}. In the context of public spending restraints, maintaining this level of health and personal social services funding has implications for other areas of expenditure, but failing to do so risks deterioration in provision as demand for services that deliver care and support to older people grows.

The DHSSPS (NI) accepts that there are health and social care inequalities linked to deprivation. According to the \textit{Inequalities Monitoring System Bulletin 2009}, ‘health outcomes in deprived areas continue to be generally worse than in Northern Ireland as a whole\textsuperscript{151}. While many of the health indicators being monitored relate to young people, there are some that have a particular resonance for the older population. According to the report:

- The most sizeable inequality gaps between deprived areas and Northern Ireland overall were evident in alcohol related deaths (121\% higher) .... respiratory death rates (66\% higher) and lung cancer incidence (65\% higher)...;
- Male and female life expectancy were 4.4 years and 2.6 years lower respectively in deprived areas compared to Northern Ireland overall. In proportionate terms, these gaps were relatively small.\textsuperscript{152}

It is unlikely that these patterns of inequality will change without improving income levels for all sections of the population in NI. However, the recent rise in poverty amongst older people in NI, notable for its striking divergence with the other constituent countries of the UK, suggests that there is little prospect for improved incomes for this section of the population, thus confirming the potential for growing levels of need and demand for service provision.\textsuperscript{153}

On a positive note, it is likely that developments in medical care may also affect (reduce) hospital expenditure. For example, hospital statistics for the Programme of Care for the Elderly (POC4) in NI 2009/10 show that, while numbers of admissions to hospital increased last year, numbers of beds decreased. This was achieved through an increase in day procedures and a decrease in average length of stay in hospital\textsuperscript{154}.

Whether or not public expenditure on health and social care services continues to increase will depend mainly on the future health and care needs of older people. While it is generally accepted that the pattern of need is not unusual in NI, -that an older population requires higher health and social care expenditure - with the greatest increase in the latter days of life\textsuperscript{155}, it is also now


\textsuperscript{155} Iparraguirre J. L. (2009), \textit{Public expenditure on older people in NI}, Belfast: ERINI, p. 10; and DHSSPS(NI) (Oct 2010) \textit{Strategic Resources Framework: Health & Social Care Expenditure Plans for NI by Programme of Care &
becoming clear that there a number of factors that affect the type and quantity of health and social care interventions that are needed by older people.

- The levels of chronic ill-health and disability in this age group;
- Access to high quality health services (preventive and acute);
- Access to formal and informal social care services;
- Appropriate housing (future proofed with the best technology available);
- Access to advice and advocacy services;
- The levels of connectedness of individuals to social networks. These not only include family and neighbourhood, but also global communities through the internet (to include extended family members; leisure associations; educational institutions; shops; travel agencies etc).

Early interventions to enhance the health (physical, mental, emotional and social) of this section of the population will undoubtedly reduce the demand for health and social care services in the future. Recent evidence of this was found in the evaluation of the Partnerships for Older People Projects (POPP) in England, based on projects which ran from 2006 to 2009, serving over a quarter of a million people.\textsuperscript{156} The most important findings were that:

... for every extra £1 spent on the POPP services, there was approximately a £1.20 additional benefit in savings on emergency bed days ... overnight hospital stays were reduced by 47% and use of Accident and Emergency departments by 29%. Reductions were also seen in physiotherapy/occupational therapy and clinic or outpatient appointments with a total cost reduction of £2,166 per person\textsuperscript{157}.

It is worth noting that these preventative services were not only cost effective, but that they also improved the quality of life of those who used them. Similar schemes will no doubt emerge from the new funding initiative announced in October 2010 by the Department of Health for England. This is a promise of £70 million of extra funding for what are being called ‘re-ablement packages’ which will give people support for six weeks after they are discharged from hospital\textsuperscript{158}. Similar projects are already in place in Northern Ireland, for example, ‘Home from Hospital’ scheme funded by the Belfast Trust and provided by the Bryson Charitable Group.

As noted in the submission from the Joseph Rowntree Foundation to the Scottish Government in August 2010, many POPP services, like many preventative services, are provided by organisations based in the third sector, where funding is often precarious.\textsuperscript{159} Although many specific services (such as social care services) are funded through service level agreements with the HSC Trusts in Northern Ireland, the administrative infrastructure needed in a voluntary organisation to manage existing and new initiatives is itself costly. Any reduction in core funding to voluntary organisations that provide social care and other services to older people may lead to reductions in services.

\textsuperscript{156} PSSRU (2009). The National Evaluation of Partnerships for Older People Projects, LSE and University of Kent: PSSRU.
\textsuperscript{158} DH (Oct 2010) New support for people discharge from hospital, available at \url{http://www.dh.gov.uk/en/Aboutus/Features/DH_120256}
\textsuperscript{159} Stone E. (2010). Response to the Scottish Government Finance Committee Inquiry: To consider and report on how public spending can best be focussed over the longer term on trying to prevent, rather than deal with, negative social outcomes, York, Joseph Rowntree Foundation, p. 7.
Universal services – the example of prescription charges

It is likely that the Executive may come under pressure to rescind universal measures, such as free prescriptions, on the grounds that this is a poorly targeted use of resources as wealthier people could afford to pay a modest charge for prescriptions. Although only introduced in April 2010, it is already apparent that the cost was underestimated. According to Jim Wells, Chairman of the Health Committee at Stormont, the projected cost will be £20 million rather than the forecasted £13 million. The notion that such universalism in health provision is an inefficient use of resources has been contested by the Kings Fund. In their submission to the 2005 House of Commons Select Committee consultation on co-payments in the NHS, they note that charging people for access to certain forms of assistance means that many will forgo necessary treatment for their conditions. This may deliver a short term saving, but has to be offset against the costs of administration associated with means testing and the potentially higher costs of undetected illness that may raise costs in the long term. More recently Thomson et al, considering UK and international evidence, have similarly argued that co-payments may lower expenditure in one area, such as prescription drugs, but raise it in other areas, for example, emergency admissions or community mental health centres, if patients subsequently present with more complicated conditions that could have been treated at lower cost if addressed earlier.

Models of Social Care Provision

Models of social care provision vary by type of service provided; by the manner in which the services are provided; and by the method in which these services are funded. The services may be home based (domiciliary care services, sometimes known as home help services), or institution based (either residential or nursing care facilities). These services may be provided directly by Health and Social Care (HSC) Trusts, or by independent providers (profit and not for profit organisations). Regardless of who provides the services, they may be funded by public money (through the health and social care system or through the social security system), or by private money (from the individual receiving the service or from his/her private insurance company).

Because of the potential cost to the public purse of funding some or all social care services for an ageing population, there have been numerous attempts by the UK government in the past decade to establish a framework for the funding and provision of social care services. As part of the debate surrounding the issue of funding, the Wanless Review, published by the King’s Fund in 2006, put forward a number of suggestions for a way forward. During the same period, Appleby carried out a review of health and social care services in Northern Ireland, and Jamison and Buchanan, prepared a paper on funding long term care for the DHSSPS (NI).

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In March 2010, the Labour Government published its plans in a White Paper, *Building the National Care Service*. While not rejecting the work completed under the previous government, in July 2010, the current government set up an independent body, the Commission for the Funding of Care and Support, to review the situation for England. While it is not clear as yet what direction future policies will take, it is likely that the government will be looking for ways to reduce public sector involvement in both the provision and funding of social care. Whether or not this will be through tax incentives to encourage individuals to increase their contributions to insurance policies which will fund their own care, or through a reduction in publicly funded services (direct and indirect provision) is not yet known. Whatever happens, there is no doubt that all services will be evaluated in terms of their value for money and that there will be more emphasis on the individual’s responsibility for his/her own care.

The situation in Northern Ireland at present is difficult to summarise, and therefore to evaluate, because of the way in which statistics are kept and presented. For example, some domiciliary care services are counted as part of ‘Home Help’ schemes and some are counted as ‘care packages’. Also, due to the recent changes in the administration of health and social care services, some of the statistics are presented in a different way, in order to remove the anomaly of focusing only on ‘care managed’ cases when counting domiciliary care recipients. This has made it impossible to follow up on some of the trends that were apparent prior to 2008.

The following are some of the publicly available facts in social care provision in Northern Ireland. In 2008/9 the numbers of older people who were fully funded - receiving ‘care packages’ - was 15,104: 9,485 (63%) for institution based care and 5,619 (37%) for intensive home based care. This pattern was similar to the previous year when, as estimated by Jamison and Buchanan, the cost of care packages for 2007/8 was £265 million for institution based care and £130 million for domiciliary care. The pattern of funding more people for nursing care (over residential care), as shown by Jamison and Buchanan, also continued. In the year 2008/9, of the 9,485 people funded for institution based care, 6,579 (69%) were in nursing home care and 2,906 (31%) in residential care.

Thus, it appears, based on statistics on ‘care packages’ and on ‘intensive home based care’, that the model of care provision for those requiring long term care in NI, whether estimated in terms of number of people helped or of the quantity of money spent, continues to be heavily weighted towards supporting people in institutions (nursing homes and residential homes) rather than in their own homes. However, this is not the whole picture, as in addition to people funded by the HSC Trusts for ‘care packages’ are those receiving (publicly funded) domiciliary care under Home Help schemes.

Domiciliary care is defined as the range of services put in place to support individuals in their own home. Services may involve routine household tasks within or outside the home.

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166 See website at http://carecommission.dh.gov.uk
167 See explanation of changes in statistics in DHSSPS (2010) *Domiciliary Care Services for adults in NI*, (based on one week in Sept 2009), Belfast: DHSSPS (NI) Community Information Branch, p. 5.
personal care of the client and other associated domestic services necessary to maintain an individual in an acceptable level of health, hygiene, dignity, safety and ease in their home.\textsuperscript{171}

Domiciliary care services are provided by both statutory and independent providers, and all of the services recorded in these statistics were funded by the HSC Trusts. People over the age of 75 years received the service free (after an assessment of need) while younger recipients were asked to contribute to the service based on their income.\textsuperscript{172} Excluded from these DHSSPS (NI) statistics are people who pay for their own care informally or who receive social care services without reference to the HSC Trusts.

In September 2009, according to a DHSSPS (NI) survey, an estimated total of 23,377 (all ages) people were in receipt of HSC funded domiciliary care (15,882 from the statutory sector, 10,590 from the independent sector, with 3,095 getting services from both sectors). This represented a reduction in service provision from the previous year, with domiciliary care services decreasing in the statutory sector by 10% (1,724 people) and increasing in the independent sector by 8% (787 people).\textsuperscript{173} Out of a total of 23,377 people of all ages, 6,630 (28%) received intensive domiciliary care (6 or more visits and more than 10 contact hours).\textsuperscript{174}

According to the DHSSPS (NI) \textit{Adult Community Statistics 2008/9},\textsuperscript{175} 17,252 people over the age of 65 years were getting a Home Help service, funded by the HSC Trusts and delivered by either the Trust or the independent sector. As 5,619 of these people were receiving ‘intensive care packages’, it may be estimated that over 11,000 people were receiving a low level of support, ranging from under 5 hours to 10 hours per week, with almost half of them receiving less than 5 hours of domiciliary care.\textsuperscript{176} While these 11,000 people did not require intensive support, it is clear that they needed some level of service to facilitate independent living. Any reduction in the money allocated to domiciliary care will adversely affect this large group of people (by reducing their hours), as evidenced by the fact that between 2008 and 2009, the proportion of clients receiving less than 5 hours of domiciliary care increased from 43% to 49%.\textsuperscript{177}

In addition to people funded by the HSC for long term care (either at home or in residential and nursing homes) are those who are paying for their own care. According to the Continuous Household Survey for 2008/9, there were 3,467 people paying for care in residential or nursing homes in Northern Ireland, almost half of whom had no contact at all with HSC staff and who may have been

\textsuperscript{171} DHSSPS (2010) \textit{Domiciliary Care Services for adults in NI}, (based on one week in Sept 2009), Belfast: DHSSPS (NI) Community Information Branch, p. 5.


\textsuperscript{173} DHSSPS Community Information Branch (2010) \textit{Domiciliary Care Services for adults in NI}, (based on one week in Sept 2009), Belfast: DHSSPS (NI), p. 10.


\textsuperscript{176} DHSSPS Community Information Branch (2010) \textit{Domiciliary Care Services for adults in NI}, (based on one week in September 2009), Belfast: DHSSPS (NI), pp. 12 & Table 8, p. 13. Please note that hours of services are not broken down by age, so the number of clients receiving low level home help is approximate.

\textsuperscript{177} DHSSPS Community Information Branch (2010) \textit{Domiciliary Care Services for adults in NI}, (based on one week in September 2009), Belfast: DHSSPS (NI), p. 13.
unaware of the fact that they could be assessed for a refund of the nursing element of the care, up to a maximum of £100 per week.\footnote{Jamison J. & Buchanan R. (2009) Research on the Future Funding of Long Term Care in NI, Belfast: DHSSPS, p.12.}

European research, by Rodrigues and Schmidt, shows that Northern Ireland is not unusual in these patterns of care provision; that the models of care in most countries show a pattern of higher public expenditure in the provision of institution based care (as opposed to home based care); that many older people fund their own care; and that long-term care involves a mixture of formal and informal care.\footnote{Rodrigues R. & Schmidt A. (2010) Paying for long-term care: Policy Brief, Vienna: European Centre.} However, there are some trends emerging elsewhere that might be useful for policy makers here to consider. For example, in most OECD countries ‘(age related) nursing home care usage rates have declined continuously over the past decades’.\footnote{DHSSPS (1990) People First Community Care in Northern Ireland in the 1990s, Belfast: DHSS.} This is good news for Northern Ireland, where the number of people funded for nursing home care remains very high in comparison with other types of care, in spite of government efforts to support independent living since the late 1980s.\footnote{DHSSPS (2010) Adult Community Statistics, 1 April 2008-31 March 2009, Belfast: DHSSPS (NI), Table 2.2, p. 33.} In 2008/9, of the 9,485 older people funded for institution-based care, 6,579 (69%) were in nursing homes.\footnote{DHSSPS (2010) Paying for long-term care: Policy Brief, Vienna: European Centre, p. 15.} Every effort needs to be made to bring Northern Ireland in line with other countries, in general terms, by improving the health of the older population and in specific terms, by increasing the proportion of the budget used for home based care and by ensuring that there is no perverse incentive operating in favour of nursing over residential care.

Another important issue to arise from the European research by Rodrigues and Schmidt is the finding that there are potential inequalities associated with different methods of financing and providing long term care.

In countries with a wide range of care services available (e.g. Denmark, Sweden) low-income groups are the ones most likely to receive formal care at home. In countries where cash for care allowances are handed out according to needs and a high degree of flexibility in use exists (e.g. Austria, Italy), it is the high-income groups that are more likely to benefit from formal home care services, whereas low-income groups might tend to use care allowances to pay informal carers instead.\footnote{Rodrigues R. & Schmidt A. (2010) Paying for long-term care: Policy Brief, Vienna: European Centre, p. 6.}

In other words, while the current government may be in favour of increasing ‘cash for care’ schemes e.g. through ‘direct payments’ from HSC Trusts, this may not necessarily lead to a better or more equal care system. While ‘direct payments’ may indeed ‘increase choice and promote independence’ among young people, they may not be appropriate for older people (either as carers or as service users).\footnote{For discussion on direct payments, see C. Glenndinning et al. (2009) The individual budgets pilot projects: Impact and outcomes for carers, University of York: SPRU and University of Kent: PSSRU, Working Paper 2298, DHP, available at http://www.york.ac.uk/inst/spru/research/pdf/IBSENCarersRep.pdf} The number of people receiving ‘direct payments’ to buy social services in Northern Ireland has increased in the past few years; from 797 in 2007, to 1,333 in 2008.\footnote{DHSSPS (2009) Direct Payment Statistical Information at 31st Dec 2008, Belfast: DHSSPS(NI)} However, as the only age-related statistics available are for under and over 21 years of age, there is no way of knowing if there has been an increase in the take-up from older people.\footnote{DHSSPS (2010) Personal communication with the Community Information Branch, 18 October.} As Rodrigues and Schmidt found, societies with the most equal systems have higher levels of formal care and of supported housing, and as
such, an increase in the provision of a wide range of flexible social care services and improved housing are more likely to promote equality and choice.

**Suitable housing (including assistive technology)**

According to a study by Evason, Lloyd and Devine, based on data for 2002, nearly two thirds of people of pensionable age (women over 60 and men over 65 years) own their own homes (with an average worth of £115,000) while over one fifth live in houses rented from either the NIHE (Northern Ireland Housing Executive) or a housing association.\(^{187}\) Data from the NIHE indicate that 23% of all social housing and 49% of houses run by Housing Associations are occupied by a ‘lone older’ person.\(^{188}\)

As indicated by Iparraguirre, the three major housing costs which will affect everyone in the near future are rising energy prices, rates increases and future water charges.\(^{189}\) These costs will have a disproportionately negative impact on households (such as pensioners) with fixed incomes. While younger people may have some opportunities to improve their incomes (through employment or inheritance), older people have very few choices open to them (through liquidising assets). It is imperative that no cuts be made to funding for organisations (such as Citizen’s Advice Bureau) that provide advice and advocacy services to help all those eligible to claim rent rebates and improvement grants for home insulation and adaptations from the NI Housing Executive.

**Assistive technology**

While those who own their own homes are relatively privileged in terms of capital wealth, it is likely that those in houses owned by the NIHE or by Housing Associations have more access to ‘assisted living’ adaptations and technology. While everyone who is assessed by an occupational therapist as requiring a ‘Disabled Facilities Grant’ may apply for funding to make the required adaptations, it is difficult for some older people to manage building work in their own homes. Those in social housing have an opportunity not only to request adaptations to their homes, but also to apply for more technologically advanced homes as these become available. One example of this is the 26 cottage scheme in Carrickfergus, ‘Barn Halt Cottages’, opened in 2007. These cottages were built by a partnership between the Northern Health and Social Care Trust, Fold Housing Association and the NIHE, and incorporate a number of new ways to help promote independent living, including alarms and other assistive technology. Broader ideas may also come from other areas of Ireland, for example, the Nestling Project in Dundalk, which as a result of collaboration between the community and the Dundalk Institute of Technology (DKIT) promotes new ideas for the use of technology to increase independent living.

It will be important in an era of cut-backs to protect any funding that helps people to stay longer in their own homes, through direct grants for adaptations (such as the ‘Disabled Facilities Grant’ from the NIHE); through partnerships between the NIHE, the HSC and Housing Associations (such as Fold and Abbeyfield); and through contributing to UK initiatives such as the Assisted Living Innovation Platform (which encourages research on assistive technology with a view to making it desirable, flexible and affordable).\(^{190}\)

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\(^{189}\) Iparraguirre J. L (2009), Public expenditure on older people in NI, Belfast: ERINI, p. 83. [http://www.erini.ac.uk/Publications/PDF/ERINI%Mon43.pdf](http://www.erini.ac.uk/Publications/PDF/ERINI%Mon43.pdf)

\(^{190}\) Information at [http://www.innovateuk.org/ourstrategy/innovationplatforms/assistedliving.ashx](http://www.innovateuk.org/ourstrategy/innovationplatforms/assistedliving.ashx)
Example of one area of special need: People with Dementia

It is estimated that in 2010 in Northern Ireland, there are 19,000 people living with Dementia, and that this figure will rise to 23,000 by 2017 and around 60,000 by 2051.\textsuperscript{191} There are gender and age differences in this population, as indicated by the Bamford review. Between 1\% of women and 2\% of men aged 65-69 years will have Dementia and these proportions increase to 25\% of women and 18\% of men aged 85-89 years.\textsuperscript{192} In addition, the level of severity of the condition increases with age, with a consequent need for higher levels of care. The cost of caring for people living with Dementia will depend on the model of care adopted and it is increasingly accepted that home based support can go a long way to keeping people out of institutional care. According to the recent consultation paper on a proposed strategy for Dementia in Northern Ireland:

> The Alzheimer’s Society report estimated the annual average cost of care for someone with dementia to range from £16,700 (2005/06 prices) for someone with mild dementia living in the community to £37,500 for someone with severe dementia living in the community. The average cost for someone in supported accommodation was estimated at £31,300. These costs include informal care costs, health and social care costs and supported accommodation costs for those receiving this form of support.\textsuperscript{193}

When the same formula was applied to Northern Ireland, the total annual cost of Dementia (at 2005/06 prices) was just over £400m, which includes £150m of informal care costs. In other words, it is estimated that families bear 37.5\% of the cost of caring for someone with Dementia. When uplifted to 2009/10 prices, the total cost rises to just under £450m, of which we may estimate that families pay £168.75m.\textsuperscript{194} Any budget cuts to Dementia services are likely to further increase the pressure on families to fill the emerging ‘gaps’ in service provision.

\textsuperscript{191} DHSSPS (2010) Improving Dementia Services in NI: A regional strategy, Consultation paper, p. 4.
\textsuperscript{194} DHSSPS (2010) Improving Dementia Services in NI: A regional strategy, Consultation paper, Table 1, p. 13
4. Equality, inequalities and human rights

The United Nations Principles for Older People, outlined in the introduction to this document, provides for a human rights informed approach to public service reform that promotes the empowerment and inclusion of older people. In the UK, one avenue for older people to challenge and shape the actions of organisations delivering services is through the Human Rights Act (HRA) 1998 which incorporates the key rights and freedoms of the European Convention on Human Rights into UK law and enshrines a duty on all public authorities to ensure their actions are compatible with the act. Previous research has indicated the HRA has had limited impact so far on public service delivery for older people. Its existence however, helps to reinforce the importance of equal treatment, respect, fairness and dignity in service delivery by empowering service users with a means of redress against the actions of the state\textsuperscript{195}.

Ensuring equal treatment for older people in policy and service delivery is important for maintaining the capacity of older citizens to fully and actively participate in society. There is a risk that the impact of public expenditure reductions will erode this independence and exacerbate social exclusion. The Minister for Women and Equalities in the UK Coalition Government, Theresa May, has acknowledged spending cuts may disproportionately affect vulnerable groups such as women, older people, disabled people and minority ethnic groups\textsuperscript{196}. The letter by the Minister also recognises the importance and role of equality and anti-discrimination legislation in shaping how public service reform and expenditure cuts proceed.

If there are no processes in place to show that equality issues have been taken into account in relation to particular decisions, there is a real risk of successful legal challenge by for instance recipients of public services, trade unions or other groups affected by these decisions\textsuperscript{197}.

It is important therefore, that older people enjoy full and equal protection under equality legislation with other groups. In Northern Ireland the implementation of the Belfast Agreement through the 1998 Northern Ireland Act included two statutory duties concerning the promotion of equality of opportunity and good relations\textsuperscript{198}. Section 75 Schedule 9 of the Act came into force in 2000 and requires public bodies to give due regard to the need to promote equality of opportunity;

\begin{itemize}
  \item a) Between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
  \item b) Between men and women;
  \item c) Between persons with a disability and person without; and
  \item d) Between persons with dependents and persons without.
\end{itemize}

\textsuperscript{195} Help the Aged (2007) Human Rights policy, p. 4.
\textsuperscript{196} Letter to the Chancellor of the Exchequer by Theresa May, Minister for Women and Equalities, 9\textsuperscript{th} June 2010, \url{http://www.guardian.co.uk/politics/interactive/2010/aug/03/theresa-may-letter-chancellor-cuts}
\textsuperscript{197} Letter to the Chancellor of the Exchequer by Theresa May, Minister for Women and Equalities, 9\textsuperscript{th} June 2010, \url{http://www.guardian.co.uk/politics/interactive/2010/aug/03/theresa-may-letter-chancellor-cuts}
Public authorities are also required to give due regard to the need to promote the desirability of good relations between persons of different political opinions, religious beliefs or racial group. The Equality Commission Northern Ireland subsequently reviewed the effectiveness of Section 75 and suggested that a revised interpretation of the statutory duties towards outcomes and away from processes was required to ensure, ‘compliance with Section 75 is a means for securing those (equality) outcomes, not an end in itself’. A revised guide for public authorities in relation to Section 75 has been produced by the Commission that reflects the conclusions of the review. The guide includes a requirement for public authorities to conduct an audit of inequalities relevant to those affected by the public authority’s policies. Also recommended for development as part of a public authority’s equality scheme are action plans so that mechanisms are in place to achieve the promotion equality of opportunity and good relations.

The importance of anti-discrimination legislation is that it acknowledges the existence of difference within and between disadvantaged groups, and that discrimination and inequality is a multifaceted experience. Along with this, it communicates that inequality and discrimination based on membership or association with one or more groups is not acceptable. Such tools may be particularly important for older people as their well being and autonomy is often affected by ageist attitudes that make assumptions about what constitutes appropriate action and behaviour and a person’s capacity to act and live a fulfilling life, based solely on their age. Such attitudes contribute to discriminatory practice that leads to inequality in access to provision, in areas such as health and social care, financial services and affects older people’s participation in, and experience of, the labour market. Together with demographic pressures and the socio-economic implications of an ageing society, the development of age equality legislation addresses examples of direct discrimination and may help to reshape broader attitudes to ageing within society. Below we discuss changing attitudes to ageing within society, but also the persistence of age as a source of inequality and the implications of this for older people.

**Goods, facilities and services**

In comparison to some of our international peers the UK is notable for its current lack of protection against age discrimination. A review and analysis of laws in Australia, Canada, the USA and the Republic of Ireland by the Changing Age Partnership at Queen’s University Belfast noted that all of these countries extended some form of protection from age discrimination in relation to access to goods, facilities and services. The Equality Act introduced in April 2010 in Great Britain will, from 2012, strengthen protection against discrimination in access to goods, facilities and services. The Equality Act introduced in April 2010 in Great Britain will, from 2012, strengthen protection against discrimination in access to goods, facilities and services. The Equality Act introduced in April 2010 in Great Britain will, from 2012, strengthen protection against discrimination in access to goods, facilities and services.

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organisations in the private and public sector have used age as a category with which to exclude people from accessing various services. Concerns have frequently been raised by a range of organisations that companies providing travel insurance, car insurance and loans and mortgages have quoted excessively high premiums or denied people access to their product based arbitrarily on age rather than proportionate actuarial risk factors. Researchers commissioned by the Equality Commission Northern Ireland to examine older peoples’ access to financial services raised similar concerns. One of the activities the researchers undertook was to take a ‘snapshot’ comparison of the availability and price for older people of 450 online annual travel insurance policies. They found that fewer companies were prepared to offer insurance policies for older people and that where coverage was offered it was notably more costly for older people. For older people this is likely to reduce choice and autonomy, as costly service provision affects not only economic resources, but also older peoples’ quality of life. A lack of insurance coverage or higher premiums for motor insurance for example, potentially restricts mobility and individual independence, limiting the capacity of older people to participate actively in society through activities such as volunteering, caring and/or visiting friends and relatives. If legislation is not forthcoming in Northern Ireland to ensure parity with the protections afforded to older people under the Equality Act 2010, then it will be the only region of the UK where such age discrimination is permissible and will also be out of step with most other common law jurisdictions. It is essential that the Executive bring forward measures to ensure that equivalent protection is provided to older people and no gaps in provision are permitted to develop between different areas of the UK.

While the investigation by the researchers for the ECNI was only indicative of the services on offer to older people it did raise the issue that all quotes were accessed online where many deals are cheaper. If older people lack access to, or experience of, using web based services they may be inadvertently excluded from accessing a full range of providers. While not necessarily a component of ensuring equal treatment in goods, facilities and services, a lack of access to the internet may result in differential treatment. The use of the Internet among adults in the UK has almost doubled, from 16.5 million in 2006 to 30.1 million in 2010, but use varies with age. Data from the Continuous Household Survey in Northern Ireland shows that the proportion of people in all age groups accessing the internet has risen during the last 10 years, but individuals aged over 60 remain less likely to access the internet than younger age groups. In effect, current cohorts of older people are missing out on one of the most widely used methods of social communication and a medium through which companies increasingly compete to market their services.

Employment, older people and equality

The Employment Equality (Age) Regulations (Northern Ireland) 2006 has strengthened equality legislation with respect to age and employment, making it illegal to discriminate on the grounds of age in relation to work, training and higher and further education. The introduction of this legislation is working with the grain of changes in public opinion towards ageing, the labour market and discrimination. Attitudes amongst the public to the employment of older people has altered over the last 30 years, with fewer people now thinking older people should be encouraged to leave the labour market in order to ‘free up’ jobs for younger people. In 1983, 36% of people strongly agreed and 34% agreed that older people should retire early to help reduce unemployment, but by 2008 the figures were only 2% and 11% respectively. In contrast, the proportion of respondents that disagreed strongly with encouraging older people to retire early to reduce unemployment had risen from 10% in 1983 to 51% in 2008. The evidence also suggests that the majority view age discrimination in employment as unacceptable. 75% of respondents in 2008 stated that it was usually or always wrong and only 1% indicated they felt that it was acceptable to discriminate.

These findings are reassuring, but it is important that older people themselves are aware of the rights they have, such as; the right to delay state pension receipt in favour of a higher pension for additional years of deferral; the right to request to continue to work past the default retirement age; or the right to request flexible working if caring for a dependent adult. A survey of older people in Great Britain by the Equality and Human Right Commission for example, found that 52% were fully aware of their right to defer the state pension and 59% were fully aware of their right to request working beyond the state retirement age. A significant minority had no awareness of their right to

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deferral (38%), their right to request working beyond the default retirement age (21%), or the potential right to request work flexibility (43%). The findings from the recent British Social Attitudes survey indicates that 61% of employees are willing to consider working beyond retirement age if they had the opportunity to work flexibly, compared to only 32% without the prospect of greater flexibility. The right to request flexible working is currently restricted in term of the circumstances within which this is permitted, but this indicates latent demand exists for a more expansive application of flexible work policy measures. Improving awareness of rights and building on existing measures to enhance autonomy over labour market participation is essential if older people are to be empowered to make informed choices and live independent lives, and the Government is to realise greater employment participation. Equality legislation in Great Britain and Northern Ireland already prohibits age discrimination in employment, but research suggests that the public perceive age discrimination to continue to be a barrier to older jobseekers. Respondent to the British Social Attitudes survey in 1983 agreed (27%) or strongly agreed (35%) that, employers give too few opportunities to older people when recruiting and in 2008 a similar proportion overall agreed (56%) or strongly agreed (10%) that employers give too few opportunities to older people when recruiting.

Many older jobseekers themselves also feel that age discrimination persists and that it has had a negative impact on their well being and employment opportunities. Two waves of surveys with jobseekers aged 50 plus, conducted for the Third Age Employment Network between January 2008 and May 2009, found that respondents perceived age discrimination to be a key obstacle to their employment opportunities. 68% of respondents attributed difficulty in obtaining employment to being, seen as too old by employers whilst 45% identified being seen as too experienced or well qualified as a obstacle to employment. Research conducted prior to the introduction in 2006 of age equality legislation found that a proportion of employers demonstrated attitudes that could contribute to age discrimination in the workplace. Overall, 21% of respondents felt that their organisation was more suitable for some age groups than others, with this particularly notable in the construction (34%) and manufacturing sectors (28%), and less so in education (13%). Legislation can play an important role in shifting behaviour, and about one third of employers surveyed indicated that the impending introduction of the 2006 equality legislation had led them to develop new policy in anticipation of its effects. Abolishing the default retirement age may also have a range of benefits for employers, though some may be concerned about its effect on future recruitment planning and managing employee performance. A survey of 198 Human Resources professionals in organisations across the UK by the Employers Forum on Age and the Third Age Network, provides an insight into perceptions of the impact of a set retirement age on an organisation. Of those surveyed, 85% reported that their employers had a mandatory retirement age and 15% did not. Amongst respondent in organisations with a mandatory retirement age, the advantages highlighted by respondents included workforce planning (81%), creating space for new and younger recruits (80%), and the opportunity to move underperforming employees (47%). A majority (68%) however did not

feel the mandatory retirement age had improved the performance of the organisation in some way\textsuperscript{219}. Amongst organisations without a mandatory retirement age, 76% of respondents believed this had enabled the organisation to keep valued people, whilst 85% thought it had maintained valuable skills within the organisation, although again a majority (61%) thought it had made little difference to enhancing performance in some way\textsuperscript{220}.

Whilst legislation, policy reform and changes in the structure of the labour market may improve employment opportunities for older people, this seems likely to vary according to sector of the labour market and employer. Research conducted in 2008 by the Institute for Employment Studies examined the recruitment of older workers by employers. The findings suggest variable commitment to the promotion of equality and diversity with regard to ageing amongst employers, according to size and sector of the economy. Larger unionised workplaces were more likely to have pro-age policies in place that recognise and value workforce diversity. Sectors of the labour market, such as manufacturing, where men predominate, tended to have fewer policies devoted to the promotion of age equality. Manufacturing and construction also emerged as sectors where more flexible employment arrangements for employees in all age groups was seen as potentially unsuitable due to the nature of the business\textsuperscript{221}. Older male employees or jobseekers in these sectors of the economy may therefore, face greater barriers to employment than those seeking work in other parts of the labour market.

Employment remains critical for assisting people in avoiding low income across the life course. Prior to retirement it enables people to accrue entitlements to a state retirement pension, to build up an occupational pension and accrue other assets and savings during their working lives. Allowing greater flexibility over retirement offers older people an improved ability to tailor their decision to meet financial needs and personal and social preferences. The Government has estimated that abolishing the default retirement age will result in a financial benefit of between £70 million and £140 million per year accruing to individuals through increased earnings, giving an indication of the role it might play in promoting personal financial security as well as its role in contributing to better public finances\textsuperscript{222}.

**Assets and inequality in the UK**

The standard of living and autonomy people enjoy in older age is not simply a result of current public policy, but is influenced by past employment participation, experience of low income and the opportunities available for accruing assets when a child or a working age adult. The National Equality Panel’s examination of the distribution of wealth amongst those aged 55-64 in Great Britain (we do not have figures for Northern Ireland) finds that inequalities in wealth reflect the differences in people’s incomes, pension rights, savings and assets that develop over the life course. A life cycle pattern emerges, whereby wealth is built up prior to older age and then drawn down in retirement. The level of wealth that can be drawn on however, is related to issues such as social class, gender,

\textsuperscript{219} TAEN/ EFA (2009) *Is mandatory retirement really helping business?* P. 5 \hspace{1cm} http://taen.org.uk/uploads/resources/Taen_EFA_Survey_160709.pdf
\textsuperscript{220} TAEN/ EFA (2009) *Is mandatory retirement really helping business?* P. 7 \hspace{1cm} http://taen.org.uk/uploads/resources/Taen_EFA_Survey_160709.pdf
\textsuperscript{222} BIS/ DWP (2010) *Phasing out the default retirement age – a consultation document*, \hspace{1cm} http://www.bis.gov.uk/assets/biscore/employment-matters/docs/p/10-1047-default-retirement-age-consultation.pdf
ethnicity and differences in the assistance provided through inheritance from relatives\textsuperscript{223}. Other factors may also influence the accrual of wealth over time, particularly changes in the values of assets such as housing. There are variations in terms of wealth differentials within occupational social class groups, but the median household wealth of households for 55-64 year olds by occupational social class in Great Britain shows that, for higher managerial and higher professional households, total household wealth was greater than £900,000, but for households from routine or semi routine households, the median total household wealth was less than £220,000\textsuperscript{224}. A differential in access to wealth is likely to affect the ability of older people who lack savings and assets to avoid poverty and to manage unforeseen disruptions in income or rises in the costs of living. In Northern Ireland, of those pensioners reporting no savings, 58\% (AHC) were in the bottom two fifths of household income distribution. For those reporting less than £1,500 in savings, 40\% (AHC)\textsuperscript{225} were in the bottom two fifths of the household income distribution.

The links between income and asset accrual in earlier life and wealth in older age suggest that it is important to ensure people are able to participate in employment and progress into more highly skilled work. Policy should also encourage the build up of assets amongst low income households during working age and before if later opportunities are to be maximised and exclusion and reliance on state benefits minimised. The Pensions Act 2008 certainly aims to encourage private savings amongst working age adults to ensure more people have an income in retirement that is additional to income from the Basic State Pension and state benefits. From 2012 the Government plan to roll out the National Employment Savings Trust – intended to be a low cost savings plan. All employers will be required (subject to certain conditions) to automatically enrol all employees in NEST (employees can choose to opt out) if they do not offer a suitable alternative workplace pension scheme and will also be required to make a contribution to the employee scheme of 3\% of earnings equivalent to between £5,035-33,540 in 2006-07 earnings\textsuperscript{226}. The Pension Policy Institute expect that these changes will increase the proportion of working age adults with private pension savings, although the exact impact of the reform will depend on decisions taken by employees in relation to the opt out and by employers with regard to existing defined benefit and defined contribution schemes. The shift away from final salary scheme by employers to Defined Contribution schemes, along with an expansion in the number of low to moderate earners with private pension savings is also expected to mean more people will have to actively make choices about their retirement\textsuperscript{227}. Ensuring that free and appropriate financial advice and guidance services, such as

\begin{footnotesize}
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  \item \textsuperscript{225} Department for Social Development (2010) \textit{Households below Average Income, Northern Ireland 2008-09}, p. 118, \url{http://www.dsdni.gov.uk/index/stats_and_research/stats-publications/stats-family-resource/households/hbai-2008-09.htm}
\end{itemize}
\end{footnotesize}
Moneymadeclear, remains easily accessible to people at different points in their life to assist informed decision making will therefore be crucial for ensuring equity.

The fostering of private savings amongst the working age population through auto-enrolment does not however, address the inequalities of wealth that affect individuals prior to their participation in the labour market. For low income families, the accrual of savings and assets to mitigate unpredictable risks or support the pursuit of future opportunities is, of course, difficult due to a lack of available resources. New Labour partially recognised this challenge and introduced the Child Trust Fund (CTF); a tax free savings account for children. The state provided an initial payment of £250 into a savings and/or investment account for children born on or after September 2002 to be topped up with a further payment when the child reached 7 years of age. Additional payments were made for disabled children and children in low income households. The aim was to use state ‘seed corn’ money to encourage savings and asset building amongst low income families over time, which would enhance the autonomy of poorer children once they reached adulthood. There is some evidence also of an ‘asset effect’, whereby the holding of an asset alters the behaviour of individuals in such a way that it can lead to commitment to greater preparedness to make investments for the future.

Unfortunately, the June 2010 budget announced that, as a result of the need for public expenditure reductions and other priorities, the state contributions to the Child Trust Fund (CTF) would be gradually discontinued. Whilst this does not affect current cohorts of older people, it potentially impacts on the ability of future cohorts to develop assets and either invest in the future or maintain a ‘rainy day’ fund in adulthood that can bolster a household’s resilience to financial shocks during working age and into retirement. Asset based policies for children should not be regarded as a substitute for adequate state pension support in older age, but they may help facilitate independence across the lifecourse and help to generate additional sources of financial stability in older age.

Discrimination in health and social care

Physical and mental health is an important factor in the well being of older people and their ability to actively participate in society. Inequitable treatment in access to health and social care services, relating to age, therefore negatively impacts on individuals and society. Reviews of the literature on age discrimination in health and social care suggests that the commitment of the NHS to address ageist practice has meant institutional discrimination, in access to particular services or practices, is now less prevalent. It may still occur however, and advocacy organisations for older people have raised concerns around specific issues, such as high and increasing rates of readmission to hospital for the over 75 age group within one month of discharge between 1998/99 and 2006/7, suggesting policy practice may inadvertently be creating problems for a particular age group. Discrimination may be most likely to occur as the result of hidden ageist attitudes and behaviour amongst health professionals.

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practitioner, making it potentially more difficult to detect and address\(^\text{233}\). As a consequence, older people may not receive appropriate treatment due to the decisions some medical practitioners make based upon the age of an individual. A review of the literature on GP practices and older people in the UK suggests that;

There is evidence some health care professionals hold negative views about older people influencing their behaviour towards them. GPs ageist attitudes can be a barrier to implementing evidence based guidelines in treating older people and they may make assumptions about the needs and capabilities of older people. Older people are likely to experience insensitive treatment such as being excluded from conversations or ‘talked over’ as though they do not exist. Medical practitioners specialising in the care of older people believe ageism exists and age discrimination operates covertly within the health service and there is no evidence that GPs are not implicitly affected by wider cultural attitudes to ageing.\(^\text{234}\)

Age UK have suggested that only about 6% of older people with depression receive specialist mental health treatment.\(^\text{235}\) Evidence collected by the all-party parliamentary group on Dementia found that access to mental health services for older people in care homes in a significant minority of cases is poor, which, together with a lack of training for care staff, contributed to the inappropriate prescribing of anti-psychotic drugs.\(^\text{236}\) The Department of Health has itself recognised that better liaison between residential and nursing homes and mental health services that promotes earlier identification and intervention to address severe depression amongst older people, could relieve suffering and provide alternatives to the excessive use of medication and the negative side effects and consequences that flow from the latter.\(^\text{237}\)

From an equality perspective in Northern Ireland, the Bamford Review raised a number of important issues. The first is that there were no statistics available on prevalence rates for Dementia or for functional mental illness within minority ethnic populations,\(^\text{238}\) a situation that needs to be remedied in the immediate future. Other issues raised by the Bamford Review were; the need for advocacy services (through mental capacity legislation); the need for a range of housing options, including supported self contained units and two bedroom units (to facilitate a live-in carer); assistive technology (ranging from simple low-tech items, like automatic clock-calendars to sophisticated sensor technology which detect movement or departures from usual patterns of behaviour); and for a well funded protection policy for vulnerable adults to monitor and prevent elder abuse.\(^\text{239}\) All of these services are funded from different budgets (most notably housing and legal departments), but will have a profound impact on the demand for health and social care services. Improving these services may reduce the demand for and the cost of health and social care services.


\(^{235}\) Age Concern (2008) *Undiagnosed, untreated, at risk – the experiences of older people with depression*, p. 10.

\(^{236}\) All-Party Parliamentary Group on Dementia (2008) *Always a last resort – inquiry in the prescription of anti-psychotic drugs to people with dementia living in care homes*, p. 11.


The Executive has promised to bring in changes to mental health legislation in 2011. These changes will be based on human rights principles and will bring Northern Ireland into line with other areas of the UK. It will involve the updating of the existing mental health law [Mental Health (NI) Order 1986] and the introduction of a new Mental Capacity Bill. This new legislation will greatly enhance the rights of older people with dementia and with other mental illnesses.

Based on the recommendation of the Bamford Review (of services and laws on mental health and learning disability), the consultation document published by the DHSSPS (NI) in 2009 contains proposals for changes in the law that will have a far-reaching protective effect on the lives of older people whose capacity to make decisions has been reduced or impaired by severe physical or mental illness.

The aim of capacity legislation is to support and enhance the participation of people in decisions that affect the quality of their lives, including decisions on financial matters and on care arrangements. This will be achieved through making provisions for advance decision making and for a lasting power of attorney, which will allow people to participate more fully in decisions that will affect their care and their finances, at a time when they are fully aware of the implications of these decisions. In order to make this possible, it is essential that at the same time as the legislation is passed a fully funded advocacy service be established for older people. Otherwise, any new legislation will only offer protection to those who can afford to pay for legal services.

5. Conclusion

The focus of this report has been to examine the evidence base on older people in Northern Ireland in the areas of poverty, health and social care and equality and human rights, against the backdrop of an ageing society and reductions in public expenditure and the potential for a more positive and empowering rights based vision of ageing. There is recognition amongst policy makers in Northern Ireland, at least rhetorically, regarding the importance of promoting the inclusion of older people. The Programme for Government (PfG) of the Northern Ireland Executive includes, as one of its overarching priorities, the promotion of tolerance, inclusion, health and well being, and previous documents; Ageing in an Inclusive Society and Lifetime Opportunities have recognised that for older people to participate fully in society it is necessary to address the multiple factors that contribute to their exclusion. Meaningful participation and a good quality of life requires that an individual is free, if they so wish, to engage in social, economic and political activities; receives equitable treatment from service providers and enjoys the capacity and resources to act on upon her/his self defined preferences. The review has considered some of the evidence on developments in the fields of poverty, health and social care and equality and human rights that are likely to impact on older people’s access to; resources, equitable treatment and the capacity to actively engage in society. The report suggests that improvements have occurred within the UK that facilitate older peoples’ participation in society, strengthen their autonomy and rights and improve their resources. Progress however is also uneven, with differences emerging between constituent countries of the UK and improvements in some areas showing some signs of stalling or reversing.

The public are largely positive towards the incorporation of older people into employment in a way they were not during the early 1980s, and many employers now recognise the value of an age diverse workforce. The Human Rights Act potentially strengthens older peoples redress against poor public service provision and treatment. The Government no longer promotes early retirement from the labour force as a direct means of reducing unemployment and has prohibited discrimination in employment on age related grounds. These measures have opened up opportunities for older people, enhanced their ability to contribute to society and may help protect older peoples’ access to the labour force and ensure public service reforms do not lead to inequitable treatment in the context of rising unemployment, public spending constraints and the potential demands on health and social care of an ageing society. So far, older workers are not suffering disproportionately from unemployment in comparison to younger age groups. The Coalition Government has also provided partial protection to the incomes of pensioner households in comparison to other families and pledged to protect spending on healthcare. Of course in Northern Ireland it is up to the Executive to choose whether to extend this protection of health spending. A decision to protect health spending will, as we note in section 1, require substantial cuts in spending in other departmental areas, but choosing not to protect health and social care is difficult, given the growing demands for care and support services for older people in an ageing society.

Progress on inclusion for older people in Northern Ireland and the UK is accompanied however by indications that the effects of the recession and public spending risk undermining older people’s autonomy and capacity to actively participate in society. The evidence discussed in section 4 suggests that despite equality legislation and broad attitudinal shifts at the population level, ageist attitudes and practices persist amongst some employers, sectors of the labour market and public services. This means older people are likely to face greater obstacles to employment due to perceptions of what older people can or cannot do, and may be denied appropriate healthcare

treatment from service providers. The protection of older people from discrimination in access to goods, facilities and services in the UK also lags behind the protection provided in many other common law countries. From 2012, older people in Great Britain will be protected from discrimination on the basis of age in goods, facilities and services. The Executive have yet to act on this, creating the potential for differential treatment of older people in Northern Ireland in comparison to Great Britain. In the labour market there are also worrying signs that long term unemployment amongst the over 50 age group is rising, and the active labour market programmes in Northern Ireland for this age group tend to perform relatively poorly. Taken together with the ongoing reforms to out of work benefits and the ratcheting up of conditionality, care must be taken to ensure older workers are not ‘squeezed out’ of the labour market and unfairly subjected to benefit penalties that would reduce their economic resources and imperil their quality of life.

For those older people outside of the labour market, a key determinant of exclusion and quality of life is the level of private and state income at their disposal. As we discuss in section 2, in Northern Ireland there continues to be a greater reliance on income from state sources than in other constituent countries of the UK. Despite reductions in pensioner poverty under New Labour, the level of poverty remains higher in Northern Ireland than elsewhere in the UK. The most recent figures show that progress in tackling poverty amongst older people has largely levelled off in England and Wales, but in Northern Ireland the proportion of pensioners with less than 60% of median household income has again started to increase. The most recent figures on fuel poverty also indicate it is a growing problem amongst older age groups. The prevalence of fuel poverty also remains higher in Northern Ireland than in the other constituent countries of the UK. The recent rise in the proportion of pensioner households in low income and the proportion experiencing fuel poverty is concerning given the links between inequality, poverty and well being in later life.

Whilst poverty in Northern Ireland is increasing, not all older people entitled to take up Pension Credit make a claim and indications are that, as is common with means tested benefits, take-up remains considerably below the maximum. Moving to a universal entitlement to the basic state pension would eliminate this problem, but estimates from the Institute for Fiscal Studies suggest this is a more costly option in comparison to maximising the take up of means tested benefits. Given the economic context it seems likely that Pension Credit will continue to be a key policy mechanism to address pensioner poverty and it therefore important that measures to improve take up are pursued, as progress on improving take-up has so far been disappointing. In Great Britain, the Department for Work and Pensions is piloting automatic payment of Pension Credit in an attempt to boost take up, and this is likely to have important lessons and implications for anti poverty policy in Northern Ireland. The development of auto-enrolment of individuals in pension schemes to encourage greater accumulation of private savings for retirement is also due to roll out shortly and this reflects a broader shift in the relationship between the individual and the state. The provision of welfare is moving away from a model of collective insurance and state led provision of services to one where risks are more fully borne by the individual. Individuals are expected to make rational and responsible choices for themselves and their family to help anticipate and protect against unexpected events, whilst provision is increasingly delivered by the private or third sector. For vulnerable groups there are considerable risks to this change, but there may also be potential benefits that flow from the logic of a more individualised approach, including greater emphasis on rights and autonomy and the personalisation of services. Whether such benefits can be realised in an era of spending restraint is not clear. Nonetheless service users should have access to appropriate and affordable guidance in all relevant policy fields to ensure they are best placed to make informed decisions and this may be particularly important in planning pension and health and social care provision.