

# PSA Delivery Agreement 17:

tackle poverty and promote greater  
independence and wellbeing in later life

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# 1

## Vision

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1.1 In common with much of the world, the UK's population is ageing. In 1980 a man aged 65 could expect to live for another 13 years. Today that figure is nearly 20 years. By 2050 it is expected to be around 24 years<sup>1</sup>. This Public Service Agreement (PSA) focuses on the quality of later life in the UK, seeking to make the most of the opportunities offered by longer life, and driving forward the necessary cultural and behavioural changes.

1.2 In April 2005, the Government set out its strategy for older people and an ageing society in *Opportunity Age – Meeting the challenges of ageing in the 21st century*<sup>2</sup> including specific commitments for legislative change and innovation in service delivery. The task for the forthcoming Comprehensive Spending Review (CSR) period is to build on the delivery of those commitments to ensure real and systematic improvements in outcomes at local and national level.

1.3 This PSA<sup>3</sup> seeks to ensure that the specific needs of the older population are given due priority. It sets out the outcomes the Government seeks to achieve in the CSR period, providing a clear focus for planning and delivery by national and local service providers. In addition, this Delivery Agreement outlines further reforms that the Government will take forward over the CSR period to promote improvements in independence and well-being in later life for the longer term. These include the pensions reforms set out in the Pensions White Paper *Security in retirement: towards a new pension system*<sup>4</sup> and will lay the foundations to ensure adaptation to and benefit from an ageing society beyond the CSR period.

1.4 The PSA's target group is everyone over 50, around one third of the population. This group has diverse needs and aspirations, which will change during the life course. However, five key aspects of independence and well-being have emerged from research and from discussion with older people themselves as being important across the board:

- making a contribution to society, in particular through employment;
- material well-being, in particular the need to continue tackling pensioner poverty;
- the level of health experienced in later life;
- satisfaction with home and neighbourhood including, for example, the impact of factors such as access to services, transport and crime, and social contacts; and
- the ability to maintain independent living, while being supported with health and care services where needed.

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<sup>1</sup>These figures are based on the Government Actuary's Department's projections of future mortality rates. Elsewhere in this paper life expectancy information is based on Office of National Statistics projections using current period mortality rates.

<sup>2</sup> *Opportunity Age: Meeting the Challenges of ageing in the 21<sup>st</sup> century*, Department for Work and Pensions, March 2005.

<sup>3</sup> See also PSAs 8, 18 and 19.

<sup>4</sup> *Security in retirement: towards a new pensions system*, Department for Work and Pensions, May 2006

1.5 These areas are all interlinked; income affects health, health affects ability to maintain independent living, and so on. There is a clear need for policy and delivery organisations to put in place holistic, integrated responses. Further challenges include the need to move from a prevailing stereotype of a dependent older person to an empowered individual, with choice and control over their lives.

# 2 Measurement

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2.1 Five indicators will be used to measure progress on this PSA. These have been developed through consultation with older people, local authorities, Government departments and other stakeholders<sup>1</sup>. Each of the five key aspects of independence and well-being set out above (paragraph 1.4) is reflected in an indicator:

## **Indicator 1: The employment rate of those aged 50-69 and difference between this and the overall employment rate**

- Older people's employment rates have risen in recent years. Work is a key concern for people in their fifties and sixties – they may often have caring responsibilities or concerns about their own health status, and many face difficult decisions about when to retire. The Government will seek to encourage and help older people to work, which will in turn be an important contributor to the Government's aim of an 80 per cent employment rate.

## **Indicator 2: The percentage of pensioners in low income**

- Over the CSR period, the Government will continue to tackle pensioner poverty, particularly through paying pensions and benefits to those eligible, so that pensioners continue to share in the rising prosperity of the nation. To monitor this we will keep track of the percentage of pensioners below key thresholds of income: 60 per cent of contemporary median income, 50 per cent of contemporary median income and 60 per cent of 1998/99 median income uprated in line with prices. The measures will report income after housing costs are deducted (AHC).

## **Indicator 3: Healthy life expectancy at age 65**

- Life expectancy at 65 has been increasing strongly but the number of years spent in good health is increasing at a slower rate. The Government's aim is to improve healthy life expectancy at 65 during this CSR period.

## **Indicator 4: The proportion of people over 65 who are satisfied with their home and their neighbourhood.**

- In the last ten years the proportion of householders over 65 satisfied with both their accommodation and the area that they live in has remained static at 80-85 per cent. Satisfaction varies depending on the areas that people live in and the suitability of their housing, and is a particularly important contributor to overall independence and well-being: as they get older, people become increasingly more likely to spend more time in their homes and in their immediate neighbourhoods.<sup>2</sup>

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<sup>1</sup> A specific consultation exercise has been carried out involving Better Government for Older People and their Older People's Advisory Groups; six local authorities; the LGA; IDEA; the Pension Service; and DH and CLG from central government. In addition there has been consultation through the Opportunity Age Strategy Partnership Group – involving these organisations plus a range of other stakeholders with interests in all or part of the PSA agenda, including age sector organisations such as Age Concern and Help the Aged.

<sup>2</sup> It is for this reason that an age cut-off of 65 rather than 50 was chosen.

## Indicator 5: The extent to which people over 65 receive the support they need to live independently at home

- The average number of older people supported to live at home as a whole in England has remained at between around 80-85 older people helped to live at home per 1,000 population aged 65 or over since 2000-2001.<sup>3</sup> For the forthcoming CSR period, the measurement of how far the Government is succeeding in supporting older people to live independently will change to better reflect the perspective of older people themselves. A new survey measure will seek to assess how far older people are getting the support and services they need to live independently at home, reflecting a wider view of 'help' than simply the narrow definition of services provided by or via the local Social Services Department, and capturing the views of a wider group of citizens, including potential future users.

2.2 Progress against the indicators will inform judgements about how far the overall outcome of improved independence and well-being is being achieved. None will have national targets or minimum standards attached. At local level, appropriate improvement targets may be negotiated between Local Strategic Partnerships (LSPs) and Government Offices, as part of new Local Area Agreements (LAAs) and based on the balance of priorities in an area.

2.3 Beyond these key performance indicators, a wide range of statistical and contextual information is also available at national and local level and should be used to give policy makers and delivery professionals a fuller picture of trends in independence and well-being in later life. This includes the wider range of indicators used to monitor Opportunity Age<sup>4</sup>.

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<sup>3</sup> as measured by data from Social Services Departments

<sup>4</sup> [http://www.dwp.gov.uk/opportunity\\_age/indicators/indicators\\_table.asp](http://www.dwp.gov.uk/opportunity_age/indicators/indicators_table.asp)



# 3

## Delivery strategy

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**Indicator 1: The employment rate of those aged 50-69 and difference between this and the overall employment rate**

3.1 The Government will increase the choices that older people have over working, improve the provision of information about those choices, and seek to change attitudes to working in later life (among individuals, organisations and wider society). The Government will seek to enable older people to balance paid work with other responsibilities, especially for caring and for voluntary work.

3.2 The delivery strategy for this indicator draws heavily on research into older people's preferences as regards retirement. These consistently indicate that what really matters to older people is for them to control their choices over work and retirement.

### Roles and responsibilities

#### Improving work incentives

3.3 DWP will encourage longer working by removing structural barriers and improving work incentives. For example:

- promoting state pension deferral options and reviewing the existing State Pension deferral system;
- changes to occupational pension rules – raising the age at which an occupational pension can be paid from 50 to 55 by 2010;
- allowing employees to draw down part of their pension whilst continuing to work for the same employer; and
- the development of pensions and HR practices in support of flexible retirement and working longer.

#### Supporting the over 50s in the labour market

3.4 DWP will support the over 50s in the labour market by working with employers, both in the public and private sector, to boost the demand for older workers and by working to improve the effectiveness of back-to-work help for the over 50s, improving skills and encouraging individuals to make appropriate choices about work and retirement options. DWP will ensure that policies and programmes meet the needs of over 50s in returning to work, in particular by:

- assessing the performance of current programmes by age, including evaluating the impact of current pilots of mandatory back to work help at 6 months for Jobseeker's Allowance claimants aged 25+;
- raising Jobcentre Plus staff awareness of over 50s issues and working with Jobcentre Plus on more active engagement with those aged over 50 and 60 to help prepare for State Pension age equalisation;

- implementing Incapacity Benefit reforms, including the roll-out of Pathways to Work;
- working with the city consortia taking forward the Cities Strategy, which allows flexibility to provide back to work support focused on local needs, to ensure that they place an appropriate degree of emphasis on older workers as well as young; and
- improving the support given to older people returning to work by aligning it with the support given to younger age groups, including requiring long-term unemployed people aged 50 to 59 to take up the intensive back to work support available through New Deal 25+; and extending the joint claims regime to include people aged 50 and over.

3.5 DWP is developing new approaches to help older workers to be able to plan to work longer, in particular:

- introducing (from autumn 2007) “face to face” guidance pilots encapsulating information/guidance to inform older workers’ decisions on working longer and inform considerations of the financial implications of when to retire;
- developing, with The Pensions Service and external advisory services, information and guidance on work and retirement for individuals; and
- working with colleagues on the cross-government Health, Work and Well-being Strategy<sup>1</sup> to explore which health interventions will have the greatest benefit to older workers.

## Skills and training

3.6 The Department for Innovation, Universities and Skills (DIUS) and DWP are working together on the development of skills and training provision that will better support the needs of over 50s returning to work<sup>2</sup> by:

- monitoring the impact of equal opportunities reforms, including on older people;
- marketing the benefits of learning and embedding a culture of learning; and
- integrating employment and skills services more effectively and developing an adult careers service including the opportunity of a skills health check at key transition points in people's working lives.

## Tackling age discrimination

3.7 DWP will input directly to the development of the Commission for Equality and Human Rights (CEHR) role in tackling age discrimination and enforcing the existing employment legislation. The Commission became operational from 1st October 2007. In addition, DWP will continue to work directly with the business sector, employers, key partners including Business Links, and Jobcentre Plus Local Employment Partnerships to increase employment opportunities for older workers.

3.8 Retirement age practices will be monitored and employers will be encouraged to adopt flexible approaches that support work opportunities for older workers up to and over the age of 65, ahead of the review of the default retirement age in 2011.

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<sup>1</sup> Joint Department for Work and Pensions/ Department of Health/ Health and Safety Executive Strategy.

<sup>2</sup> See also the Delivery Agreement for PSA 2 on skills, which sets out plans for the entire workforce.

## Wider contribution to society

3.9 Older people's contribution to society is not limited to paid employment. They contribute substantially through unpaid work as volunteers and carers. And making a useful contribution to society through volunteering or caring for others is an important factor in well-being, independence and connectedness in later life. Continuing to harness this broader contribution is important for everyone in adapting to an ageing society.

## Volunteering

3.10 The Government supports volunteering by people of all ages, which is at record levels. *The Third Sector Review Final report*<sup>3</sup> outlines government plans to take forward an integrated programme to promote and support best practice in volunteering and mentoring. This includes the promotion of intergenerational volunteering, and the appointment of a champion, Baroness Neuberger, to raise the profile of volunteering.

## Caring

3.11 The Government recognises the valuable contribution and concerns of carers. In September, the Prime Minister announced the establishment of a standing Carers Commission, which will address both short and long-term issues. The Commission will develop the Prime Minister's New Deal for Carers and ensure the voice of carers is central to the development of government policy, looking at how carers will be affected by the long term demographic, technological and social changes of an ageing society. It will have an overview of the current consultation and review of the 1999 National Carers' Strategy. The review is being led by the Department of Health, involving several government departments, and its recommendations (to be published in spring 2008) will inform plans to support carers over the forthcoming CSR period and beyond.

## The role of Local Authorities

3.12 Local Authorities will need to agree Local Area Agreements (LAAs) with central Government and their local partners which:

- address the economic and employment needs of older workers in their area, working with Jobcentre Plus who form part of those local partnerships;
- propose measures to encourage employment among older workers; and
- build in plans for the involvement of the third sector and older voluntary workers wherever appropriate across the range of services delivered.

3.13 Although figures are not universally available on local employment rates for older people, an indicator on overall employment rate will be included in the Local Government National Indicator Set to incentivise effective delivery.<sup>4</sup>

## Indicator 2 - The percentage of pensioners in low income

3.14 The Government will promote material well-being in later life through its work on employment, through setting and paying state pensions and benefits, and through promoting saving for retirement. setting and paying state pensions and benefits, and through promoting saving for retirement.

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<sup>3</sup> *The future role of the third sector in social and economic regeneration: final report*, HM Treasury and Cabinet Office, July 2007.

<sup>4</sup> See Delivery Agreement for PSA 8.

3.15 Since 1997, government initiatives such as the Minimum Income Guarantee and Pension Credit have provided targeted support to the poorest pensioners, increasing the rates of benefit representing the minimum amount that pensioners are expected to live on by a third in real terms. At the same time, above inflation rises mean that the basic State Pension has increased by 7 per cent in real terms.

3.16 When combined with other factors such as rising employment rates for older people, this means that pensioners are now less likely than the population as a whole to be in low income.<sup>5</sup> We will continue to tackle pensioner poverty throughout the CSR period, particularly through our efforts to pay pensions and benefits to those eligible. At present about half of pensioners whose income is less than 60 per cent of contemporary median income do not claim all the income-related benefits they are entitled to.

3.17 The Government recognises that there are different ways of measuring pensioner poverty and over the CSR period will continue to work to develop a better understanding of pensioner poverty and its measurement.

3.18 In the longer term, policies and reforms to encourage saving for retirement and to improve financial capability - particularly amongst those who are most vulnerable to the consequences of poor financial decisions - should encourage behaviour that reduces the risk of low income in later life.

## **Roles and responsibilities**

### **Promoting take-up of benefits**

3.19 The Pension Service administers benefits and promotes take-up of benefits among pensioners. It will work jointly with local authorities, administering Council Tax Benefits (CTB) and Housing Benefit (HB) and with health and social care providers, private and third sector partners to generate successful claims for benefit.

3.20 The Pension Service will build on its good track record of using data-matching, customer insight, streamlining processes and joint working to focus its efforts on the poorest pensioners and hard-to-reach groups. The Pension Service's delivery strategy will continue to be extensively informed by feedback from regular customer surveys, and specific customer consultation exercises.<sup>6</sup> To enhance current targeting of appropriate benefits and services to those pensioners most in need, The Pension Service is developing a multi-dimensional customer segmentation model, based upon a series of public and private sector data sources.

### **Streamlining processes**

3.21 The Pension Service will automate current business trigger processes to ensure that their staff are automatically alerted to customers' likely entitlements to extra benefits or services when handling customer enquiries or changes of circumstances over the telephone. This will ensure that eligible non-recipients to a range of benefits (including Pension Credit, HB, CTB and Attendance Allowance/Disability Living Allowance) are encouraged and offered additional support to make applications as part of all normal business conversations with customers, thereby reducing the reliance on ad hoc marketing activity to generate high levels of take-up.

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<sup>5</sup> After accounting for housing costs.

<sup>6</sup> Citizen engagement is also a key part of policy development - through the Government's National Pensions Debate, through ongoing consultation with stakeholders, and the public, and through an extensive research programme looking at public perceptions and expectations of the pensions system and pension reforms.

## **Integrated and simplified claiming**

3.22 It will be easier for people claiming Pension Credit to claim CTB and HB; the claim form has been significantly shortened; access to information relating to five benefits will be available from one telephone call; and from September 2007 customer eligibility for CTB/HB is also being routinely checked when customers make contact with The Pension Service.

## **Securing gains made in tackling pensioner poverty**

3.23 The Pension Credit standard minimum guarantee has been uprated in line with earnings since Pension Credit was introduced in 2003. The Pensions Act 2007 committed to continue to uprate it in line with earnings over the long term. This will ensure that gains made against pensioner poverty are secure into the future.

## **Fairer and more generous state pensions**

3.24 From April 2010, more generous qualifying rules for state pensions will, for the first time, properly recognise the social contributions people make – and in doing so will deliver fairer outcomes, especially for women and carers. More generous qualifying rules mean that around three quarters of women reaching State Pension age in 2010 will qualify for a full basic State Pension, compared to around 35 per cent of women reaching State Pension age now.

## **Joint working**

3.25 The Pension Service will continue to roll out partnership working arrangements and bring in alternative office arrangements where possible in order to stabilise provision and improve the consistency and quality of services to customers across the network. The Pension Service's Joint Working Partnerships accept referrals from a wide range of partners, for example social care workers, health professionals, carers, the third sector and The Pension Service pension centres. This will expand the 'reach' of The Pension Service through partnership working and help promote take-up of benefits. Alternative Offices operate through partnership agreements between The Pension Service, Local Authorities and the third sector, and accept applications for social security benefits from people aged 60 or over.

## **Fuel poverty**

3.26 The Pension Service will develop further initiatives to join up winter warmth and fuel poverty communications, and review national partnership working arrangements to optimise the opportunities to join up more with private/utility sectors.<sup>7</sup>

## **Role of Local Authorities**

3.27 In developing LAAs, Local Authorities, as the leaders in local strategic partnerships, will need to work with The Pension Service and third sector partners, to make proposals for tackling pensioner poverty. The major way in which Government supports the incomes of those most in need is via the take-up of income related benefits. Local Authorities administer HB and CTB, and have an important role in promoting their take-up and that of Pension Credit to pensioners in the area.

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<sup>7</sup> Other key actions in the delivery of the Government's statutory objectives on fuel poverty are led by Defra, CLG, DWP, DH, and HM Treasury, and are also set out in the delivery agreement for PSA 9 on Child Poverty.

## Encouraging longer working and saving for retirement

3.28 In the longer term, enabling and encouraging people to remain in employment for longer and encouraging people to plan and save for retirement may be equally or more important in tackling pensioner poverty. Government policies on older workers are described above (paragraphs 3.1-3.13). Reforms to make state pensions simpler and more generous, and the introduction of auto-enrolment, mandatory employer contributions and personal accounts from 2012 should reduce the risks of pensioners having low incomes in the future. DWP aims to help people plan and take personal responsibility for retirement by providing access to pensions information services including generic information on the Internet and in leaflets, personalised forecasts and tracing services, primarily through The Pension Service and the Pensions Advisory Service. Longer-term information and communications strategies and policies to support pension reforms are being developed, informed by a continually enhanced evidence base.

## Financial capability

3.29 The development of an information and communications strategy for pensions, alongside efforts to provide information and support through The Pensions Service and the Pensions Advisory Service outlined above, will contribute to the Government's approach to financial capability. Efforts to increase financial capability may help to support progress today, as well as building a platform for longer-term improvements.

## Indicator 3: Healthy life expectancy at age 65

3.30 The Government will deliver flexible and responsive health and social care services that meet people's aspirations for independence and well-being giving them greater control over their lives. A further focus is on helping people age actively and healthily, keeping independent and well as they progress into and through later life.

## Roles and responsibilities

3.31 The Department of Health (DH) leads on the promotion of better health and wellbeing.<sup>8</sup> DH and the NHS contribute to an individual's healthy life expectancy at 65 through the majority of their work, which aims broadly to help people to live longer and to help them stay healthier.

3.32 DH has invested £60m ring-fenced funding in the three years to 2007/08 in 29 Partnerships for Older People Projects (POPP) pilot sites led by councils with social services responsibilities in partnership with Primary Care Trusts (PCTs), the third sector and independent sector. Learning from the pilots, potentially replicable across England in different health and social care communities, will be disseminated across England during 2007-08.

3.33 In addition, the Department for Children, Schools and Families (DCSF), DH and the Department for Culture, Media and Sport (DCMS) will contribute to health promotion through a range of programmes, aiming to help people build the healthy lifestyle habits that last a lifetime by supporting healthy choices and promoting individual responsibility for health.

3.34 *Next steps in implementing the National Service Framework for Older People*<sup>9</sup> sets out a framework for actions that support local commissioners of older people's services (PCTs and Local Authorities) for the CSR period. This will help PCTs and LAs to work, taking account of local needs, to improve well-being. Typically this will include supporting older people to

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<sup>8</sup> See PSAs 18 & 19.

<sup>9</sup> *A new ambition for old age – Next steps in implementing the National Service Framework for Older People*, Department of Health, 2006, sets out the priorities for the second phase of the Government's ten-year National Service Framework (NSF) for Older People under three themes: dignity in care, Joined-up care and healthy ageing.

overcome barriers to active life (e.g. equipment, foot-care, oral health, continence care, low-vision and hearing services); improving access to health care and health promotion services; protecting vulnerable older people from cold and heat-related illness; and extending healthy active life expectancy through disease prevention.

## **Role of Local Authorities**

3.35 In developing LAAs, Local Authorities will need to work together with PCTs to deliver preventive health programmes, as well as other areas of this PSA which impact on health such as housing and income. Government Offices will ensure that outcomes and ambitions as described at national level in PSAs and at local level in relevant strategies are supported by relevant indicators and have appropriate prominence in LAAs. Healthy life expectancy at 65 will be included in the Local Government National Indicator Set.

3.36 The new health and social care outcomes and accountability framework for the NHS and social services will ensure patients, users, carers, commissioners and staff play the central role in priority setting at local level and ensure a unified framework for performance improvement across the NHS and local government.

## **Indicator 4: The proportion of people over 65 who are satisfied with their home and their neighbourhood**

3.37 The Government will improve housing information and options, housing conditions, home adaptations and the appropriateness of housing for older people. The Department for Communities and Local Government (CLG) will publish a National Housing Strategy for an ageing society later in the autumn. This will outline the full action plan to complement this work.

## **Roles and responsibilities**

### **Improving housing**

3.38 CLG, working through local government, the private sector, and housing associations, will implement change to improve housing and build cohesive communities. Other government departments such as the Department for Transport (DfT), DEFRA, the Home Office, and their local agencies and partners, are responsible for provision that makes an important contribution to wider satisfaction with home and neighbourhood of older people.

3.39 Specifically, CLG will continue existing programmes and:

- will publish a national housing strategy for an ageing society in late 2007. This will include a range of actions that will contribute to the delivery of this indicator;
- is implementing Planning Policy Statement 3 (PPS3), the new housing policy statement, to improve the planning response so as to provide a better range of good housing options for older people. This includes publication of the Strategic Housing Market Assessment Guidance, which sets out a framework that local authorities and regional bodies can follow to develop a good understanding of how housing markets operate. It promotes an approach assessing housing need and demand which can inform local development documents and regional spatial strategy planning for housing policies; and

- is currently consulting on *The future of the Code for Sustainable Homes: making a rating mandatory*,<sup>10</sup> with proposals to ensure that the housing stock becomes progressively more capable of responding to the needs of older and disabled householders by encouraging housebuilders to adopt Lifetime Homes standards faster than they would otherwise. The consultation closes on 23 October 2007.

### Broader drivers of satisfaction

3.40 Key drivers for older people's neighbourhood satisfaction include social capital, length of association with area, quality and availability of local services and amenities, levels of crime, cleanliness, green space, and local transport links as well as housing. Improving a range of local and national services in local areas, from policing to health to transport, including the provision and imaginative use of existing amenities and services, will contribute to improved satisfaction rates.

3.41 DfT is working with local authorities as they develop accessibility planning, to enable people, particularly those most in need (which can include older people) to reach the jobs and services they need. DfT will:

- work with local authorities to ensure that there is a clear and systematic approach to identifying and tackling the barriers that people, particularly those from disadvantaged groups and areas, face in accessing jobs and key services such as healthcare, and food shops; and
- continue to fund assessment and advice services for older and disabled drivers and passengers to enable them to continue driving safely.

3.42 Local Transport Authorities (LTAs) have included accessibility strategies within their recently submitted Local Transport Plans (LTPs), and will work with partners in other sectors to implement these strategies.

3.43 The Home Office will lead the Government's crime strategy *Cutting crime: a new partnership 2008-11*<sup>11</sup> published in July 2007 and will continue to reduce crime and anti-social behaviour through a focus on the issues of greatest priority in each locality, and by tackling the most serious crimes and the most harmful offenders.<sup>12</sup>

### Role of local authorities

3.44 Local Authorities, in drawing up plans for housing and the built environment will need to consider the social and community needs of older people alongside their physical requirements. This will be achieved by working with private and third sector partners as well as those in transport, police, health and social care, and above all by involving older citizens as part of the planning process. LAAs will need to include proposals for addressing housing and area dissatisfaction in LAAs, with appropriate intermediate output measures as well as the high level satisfaction measure, which will be included in the Local Government National Indicator Set.

### Indicator 5: The extent to which people over 65 receive the support they need to live independently at home

3.45 The Government's priority is to ensure people are supported to "live their lives the way they want to live". Evidence shows older people's preference is to live in their own home. The Government will ensure there is greater room for older people to shape the social care services

<sup>10</sup> *The Future of the Code for Sustainable Homes: Making a rating mandatory*, Department for Communities and Local Government, July 2007.

<sup>11</sup> *Cutting crime: a new partnership 2008-11*, The Home Office, July 2007

<sup>12</sup> See PSA 23



and support they want by implementing the new accountability and outcome framework for health and social care. The Government will ensure efficient and high quality services by building workforce capacity and capability. It will ensure efficient and high quality services by building workforce capacity and capability.

3.46 The choice and control older people have in deciding their own care solutions have been extended through direct payments, and are being developed further through the piloting of individual budgets.

## **Roles and responsibilities**

### **Improving delivery of social care**

3.47 DH will:

- develop a common assessment framework (CAF) for health and social care for people with long-term care needs. The CAF will ensure that a person's own views are central within any assessment and will enable more efficient service delivery. DH will also share the learning from current investment in a number of self-assessment pilots, which look to enable people to identify solutions to their own care needs, and which will be of particular value to those older people who self-fund their own care;
- strengthen performance assessment arrangements by drawing health and social care performance assessment together into a single framework;
- provide support for commissioners at local level to shape and build a strong, varied, flexible market across health and social care, as set out in the commissioning framework for health and well-being;
- enhance the capability of people working in social care to deliver tailored and efficient services through a number of strands of ongoing work such as 'Options for Excellence' (which will strengthen capacity and capability in the workforce) and the 'New Type of Worker' programme, led by Skills for Care, which looks at innovative work and redesign across the adult social care workforce;
- ensure older people are able to choose and shape the services they want through a number of means, including working with local authorities and their partners to learn and share approaches to and delivery of self-directed support such as direct payments and individual budgets; and
- share the learning and developments from work on the Dementia Strategy, which will focus on three key themes:
  - improving awareness;
  - early diagnosis and intervention; and
  - improving the quality of care for dementia. Supporting people to live independently.

### **Supporting people to live independently**

3.48 CLG will develop the Supporting People programme, created in 2003, which provides the means through which the Government ensures that older people receive the appropriate support to live independently. It provides housing-related support for older people to attain or maintain independence and to contribute to wider society. This can be through a community alarm, sheltered accommodation, joint package of care, or a community warden visiting an

individual within their own home. The Supporting People programme is tenure neutral and is therefore accessible to all vulnerable older people. CLG are asking that authorities look closely at the needs of older people to ensure that they have appropriate provision of services. This could be in relation to sheltered housing, or by way of providing floating support services to older people in their own homes within the local community.

3.49 CLG will also further develop the programme by:

- enhancing service user choice and control by using the learning from the Individual Budget pilots;
- capturing and sharing best practice about what an effective, user-focused model of support looks like;
- clearly setting out what service users can expect and influence locally through the development of neighbourhood charters for independent living, linked to best practice;
- exploring the inclusion of housing support in the emerging Common Assessment Framework for Adults, which would allow a person's health, social care and housing support needs to be assessed at the same time;
- ensuring that people receiving Supporting People services are kept properly informed about what is happening; and
- continuing to offer housing related support to around 800,000 older people each year.
- housing related support to around 800,000 older people each year.

## **Role of Local Authorities**

3.50 In developing LAAs Local Authorities will need to work together with local partners to ensure they have plans in place to take forward the principles and initiatives in this PSA, in order to better enable independent living of those in later life with care and support needs. An indicator reflecting support to live independently will be included in the National Indicator Set.

## **Coordinating policy and delivery**

### **Implementation of the PSA**

3.51 DWP will ensure coordinated policy and delivery across the whole PSA, which puts the needs of older people at the centre, engaging with:

- ministers and policy officials across government: ensuring identified issues are addressed;
- national delivery organisations and networks: including The Pension Service, Jobcentre Plus, the NHS, Association of Directors of Adult Social Services (ADASS), Association of Directors of Public Health (ADPH), Care Services Improvement Partnership (CSIP), Local Government Association (LGA) etc, to ensure their operational strategies and service offerings are aligned with the PSA ambitions;
- Government Offices: to help them in their role as the bridge between central and local government in negotiating effective LAAs that lead to the delivery of this PSA. Support will continue for the Government Office Ageing Network, reconsidering its role within the context of the developing landscape of the LGWP, GO Network Prospectus and PSAs; and

- local strategic partnerships: via Government Offices, to ensure that they draw up appropriate plans for meeting the needs of older people in their areas as part of their LAAs. DWP will contribute to guidance on the choice of indicators (over and above those in the national indicator set) and suggest ways that local authorities can assess local needs by working to engage older people in planning through a variety of channels across a range of services.

### **Transforming services**

3.52 DWP will help develop and disseminate a model of transformed services for older people, drawing on the findings of pilots (LinkAge Plus, Individual Budgets and Partnerships for Older People) and the work of the Transformational Government team, complementing other transformation programmes (e.g. Pensions Transformation Programme, DH Personalisation of Social Care).

### **Raising awareness**

3.53 DWP will implement a cross-government Opportunity Age communications strategy, seeking to raise awareness of issues and entitlements, and change attitudes to later life.

### **Engaging older people**

3.54 DWP will work with Better Government for Older People and others systematically to involve older people in developing national policy and delivery responses to the PSA, and to promote more involvement and engagement of older people in local service delivery.

### **Research and evaluation**

3.55 DWP will ensure better coordination and use of research findings to inform better policy and delivery. It will support the establishment of UK Age Research Forum, and the implementation of the New Dynamics of Ageing research programme. It will deliver and disseminate high quality evaluation reports on LinkAge Plus pilots, and ensure these are coordinated with other pilot findings to inform a new service delivery model.

### **Local coordination**

3.56 The work of local delivery organisations and partners is key to delivery of this PSA. Local strategic partnerships are expected to draw up plans, as part of their LAAs, to address the priorities identified in this PSA, by:

- drawing on locally available data: with citizen involvement, to evaluate the needs and priorities for older people locally. Local partnerships will want to consider to what extent plans should be focused on specific local areas or sub-populations to address the needs of disadvantaged groups so as to redress inequalities;
- following best practice: as suggested by central guidance and information from DWP, DH, CLG, the Local Government Association and Association of Directors of Adult Social Services and others, to design and deliver strategies and personalised services that older people need and want. In brief, this will need to include ensuring the engagement of older people themselves, building support and commitment at all levels of the partnership and agreeing and communicating a clear vision and objectives that address local priorities and problems; and
- monitoring the impact of local programmes on outcomes: from an established baseline, as measured by the indicators in the Local Government National Indicator Set and other local indicators to be agreed as part of LAAs.

3.57 The Government Office (GO) Network will work with DWP to:

- identify and consider latest policy developments relating to older people to ensure that there is common knowledge and understanding of the trends and issues and the changing demography;
- support LAA negotiations with an age perspective on 'place' including cross-cutting issues;
- contribute to the wider age debate across regions to help shape ageing strategies, and introduce 'age proofing' into regional strategies; and
- share learning across the GO Network to provide a stimulus for new local ideas and to minimise the start-up time for initiatives, for example LinkAge Plus pilots.

## The Devolved Administrations

### Scotland

3.58 The Scottish Executive is responsible for delivering some of the key aspects of this PSA, and has its own systems for reporting progress on delivery of its key objectives. Scottish Ministers are held to account by the Scottish Parliament. Health, care and neighbourhood matters are devolved to the Scottish Executive, which has its own policies and programmes on these issues with the overall aim of working to enable older Scots to live healthy, active and independent lives. Personal and nursing care is available without charge for everyone in Scotland aged 65 and over who needs it, whether at home or in a care home. Private sector householders aged 60 or over, who lack central heating, are eligible for free central heating and insulation installation. The Scottish Government works with the UK Government to tackle pensioner poverty, and providing security and dignity for older people is central to its social justice agenda.

3.59 *All Our Futures: Planning for a Scotland with an Ageing Population*<sup>13</sup> (March 2007) sets out a framework for the next 20 years. It sees older people as contributors to life in Scotland, seeks to break down barriers between generations, and aims to ensure that services are in place so that people can live life to the full as they grow older. It includes the setting up of a National Forum on Ageing, which will draw heavily on the input of older people and representative organisations.

### Wales

3.60 The Welsh Assembly Government is responsible for delivering on some of the key aspects of this PSA. The Assembly Government has its own systems for reporting progress on delivery of its key objectives and Welsh ministers will be held to account by the National Assembly for Wales. The Welsh Assembly Government has established a ten-year action plan to deal with the things that matter most in the lives of older people in Wales. Local authorities, the third sector, and older people themselves are all involved in the strategy to improve quality of life.

3.61 For example, the post of the Commissioner for Older People in Wales is the first of its kind in the United Kingdom and aims to promote positive images of ageing and give older people a stronger voice in society. An appointment is expected to be made by the end of 2007. The National Partnership Forum for Older People also provides an independent voice for older people at the heart of the government in Wales. All Local Authorities in Wales have appointed Strategy Coordinators and Older People's Champions to drive forward their local strategies. The third sector has developed a number of important projects to help put the strategy on a solid

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<sup>13</sup> *All our futures: Planning for a Scotland with an Ageing Population*, The Scottish Executive, March 2007.

foundation. Housing policy has been devolved. During the last 20 years, levels of unfit housing in Wales have fallen from 20 per cent of the total housing stock to around 4 per cent. The Welsh Assembly Government is committed to ensuring that this trend continues.

3.62 In addition, health, care and neighbourhood are matters devolved to the Assembly Government which has its own policies and programmes on these issues with the overall aim of promoting active lifestyles for those who are able and to ensure affordable care for those in need.

3.63 Wherever possible, delivery activity in Scotland and Wales will be taken into account and included in the reporting arrangements of this PSA.

## **Longer term reform**

3.64 In addition to delivering initiatives focussed on improvements in the five PSA indicators from 2008-2011, in this CSR period the Government will take forward major reforms to promote improvements in independence and well-being in later life in the longer term. These will lay the foundations for adaptation to and benefit from an ageing society beyond the CSR period.

### **Review of the default retirement age in 2011**

3.65 The Department for Business, Enterprise and Regulatory Reform is working with DWP to prepare for a review of the Default Retirement Age that was introduced by the Employment Equality (Age) Regulations. The review will take place in 2011. In parallel, DWP will work with the business sector and Jobcentre Plus to ensure that the employment market is prepared to positively embrace substantial increases in older workers arising from the equalisation of State Pension age and demographic change over the period 2010-2015. With Jobcentre Plus, DWP will put in place a new Employment Support Allowance, backed by effective back to work support for people managing or recovering from a health condition that will help to overcome the current position, in which all too many over 50s become isolated from the labour market on inactive benefits.

### **Public duties and discrimination legislation**

3.66 The *Discrimination Law Review: A Framework for Fairness: Proposals for a Single Equality Bill for Great Britain*<sup>14</sup> was published on 12 June 2007. DWP will work across government to ensure that legislation covering discrimination and the public equality duties incorporate age as appropriate. DWP will also work with the CEHR as it builds up its role of providing guidance in respect of age issues and supporting the legislation on age.

### **Reforms to the pension system**

3.67 DWP is introducing changes to the pension system to help ensure that tomorrow's older people receive a fair and adequate retirement income and will support them in taking personal responsibility for their retirement aspirations. Working to implement and communicate these proposals on pension reform is a central priority for DWP for the CSR period.

### **A simpler, more generous state pension**

3.68 DWP's Pensions White Paper<sup>15</sup> set out a new structure for the long-term future of pensions in the UK. This includes a simpler and more generous State Pension paid for in future years by a

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<sup>14</sup> *The Discrimination Law Review: A Framework for Fairness: Proposals for a Single Equality Bill for Great Britain*, Department for Communities and Local Government, June 2007.

<sup>15</sup> *Security in Retirement: Towards a new pensions system*, Department for Work and Pensions, May 2006.

higher State Pension age. This package of state pension reforms, introduced in the Pensions Act 2007, will ensure the system is easier to understand, remains affordable over the longer term, and provides a solid foundation on which to save.

### **Reducing barriers to saving**

3.69 Many people want a retirement income that is greater than the state can provide. It is estimated that approximately 7 million people may not be saving enough for retirement – that is, they are likely to face unexpected or unwelcome drops in their standard of living on retirement. Individuals, particularly low to moderate earners, face barriers to saving for retirement. The Government's reforms aim to increase pension participation by reducing barriers to saving, through the introduction of auto-enrolment and mandatory employer contributions, and improving opportunities to save for those without a good employer scheme by the introduction of a new, low cost scheme of personal accounts.

### **Personal Accounts**

3.70 The Pensions Act 2007 has created a Non-Departmental Public Body, the Personal Accounts Delivery Authority. Initially, it will provide advice on the operational and commercial implications of policy options relating to personal accounts and, following further legislation, it will oversee the establishment of the scheme. The new personal accounts scheme will offer very simple investment choices for members, and a default fund for those who do not want to make a choice. Personal accounts will be designed to complement, rather than compete with, existing high quality pension provision.

3.71 The reforms will be supported by an evidence-based information strategy on pensions and personal accounts and a communications strategy to engage individuals, employers and stakeholders in the changes expected under both state and private pension reforms. There will be an ongoing role for DWP to ensure that individuals have access to clear and understandable information on their state pensions, and that (working with the Personal Accounts Delivery Authority) they receive appropriate information on their choices around private pension saving, in particular around the process of auto-enrolment, to support them in planning for retirement.

### **Building financial capability**

3.72 Supporting people to build financial capability (knowledge, skills and aptitude to support better financial decision-making) is also important in promoting personal responsibility for retirement and encouraging sustainable independence and material well-being in later life.

3.73 Financial capability in relation to planning for retirement is one part of the overall financial capability strategy, to which a wide range of government departments and external agencies will contribute as set out in the Government's strategy (*Financial Capability: The Government's long-term approach*).<sup>16</sup> The DWP contribution focuses on retirement planning and includes centrally funded pensions information services (including generic information, personalised forecasts and tracing services), primarily through The Pension Service and the Pensions Advisory Service, and, from working age and local services, sign-posting and referral to other agencies who can help people manage their finances.

3.74 Activities in this area will take into account the results of the Thoresen review of financial capability (to be published Autumn 2007), the evidence-based information strategy being developed (including evidence from our research and evaluation programme), and the work of the Personal Accounts Delivery Authority in setting up the new personal accounts scheme, as well as pilots providing guidance on work and retirement.

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<sup>16</sup> *Financial Capability: The Government's long-term approach*, HM Treasury, January 2007.

## **Empowering people to live independent lives**

3.75 The Government announced plans to look at empowering people to live independent lives for the longer term, starting with older people, in its CSR announcement in October. Full details are set out in Chapter 6 of the CSR White Paper.

## **Governance and accountability**

### **Central government**

3.76 The Secretary of State for Work and Pensions is the lead Secretary of State for this PSA. The relevant Cabinet Committee/s will drive performance by regularly monitoring progress, holding departments and programmes to account and resolving inter-departmental disputes where they arise.

3.77 The Senior Responsible Officer within Government for the PSA is the Director General, Pensions Reform, who will chair a Senior Official PSA Delivery Board, comprising senior officials from DH and CLG. The Board will also monitor progress and review delivery regularly and will report to the relevant Cabinet Committee/s. The Pension Service and Jobcentre Plus objectives and associated staff accountabilities govern delivery priorities.

### **Accountability for local delivery**

3.78 Local Area Agreements and associated funding negotiated via Government Offices for the Regions provide the means for central government to communicate national priorities while giving local areas the freedom to pursue these in ways that suit local circumstances. Local Authorities administer CTB and HB and joint working at local level means that they and other local partners may also generate claims for benefit.

3.79 Those commissioning services within Local Authorities, primary care trusts and at GP practice level, have the responsibility and the resources at their disposal to work together to reshape services towards supporting the needs of patients and promoting health, independence and wellbeing.

### **User engagement**

3.80 Involving older people in service design and delivery is an important lever for improvement in local areas. Local areas will be expected to have arrangements in place for engaging with, and reporting to, older people. Many already have Older People's Forums, often linked to Local Strategic Partnerships and Better Government for Older People, and will be actively involved in ensuring their 200+ local older people's forums contribute fully.

3.81 The new performance framework provides further mechanisms to encourage the involvement of older people, including a duty on best value authorities (except police authorities) to inform, consult and involve local people as appropriate. Local Authorities will also be encouraged to provide timely and accessible information about their services and their performance (and that of their partners).

3.82 In social care, development of efficient systems to deliver direct payments is key to ensuring service users' needs and preferences are properly reflected in delivery. Access to direct payments should be available to all people eligible to receive them, and since 2003 there has been a duty on councils to make a direct payment to eligible individuals who want them.





# A

## Measurement annex

Indicator 1	The employment rate of those aged 50-69 and difference between this and the overall employment rate
Data provider	Office for National Statistics.
Data set used	Labour Force Survey.
Baseline	Quarter 2 2008. The data for setting the baseline will be released in August 2008.
Frequency of reporting	Quarterly.
95 per cent confidence interval at last outturn	For change in rate 0.8 percentage points; for change in difference 0.9 percentage points.
Data Quality Officer	Analyst, Extending Working Lives Division DWP / Statistician, Economy and Labour Market Division 7, DWP (dataset).
Minimum movement required for performance appraisal	Movement in the employment rate and difference of at least 1 percentage point. These levels are set on the basis that changes in data of approximately these proportions can be regarded as significant.

### Definition of key terms

- *Employment gap*: The difference between the seasonally unadjusted rate of employment for those aged 50-69 and those aged 16-59/64.
- *Employment*: The number of people with jobs is measured through the Labour Force Survey (LFS). The Labour Force Survey is a survey of households. It uses definitions set out by the International Labour Organisation (ILO).

**A.1** The LFS definition of employment is anyone (aged 16 or over) who does at least one hour's paid work in the week prior to their LFS interview, or has a job that they are temporarily away from (e.g. on holiday). Also included are people who do unpaid work in a family business and people on government supported employment training schemes, in line with ILO definitions.

**A.2** According to ILO definitions, those who are not in employment are either unemployed or economically inactive depending upon their job search activity and their availability for work.

Indicator 2	The percentage of pensioners in low income
Data provider	DWP.
Data set used	Family resources survey.
Baseline	2006/07 - available in March 2008.
Frequency of reporting	Annual.
95 per cent confidence interval at last outturn	+/- 0.9 percentage points for 60 per cent contemporary median income.
Data Quality Officer	Head of Incomes Monitoring, DWP.
Minimum movement required for performance appraisal	+/- 1.2 percentage points (but see paragraphs A.3 and A.4 below).

## Definition of key terms

- *Low income:*

Low income is measured against three thresholds: 60 per cent of contemporary median income, 50 per cent of contemporary median income and 60 per cent of 1998/99 median income uprated in line with prices.

- *Income:*

Equivalentised income based on net household income after housing costs.

**A.3** While the confidence interval gives an indication of the sampling error around the estimate of low income, this cannot be used to ascertain whether two points in time are significantly different. Making a comparison between two years adds a level of complexity as there is an additional uncertainty in the median between the two years. Hence the amount of change indicating significant movement needs to be more than just the confidence limit for the year, owing to the extra level of uncertainty.

**A.4** It is not possible to know ahead of time what the minimum movement needs to be between the current year and any future year. This is because a number of factors need to be known about that future year, including the level of sampling error and variation in the median income. Therefore, the minimum movement quoted is based on historical years, and so may vary year on year once it is possible to analyse the data for any future year.

<b>Indicator 3</b>	<b>Healthy life expectancy at age 65</b>
Data provider	A question on self-reported health will therefore be included in the CLG 'Place survey', disaggregated by age and combined with life expectancy data for the purposes of local performance measurement. The national performance measure will be the national aggregate of this. <sup>1</sup>
Data set used	CLG Place survey.
Baseline	Baseline place survey data will be available in late 2008.
Frequency of reporting	Every two years.
95 per cent confidence interval at last outturn	We expect confidence intervals to be considerably less than +/- 1 per cent of reported HLE, this will be confirmed once first survey results are available in late 2008.
Data Quality Officer	Analyst, Older people and Ageing Society Division, DWP.
Minimum movement required for performance appraisal	Not possible to ascertain until first survey results available in late 2008.

## Definitions of key terms

- *Years of life expectancy spent in self-reported good health:*

A standard survey question on self-reported health is asked of those over 65. Results from this are then applied to actuarial forecasts of life expectancy at 65 to show how many of the years to be expected will be spent in good health. The survey question has been used in the General Household Survey for many years and the methodology is well established.

<b>Indicator 4</b>	<b>The proportion of people over 65 who are satisfied with their home and their neighbourhood</b>
Data provider	National level data are currently available from the English Housing Survey (EHS) and this will be used as the national PSA measure. Survey questions will also be included in the CLG Place Survey on both satisfaction with housing and with area, disaggregated these by age for the purposes of local performance measurement, and also providing larger sample sizes nationally for data interpretation.
Data set used	English Housing survey.
Baseline	EHS 2006/07 - will be available in November 2007.
Frequency of reporting	Annual.
95 per cent confidence interval at last outturn	Previous confidence intervals have been around +/- 1.3 percentage points.
Data Quality Officer	Analyst, Older people and ageing society division, DWP.
Minimum movement required for performance appraisal	Movement of at least two percentage points. This level is set on the basis that changes in data of approximately this proportion can be regarded as significant.

### A.5 Older people will be asked two questions:

- How satisfied are you with this accommodation?
- How satisfied are you with this area as a place to live?

<sup>1</sup> National level data are currently available from the General Household Survey (GHS) but sample sizes are insufficient for local analysis.

**A.6** The indicator relates to the percentage of people aged over 65 who respond that they are satisfied or very satisfied with both their home and the area in which they live.

<b>Indicator 5</b>	<b>The extent to which older people receive the support they need to live independently at home</b>
Data provider	CLG.
Data set used	CLG Place survey.
Baseline	New measure so baseline will be first year of collection under CSR and will be available in late 2008.
Frequency of reporting	Every two years.
95 per cent confidence interval at last outturn	Not known – new measure. Should be very small at national level (less than .01).
Data Quality Officer	Analyst, Older People and Ageing Society Division, DWP.
Minimum movement required for performance appraisal	Movement in excess of sampling variability – baseline place survey data, confidence intervals etc will be available in late 2008.

**A.7** The assessment of the need for support, and whether it has been accessible, will come from people themselves. It is intended to assess this by a new survey measure that will give the proportion of the population who believe that older people locally receive the support they need to live independently.

**A.8** This survey measure will be included in the new Place Survey being developed and tested over the autumn, with final decisions on question wording to be taken in the New Year.

# B

## Updated measurement annex

### November 2009 update

**B.1** In November 2009, ministers agreed to change the indicator for PSA 17.5 so that it focused on those respondents with knowledge of the services older people may require to live independently at home. The opportunity was taken to update the measurement annex for all five indicators to reflect changes to some baselines, and developments regarding specific data sources.

These changes are summarised as follows:

- 17.1 – an explanation of the seasonality of the data has been added.
- 17.2 – the baseline has been updated to 2007/08 so as to match the CSR07 period.
- 17.3 – the information has been revised to focus clearly on the PSA indicator, with a supplementary paragraph concerning local measurement. There is also a description of change to the General Household Survey.
- 17.4 – the information has been revised to focus clearly on the PSA indicator, with a supplementary paragraph concerning local measurement. In addition, the baseline has been updated to 2007/08 so as to match the CSR07 period, and a description of developments regarding the Survey of English Housing has been added.
- 17.5 – the information has been revised to reflect the decision to change the indicator in November 2009, so that it only captures the views of people who have personal experience of support services.

<b>Indicator 1</b>	<b>The employment rate of those aged 50-69 and difference between this and the overall employment rate</b>
Data provider	Office for National Statistics.
Data set used	Labour Force Survey.
Baseline	Quarter 2, 2008.
Frequency of reporting	Quarterly.
95 per cent confidence interval at last outturn	For change in rate 0.8 percentage points; for change in difference 0.9 percentage points.
Data Quality Officer	Analyst, Extending Working Lives Division DWP / Statistician, Economy and Labour Market Division 7, DWP (dataset).
Minimum movement required for performance appraisal	Movement in the employment rate and difference of at least 1 percentage point. These levels are set on the basis that changes in data of approximately these proportions can be regarded as significant.

## Definition of key terms

- *Employment gap*: The difference between the seasonally unadjusted rate of employment for those aged 50-69 and those aged 16-59/64.
- *Employment*: The number of people with jobs is measured through the Labour Force Survey (LFS). The Labour Force Survey is a survey of households. It uses definitions set out by the International Labour Organisation (ILO).

**B.2** The LFS definition of employment is anyone (aged 16 or over) who does at least one hour's paid work in the week prior to their LFS interview, or has a job that they are temporarily away from (e.g. on holiday). Also included are people who do unpaid work in a family business and people on government supported employment training schemes, in line with ILO definitions.

**B.3** According to ILO definitions, those who are not in employment are either unemployed or economically inactive depending upon their job search activity and their availability for work.

**B.4** This indicator is not seasonally adjusted, and therefore comparisons should only be made between the same quarter in different years, and not between different quarters.

Indicator 2	The percentage of pensioners in low income
Data provider	Department for Work and Pensions.
Data set used	Family Resources Survey.
Baseline	2007/08.
Frequency of reporting	Annual.
95 per cent confidence interval at last outturn	+/- 0.9 percentage points for 60 per cent contemporary median income.
Data Quality Officer	Head of Incomes Monitoring, DWP.
Minimum movement required for performance appraisal	+/- 1.2 percentage points (but see paragraphs A.3 and A.4 below).

## Definition of key terms

- *Low income*:  
Low income is measured against three thresholds: 60 per cent of contemporary median income, 50 per cent of contemporary median income and 60 per cent of 1998/99 median income uprated in line with prices.
- *Income*:  
Equivalentised income based on net household income after housing costs

**B.5** While the confidence interval gives an indication of the sampling error around the estimate of low income, this cannot be used to ascertain whether two points in time are significantly different. Making a comparison between two years adds a level of complexity as there is an additional uncertainty in the median between the two years. Hence the amount of change indicating significant movement needs to be more than just the confidence limit for the year, owing to the extra level of uncertainty.

**B.6** It is not possible to know ahead of time what the minimum movement needs to be between the current year and any future year. This is because a number of factors need to be known about that future year, including the level of sampling error and variation in the median income. Therefore, the minimum movement quoted is based on historical years, and so may vary year on year once it is possible to analyse the data for any future year.

<b>Indicator 3</b>	<b>Healthy life expectancy at age 65</b>
Data provider	Office for National Statistics
Data set used	General Household Survey Integrated Household Survey from 2008
Baseline	The baseline is likely to be the General Household Survey 2005-2007, expected to be available in Q1 2010.
Frequency of reporting	Annual.
95 per cent confidence interval at last outturn	+/- around 2% of HLE at 65
Data Quality Officer	Analyst, Older people and Ageing Society Division, DWP.
Minimum movement required for performance appraisal	Movement in excess of sampling variability

## Definition of key terms

- *Years of life expectancy spent in self-reported good health:*

A standard survey question on self-reported health is asked of those over 65. Results from this are then applied to actuarial forecasts of life expectancy at 65 to show how many of the years to be expected will be spent in good health. The survey question has been used in the General Household Survey for many years and the methodology is well established. In order to ensure sufficient sample sizes, the HLE indicator is measured over a three year period.

**B.7** The national performance measure was the General Household Survey (GHS) until 2005. From April 2005, the GHS was restructured to fit the requirements of the European Union Survey of Income and Living Conditions (EU-SILC) and became known as the GHS(L) or GSL. In 2008 the GSL was merged into the Integrated Household Survey (HIS).

**B.8** A question on self-reported health was included in the Census 2001, disaggregated by age and combined with life expectancy data for the purposes of driving local performance.

<b>Indicator 4</b>	<b>The proportion of people over 65 who are satisfied with their home and their neighbourhood</b>
Data provider	Communities and Local Government
Data set used	Survey of English Housing (SHE) 2007-08 English Household Survey (EHS) from 2008-09
Baseline	Survey of English Housing 2007-08
Frequency of reporting	Annual.
95 per cent confidence interval at last outturn	National confidence intervals have been around +/- 1.3 percentage points.
Data Quality Officer	HAS4, Communities and Local Government
Minimum movement required for performance appraisal	Movement in excess of sampling variability.

**B.9** Older people will be asked two questions:

- How satisfied are you with this accommodation?
- How satisfied are you with this area as a place to live?

**B.10** The indicator relates to the percentage of people aged over 65 who respond that they are satisfied or very satisfied with both their home and the area in which they live.

**B.11** National level data are currently available from the Survey of English Housing (SHE) and this is used as the national PSA measure. In April 2008 the SHE was integrated into the English House Condition Survey (EHSCS) resulting in a new survey known as the English Housing Survey (EHS), from which the first results are expected to be available early 2010.

**B.12** Survey questions are also included in the CLG Place Survey on both satisfaction with housing and with area, disaggregated by age, for the purposes of local performance measurement, and also providing larger sample sizes nationally for data interpretation.

<b>Indicator 5</b>	<b>The extent to which older people receive the support they need to live independently at home</b>
Data provider	Office for National Statistics.
Data set used	ONS Omnibus Survey.
Baseline	April/July 2009
Frequency of reporting	Monthly
95 per cent confidence interval at last outturn	+/- approximately 4 percentage points
Data Quality Officer	Analyst, Older People and Ageing Society Division, DWP.
Minimum movement required for performance appraisal	Movement in excess of sampling variability

**B.13** As this is a perception based indicator, the assessment of whether support needs have been met will come from people themselves. It is being assessed by a new survey measure that gives the proportion of the population with personal experience of receiving services who believe that older people locally receive the support they need to live independently. Personal experience is defined as an individual or a friend or family member having received support.

**B.14** In order to ensure sufficient sample sizes, the results from the two latest months are combined to give the indicator. The question about personal experience was included on the April 2009 and July 2009 results, and has been included monthly since. Therefore, the baseline is the combination of April and July 2009. Subsequent measures will be the combination of the latest two months' results.

**B.15** Survey questions are also included in the CLG Place Survey for the purposes of local performance measurement. The Place Survey is available every two years.