

The business case for LinkAge Plus

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LinkAge Plus aimed to improve the wellbeing of older people through stronger partnership working between local government and the voluntary and community sectors, better information and access to services, and putting older people at the forefront of service design and delivery.

Each of the pilot areas implemented the LinkAge Plus approach in different ways, tailored to the local needs of older people. The business case for LinkAge Plus brings together key findings on the costs and benefits of LinkAge Plus with wider literature on the benefits of preventative services for older people.

Key findings

- There is a strong business case for LinkAge Plus, with an illustrative example based on pilot data and wider evaluation showing low investment costs and a short break-even period, as well as significant benefits for older people.
- The pilots have demonstrated that there are benefits to the taxpayer and older people from an holistic approach to service delivery, in which the voluntary, community and statutory sectors work together to improve access, remove duplication and overlap and share resources.
- LinkAge Plus has also facilitated key services to help maintain independence and improve the wellbeing of older people, in a cost effective manner.
- For example, each £1 spent on balance classes in LinkAge Plus areas yielded health and social care savings of £1.40 plus benefits of around £0.90 to older people from improved quality of life.
- Home adaptation services yielded benefits to the taxpayer of £74 per adaptation visit from reduced healthcare spending and £40 to older people in terms of improved quality of life, against an average cost of adaptations of £67.
- Referrals for crime visits yielded taxpayer benefits of around £29 from reduced expenditure on dealing with crime and benefits to older people monetised at £53, against a cost of referral of around £14.

The report builds an illustrative example showing how a two-year investment in holistic service delivery and the services facilitated could deliver benefits to older people and the taxpayer over the following five years.

The key results are:

- An holistic approach to service delivery requires some up-front investment over the two-year pilot period but quickly begins to deliver net savings, breaking even in the first year after the investment period.
- The net present value of savings up to the end of the five-year period following the investment is £1.80 per £1 invested. This is likely to be higher over a longer period.
- LinkAge Plus can facilitate services that are cost effective in their own right, including fire and crime prevention, and reduced falls associated with balance classes and home adaptations.
- Combining the costs and benefits of these services in LinkAge Plus areas with the holistic approach to service delivery increases the net present value to £2.65 per £1 invested.
- In addition to taxpayer savings there are benefits to older people monetised at £1.40 per £1 invested.

Background

This report forms part of the overall evaluation of the eight LinkAge Plus pilots, run between 2006-08 in Devon, Gateshead, Gloucestershire, Lancaster, Leeds, Nottinghamshire, Salford and Tower Hamlets.

It is published alongside a report on the National Evaluation of LinkAge Plus (Department for Work and Pensions (DWP) Research Report No. 572), which covers, in more detail, the background to LinkAge Plus and the core principles for the pilots.

Summary of research findings

Benefits of LinkAge Plus

Benefits from the LinkAge Plus approach fall into three main areas: Firstly, there are benefits to both taxpayers and older people from an holistic approach to service delivery, in which the voluntary, community and statutory sectors work together to improve access, remove duplication and overlap and share resources.

Secondly, the LinkAge Plus approach has facilitated key services to help maintain independence and improve the wellbeing of older people, in a cost effective manner.

Thirdly, the pilots have demonstrated that information and access to services can be improved through partnership working and through a range of innovative approaches to outreach trialled by the pilots.

Holistic approach to service delivery

A key strength of the LinkAge Plus approach was the development of an holistic approach to service delivery through strengthened partnership working.

LinkAge Plus enhanced the work of the statutory and voluntary sectors, helping them to work together more effectively, joining up services, improving referrals and removing duplication.

In Nottinghamshire, the First Contact service enabled a range of partner organisations to make effective cross-referrals, with an average of 2.2 additional referrals for each contact.

In Tower Hamlets, over 2,800 referrals were made to relevant services, an increase of 240 per cent from before the pilot.

We have used data from the pilots to show potential financial savings from an holistic approach. This shows that after a two-year investment period the approach starts to break even in the following year, with a net present value to the taxpayer over five years of £1.80 per £1 spent.

The relationship between the local authority and third sector providers has been broadened and deepened through the LinkAge Plus programme. For example, the collaborative approach taken by the London Borough of Tower Hamlets resulted in statutory service providers basing more of their services in voluntary and community sector settings and in enhancing the range of facilities on offer to older people.

Several of the pilots deliberately set out to improve capacity and skills in the voluntary sector as part of their LinkAge Plus work. For example, in Leeds around £230,000 was invested in capacity building measures such as training, support groups and small grants to voluntary organisations.

As a result, local evaluators reported a perception of greater efficiency and effectiveness in day-to-day working. Staff benefited from LinkAge Plus training and networking, resulting in greater skills and knowledge. Organisations reported improved communications and strengthened inter-agency working, better access to information and an improved image.

Local evaluators reported that as a result older people had easier access to local community centres, participation had increased, particularly by minority groups, and the quality of services had improved.

More information and support for volunteering led to a 16 per cent increase in volunteers across Leeds during the period of the pilot.

Improved wellbeing and independence

LinkAge Plus pilots trialled and facilitated a range of services designed to improve the wellbeing, independence, participation and quality of life of older people. These ranged from services designed to keep older people fit, safe, active and involved; to those offering a 'little bit of help' with daily living; through to groups giving older people a strengthened voice in service provision.

Most pilots supported a range of healthy living activities, such as Nottinghamshire's Activity Friends, which combined social activities and exercise. A wide range of classes, from art and photography, to Tai Chi, bingo, coffee mornings, trips to local and seaside attractions, local history groups, storytelling groups, reminiscence sessions, chair-based exercise sessions, IT lessons, dance, creative writing, and sculpture classes were held at local community centres.

Some of these services carry not just benefits for participants but also potential savings for the taxpayer. In particular there is strong evidence that exercise classes such as Tai Chi can prevent falls amongst older people, resulting in significant improvements in quality of life and reduced spending on healthcare.

On average a fall resulting in a hip fracture costs around £20,000 – and evidence suggests that 15 weeks of balance classes reduces the likelihood of a participant falling by around 50 per cent.

Our analysis suggests that each £1 spent on balance classes in LinkAge Plus areas yielded health and social care savings of £1.40 plus benefits of around £0.90 to the individual from improved quality of life.

Falls can also be prevented by adaptations to the home and several LinkAge Plus projects have facilitated this. In Leeds, a survey of clients in receipt of a Care and Repair service who had fallen prior to the service found that 63 per cent had not fallen since they received the service; of those who had fallen, 93 per cent did not hurt themselves.

Thompson (1996) and Plautz *et al.* (1996) provide evidence of a reduction in falls of between 55 and 60 per cent through the provision of adaptive equipment and minor home safety modifications. We calculated that such reductions in the prevalence of falls yield expected benefits to the taxpayer of £74 per adaptation visit from reduced healthcare spending and £40 to participants in terms of improved quality of life, against an average cost of adaptations of £67.

Some LinkAge Plus pilots, such as Lancaster, also offered help in gaining employment and links to volunteering opportunities. The DWP estimates a saving to the public purse of £4,400 for each person entering into work as a result of New Deal 50 plus.

In Lancaster, 102 people were placed in employment at a cost per placement of £780. If those people would not otherwise have gained employment, the net benefit of this activity is around £370,000. This figure leaves out the considerable, but as yet largely unquantifiable, psychological benefits that have been attributed to being in employment.

Improved information, access and voice

A range of approaches was developed by LinkAge Plus pilots to improve information and access, including the development and improvement of websites, mobile information centres, video conferencing, improved cross-referrals between agencies, training and events for those working with older people, and the use of the voluntary sector to help with advice and form filling.

In Salford, a system was also developed to enable local partners to set criteria to help identify groups most likely to benefit from services such as smoke alarms and home safety checks and to adjust criteria as take-up targets changed.

There are also a number of widely recognised benefits of the LinkAge Plus approach in terms of reducing social isolation, the development of outreach linked to social activities and the building of social networks.

The costs of outreach under LinkAge Plus varied from around £8 to £31 per contact but it is estimated that these will be small in relation to the sometimes life changing benefits reported by participants in many of the pilot areas.

In some cases, LinkAge Plus acted to further other community agendas, such as increasing diversity, or community-cohesion work.

For example, in Tower Hamlets, LinkAge Plus raised the proportion of black and minority ethnic service users from around 20 per cent to around 50 per cent over the course of the programme. At the start of the programme nearly all service users were women, but specific initiatives to attract more male users to services in each of the network areas increased the proportion of men to more than 30 per cent.

LinkAge Plus has also given older people a stronger voice in making services more relevant and tailored to their needs. Their views are now better articulated, both through their involvement in older people's councils and through their interests being put forward by agencies working on LinkAge Plus projects. Village Agents in Gloucestershire were able to get bus stops re-sited; new social enterprise services for older people were developed in Leeds; in Nottinghamshire a taxi voucher scheme was trialled and widely taken up by older people.

Illustrative example

Many of the benefits (either to participants, society or taxpayers) that have undoubtedly been in evidence in the LinkAge Plus pilots are difficult to quantify. However, there are areas where sufficient evidence exists to construct detailed costs and benefits, and we have used these to build an illustrative example in order to highlight the potential benefits that adopting a LinkAge Plus approach can bring.

The business case uses data from a number of pilots as well as wider evaluation evidence to detail the way in which a two-year investment in holistic service delivery and the services facilitated could deliver benefits to the individual and the taxpayer over the following five years.

The key findings are:

- an holistic approach to service delivery requires some up-front investment over the two-year pilot period but quickly begins to deliver net savings, breaking even in the first year after the investment period;
- the net present value of savings up to the end of the five-year period following the investment is £1.80 per £1 invested. This is likely to be higher over a longer period;
- LinkAge Plus can facilitate services that are cost effective in their own right, including fire and crime prevention, and reduced falls associated with balance classes and home adaptations;
- combining the costs and benefits of these services in LinkAge Plus areas with the holistic approach to service delivery increases the net present value to £2.65 per £1 invested;
- in addition to taxpayer savings there are benefits to older people monetised at £1.40 per £1 invested.

The above costs and benefits embody a large number of assumptions from pilot data and wider evaluation literature that are set out in more detail in the main body of the report. Nevertheless, many of the assumptions we have made are conservative, and our illustrative example omits a large number of benefits we have not quantified, which we nevertheless believe are likely to be strongly positive.

The full report of these research findings is published by the Department for Work and Pensions (ISBN 978 1 84712 517 0. Research Report 573. July 2009).

You can download the full report free from: <http://research.dwp.gov.uk/asd/asd5/rrs-index.asp>

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