

The Impact of Older People on the Economy in Devon

Final Report – September 2010

Survey Commissioned by: Devon County Council

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BACKGROUND

Age Concern Devon received a grant from Devon County Council to conduct a survey targeted at local pensioners and retirees in order to assess the impact that the recession has had on their income and quality of life. In addition to this, the research also examined the effect of any changes in discretionary spending by pensioners and retirees on the local economy.

This survey should provide a platform for Devon County Council, research and academic partners to gain regional and national profile from this innovative piece of work. Age Concern Devon approached Devon County Council with a proposal to undertake the survey. Four areas were identified based on the proportion of older people (60 years +). The survey time frame was April 2010 – 14 July 2010

SURVEY AIMS

- To establish income ranges amongst pensioners and retirees in East Devon, North Devon, South Hams and Teignbridge
- To gain an understanding of how these income ranges are made up
- To understand pensioner and retiree spending patterns and how they have changed over the last 18 months
- To understand how pensioner and retiree spending acts as a driver within local economies
- To assess whether potential falls in pensioner income have affected local economies

AGE RANGE:

The age range of pensioners / retirees defined for the purpose of the survey as, women 60 years and over and men 65 years and over. No upper age limit was specified.

METHODOLOGY

Survey development

- Development of survey questionnaire

Steering group

- Establishment of a steering group to agree the topics / questions within the sample surveys and to contribute to the survey methodology

Pilot of survey

- Sample of draft surveys to randomly selected older people to test the survey document. Minimal adjustments in relation to wording to ensure clarity

Quantitative questionnaires

- Circulation of 4000 postal anonymous surveys to pensioners / retirees across the four identified areas in Devon: East Devon, North Devon, South Hams and Teignbridge

Draft interim report / data recording

- Returned questionnaires analysed and data recorded into Excel format with interim findings identified and recorded as a draft report for the steering group

Qualitative questioning – face to face / telephone interviews

- In depth questioning of a small sample of older people in relation to identified themes from quantitative questionnaire returned sample

PHASE 1: Steering Group

Devon County Council in conjunction with Age Concern Devon established a steering group to consult and finalise the documentation and questions for the quantitative survey. Initially the group convened as a virtual steering group. Consultation and feedback was sought from individuals.

PHASE 2:

- Development of survey questionnaire.
- Sample of 10 draft surveys to randomly selected older people to test the survey document. Minimal adjustments in relation to wording to ensure clarity.

QUANTITATIVE SURVEY: Survey time frame April – May 2010

Circulation of Surveys

4012 survey questionnaires were circulated within the 4 specified areas of Devon - East Devon, North Devon, South Hams and Teignbridge during April / May 2010. The circulation included random selection of individuals through callers to Age Concern Devon help line, members of groups and attendees at events such as the Senior Council for Devon, Later Life Forum, South & North Provider Forums as a cascade route to older people being cared for in Devon, lunch and coffee clubs / groups, Probus groups, CVS, Housing Associations, Royal British Legion, Salvation Army, SAFFA, War Widows Association, Pensioners Associations, WRVS, Women's Institutes, Trefoil Guilds, Care and Repair, Age Concerns, caring agencies, sheltered housing organisations, Help Links / information centres, church groups, University of the Third Age groups, pensioners groups, Healthy Living centres, transport providers, Home Safeguard, camera and history clubs, etc Age Concern Devon website and Link Devon article encouraging people to seek a questionnaire.

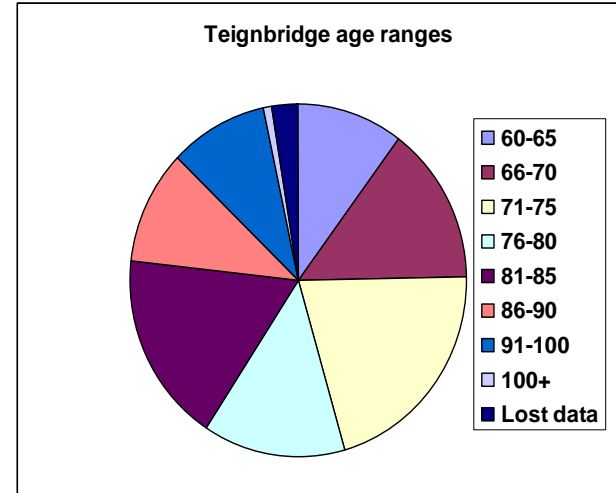
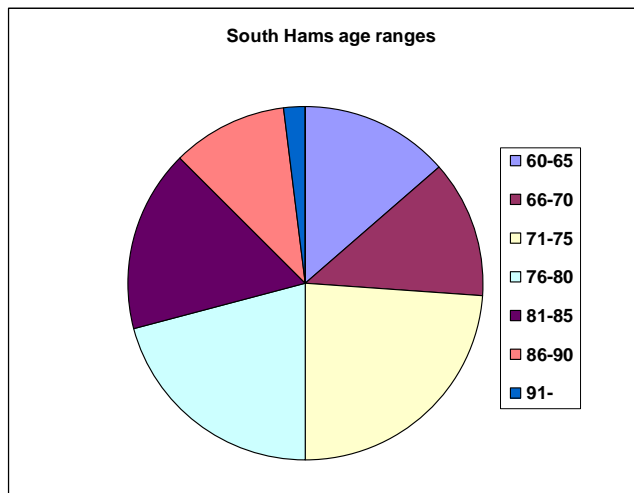
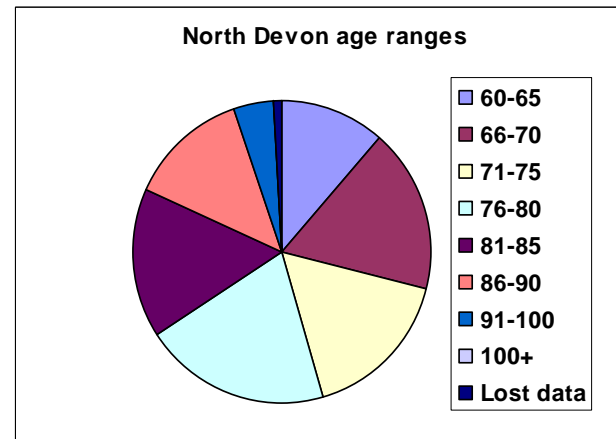
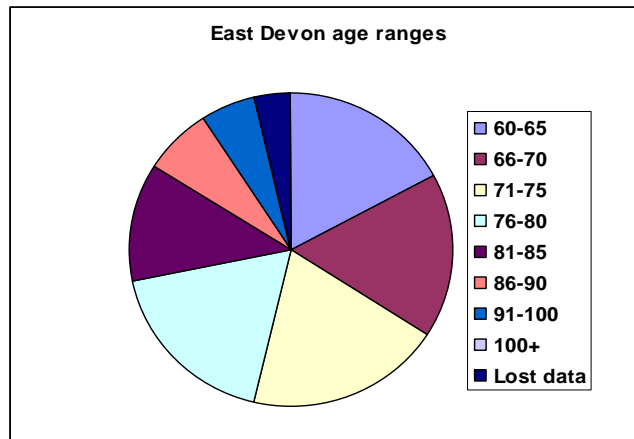
Returned questionnaires and expressions of interest for involvement in the next stage of the survey by area:

Q1 – Response rate: 13.16%

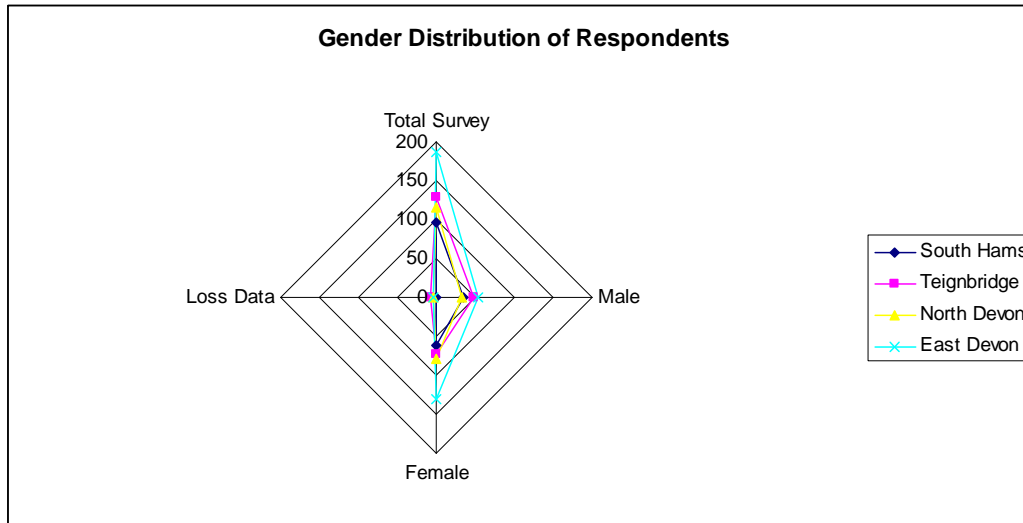
1. East Devon – 187 (25/05/10) questionnaires were returned. 38 people in East Devon expressed an interest in stage 2 of the survey of either a face to face or telephone interview.
2. North Devon – 115 (25/05/10) questionnaires were returned. 29 people in North Devon expressed an interest in stage 2 of the survey of either a face to face or telephone interview.
3. South Hams – 97 (25/05/10) questionnaires were returned. 32 people in South Hams expressed an interest in stage 2 of the survey of either a face to face or telephone interview.
4. Teignbridge – 129 (25/05/10) questionnaires were returned. 31 people in Teignbridge expressed an interest in stage 2 of the survey of either a face to face or telephone interview.
5. 14 returned questionnaires did not record an area of Devon and 4 returned questionnaires were out of the specified areas. 2 further questionnaires were returned partly completed with comments regarding the content of the questionnaire such as requesting too much personal financial information. These surveys were recorded as returned within time frame. 16 questionnaires were returned after the final deadline for closure. Total of an additional 36 questionnaires returned which were not used in relation to the data analysis.

DATA ANALYSIS - QUANTITATIVE SURVEY

Q2. Age range distribution of older people who completed a survey questionnaire (respondents)

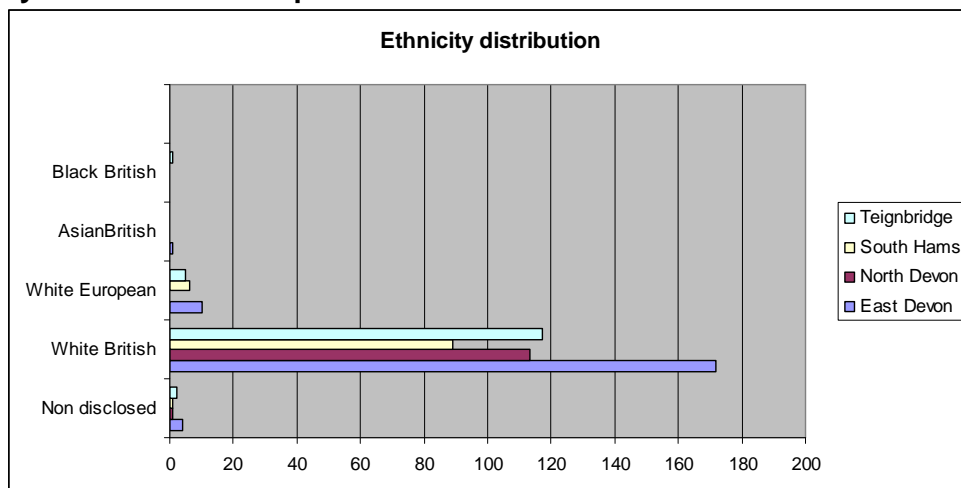


Q3. Gender distribution of respondents:



	Total Survey	Male	Female	Lost Data
South Hams	97	35	62	0
Teignbridge	129	49	73	7
North Devon	115	32	79	4
East Devon	187	53	130	4

Q4. Ethnicity distribution of respondents:

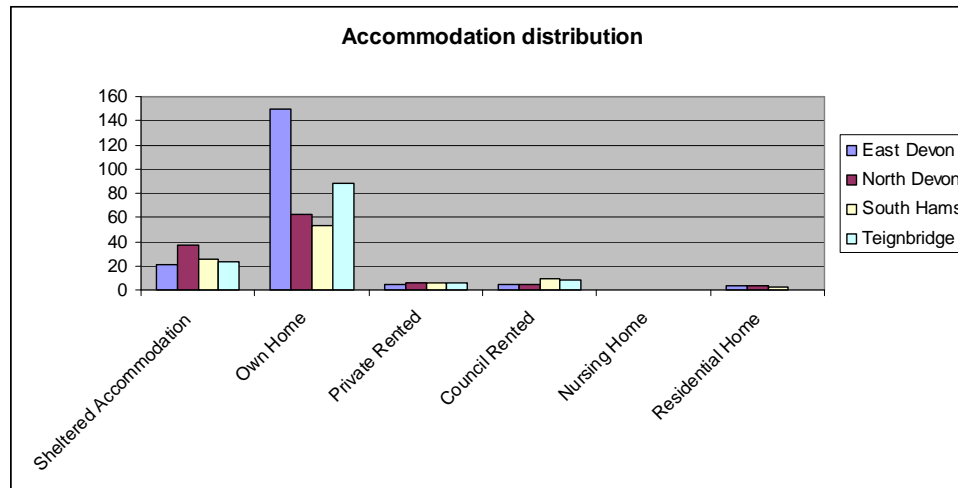


Q5. Disability information:

		In receipt of Disability Benefit			Describes themselves as having a disability		
		Yes	No	Lost data	Yes	No	Lost data
	Total survey						
South Hams	97	17	70	10	26	57	14
Teignbridge	129	23	98	8	37	78	14
North Devon	115	23	84	8	35	66	14
East Devon	187	25	146	16	43	125	19

Section B – Household

Q6. Accommodation distribution of respondents:



Q7. Numbers of people living in the household:

	Total Survey	One	Two	Three or more	Lost data
South Hams	97 (18%)	65	28	4	Nil
Teignbridge	129 (24%)	61	56	9	3
North Devon	115 (22%)	68	36	9	2
East Devon	187 (36%)	86	95	3	3

Section C – Employment / volunteering

Q8. Paid or unpaid activities: (standardised data)

Paid or unpaid activities	Total respondents	Full time work %	Part time work %	Part time & voluntary %	Voluntary work %	No work %	Lost Data %
South Hams	97 (18%)	1.03	4.12	5.15	24.74	60.82	4.12
Teignbridge	129 (24%)	1.55	5.43	0.77	35.66	56.59	0
North Devon	115 (22%)	Nil	2.61	1.74	40.87	53.91	0.87
East Devon	187 (36%)	Nil	8.02	0.53	42.25	45.45	3.74
All areas	528	0.57	5.49	1.7	37.12	52.84	2.27

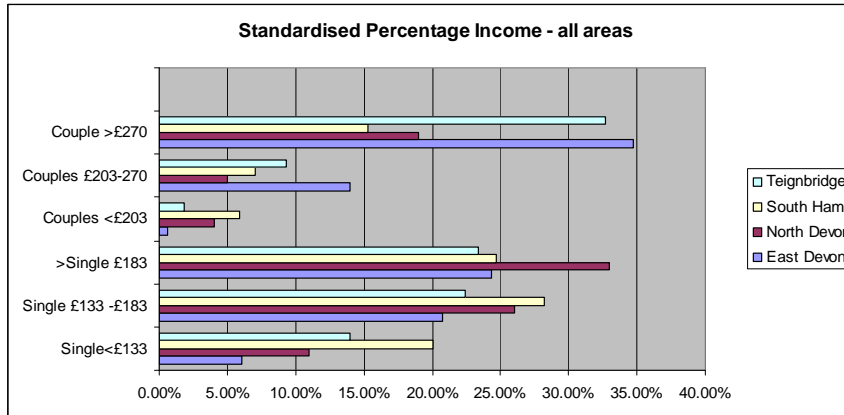
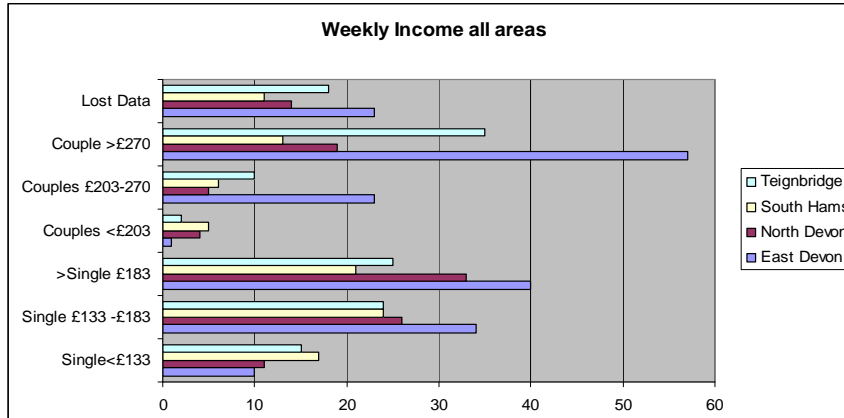
37.12% of respondents across all areas of Devon undertake voluntary work / volunteering.

6.06% of respondents across all areas undertake full or part time work.

1.07% undertakes part time work and voluntary roles

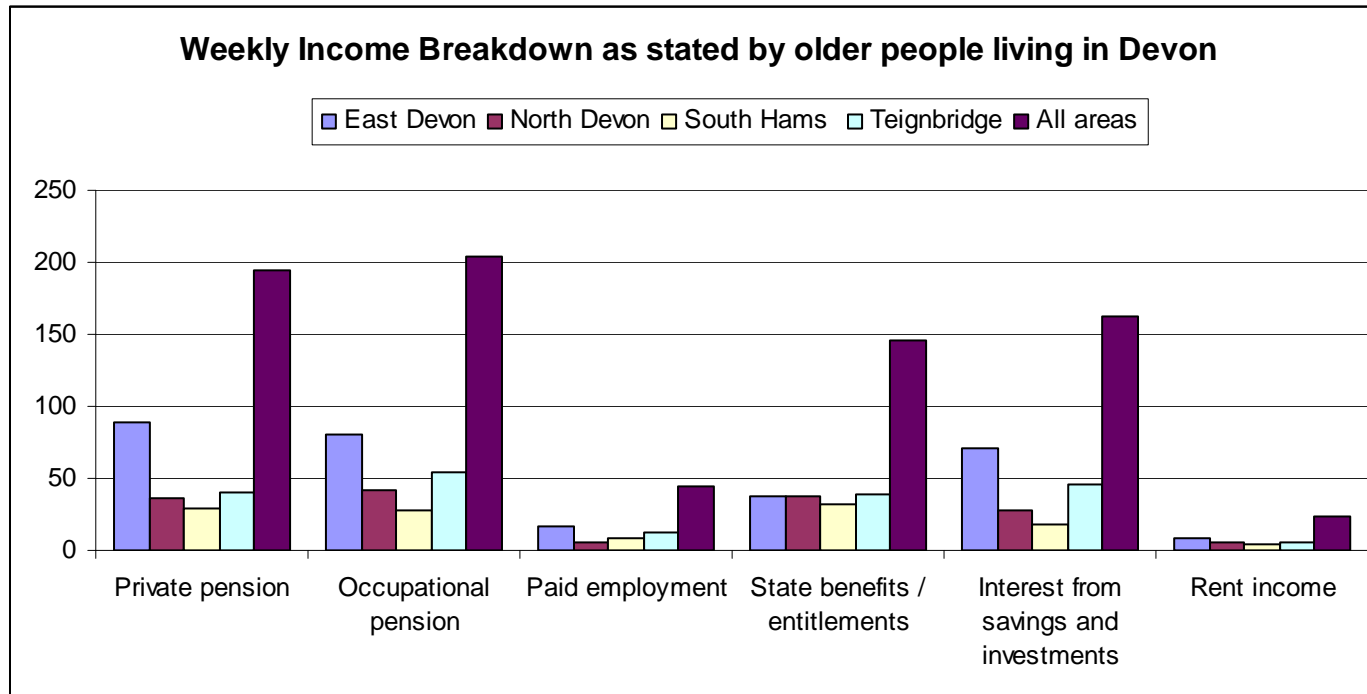
Section D – Income

Q9. Weekly income ranges: All areas



Q10. (a)(b) Income make-up: All areas

There was a significant amount of lost data in this section due to non recording of information. The majority of people who completed the information indicated that they were in receipt of a state retirement pension (lost data = 46).



This data demonstrates that there are significant differences in the components of older people's income in the 4 areas of Devon. Also private pensions, occupational pensions and interest from savings make up a significant proportion of weekly income.

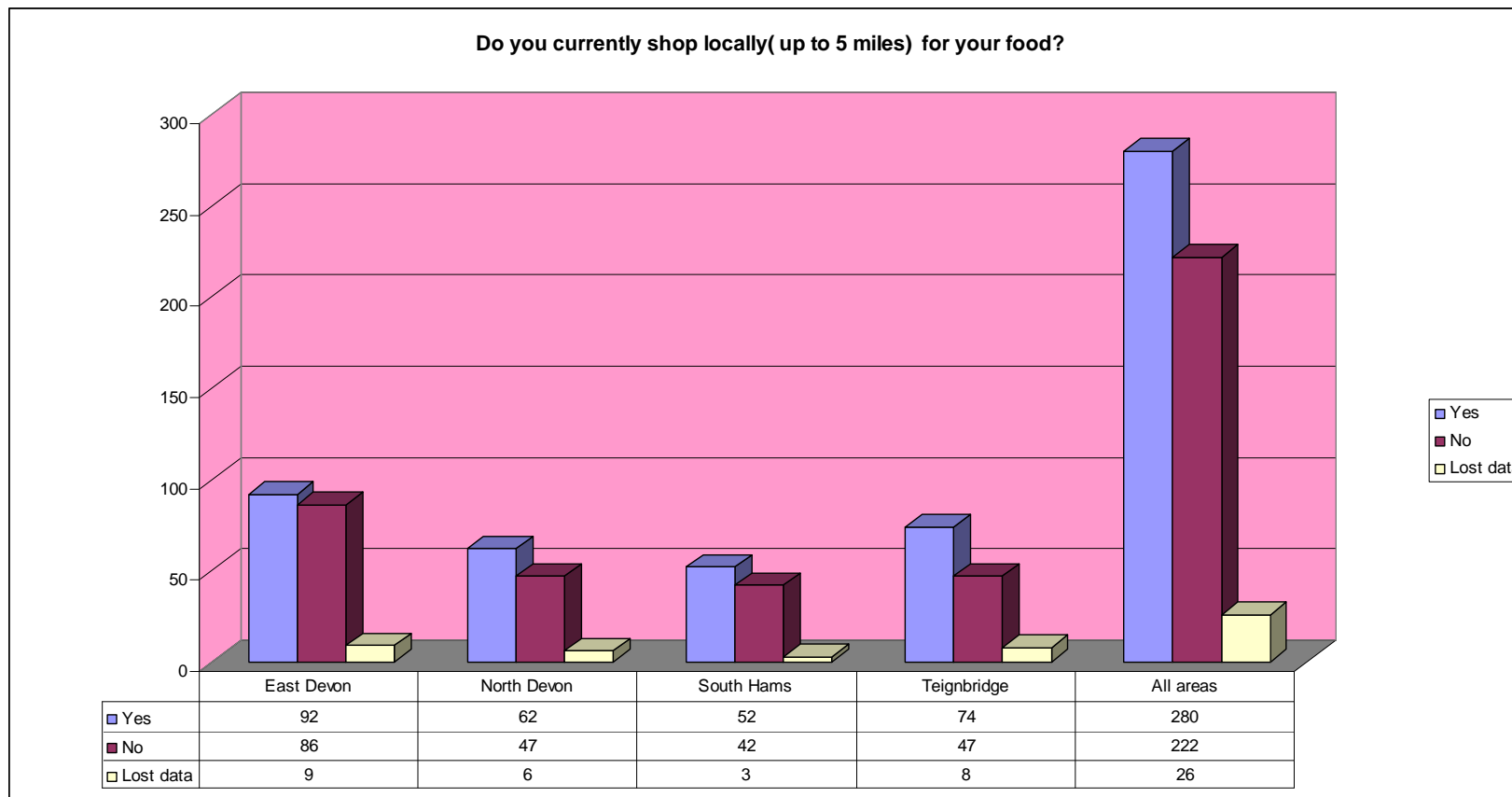
Section E – Expenditure

Q11. How much of your weekly income do you spend on the following?

- Food
- Energy (heating, cooking, lighting)
- Transport
- Carer / support
- Domestic / cleaning / gardening
- Pleasure / trips locally
- Holidays (away from local area)
- Other:

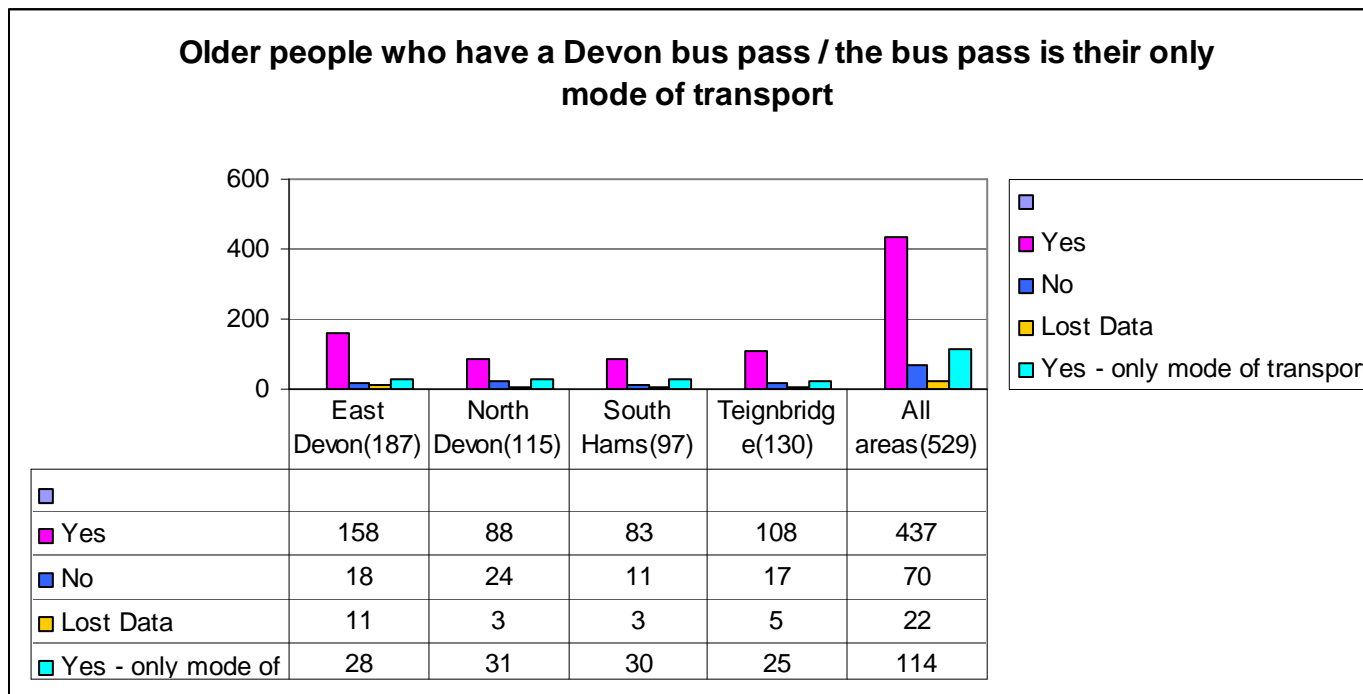
Data collected in relation to this question varied significantly in the way respondents chose to record their information. There was a high level of non recording in relation to this question. Raw data has not been analysed. As part of the qualitative study further investigation was undertaken in relation to some of the themes.

Q12. Travel: Do you currently shop locally (travel up to 5 miles) for your food?



Respondents comments demonstrated that 55.77% shopped locally and 44.22% did not. Reasons for their choices were due to convenience / supporting locally / and /or choice of store or transport issues.

Q13. Older people who completed and returned a survey who have a Devon County Council bus pass:



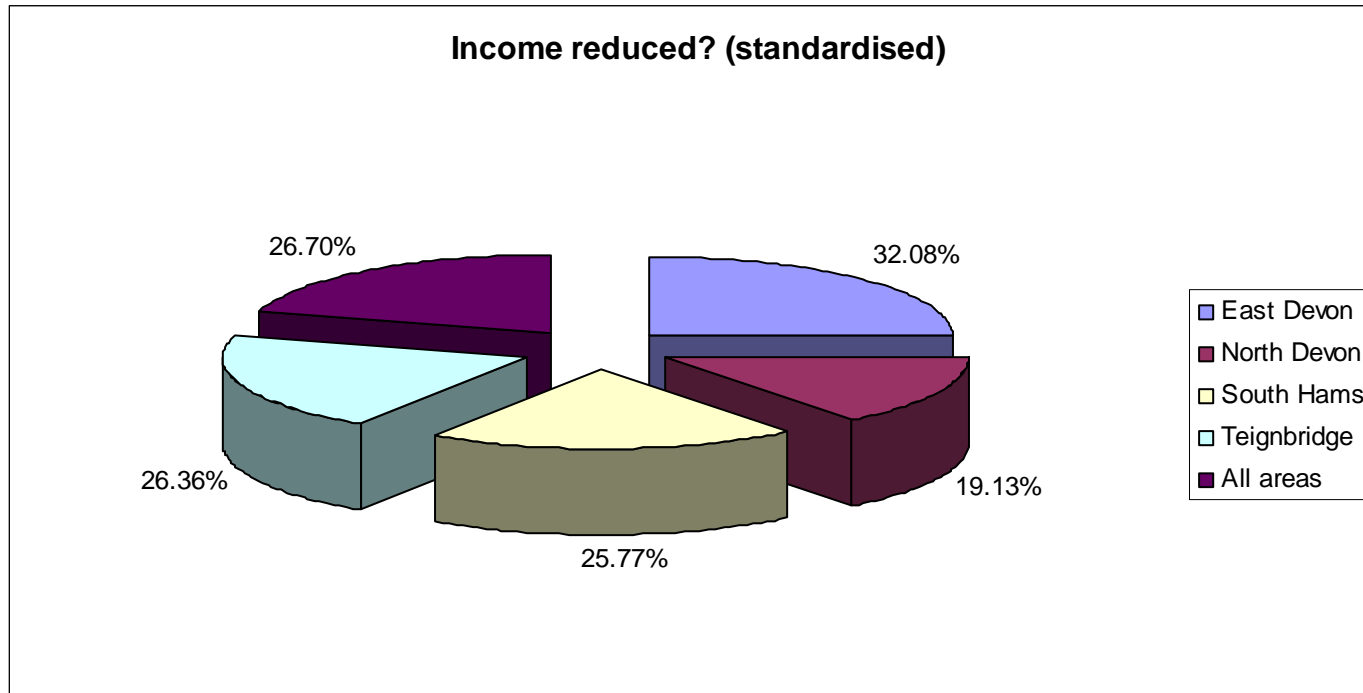
Devon County Council bus passes focused significantly as a mode of transport for older people in all 4 areas of Devon with an 86.19% take up for all 4 areas and 22.49% of people indicating that it was their only mode of transport.

Respondents in South Hams demonstrated a take up of the bus pass of 82.47%, Teignbridge 79.23%, East Devon 78.61% and North Devon 73.91%

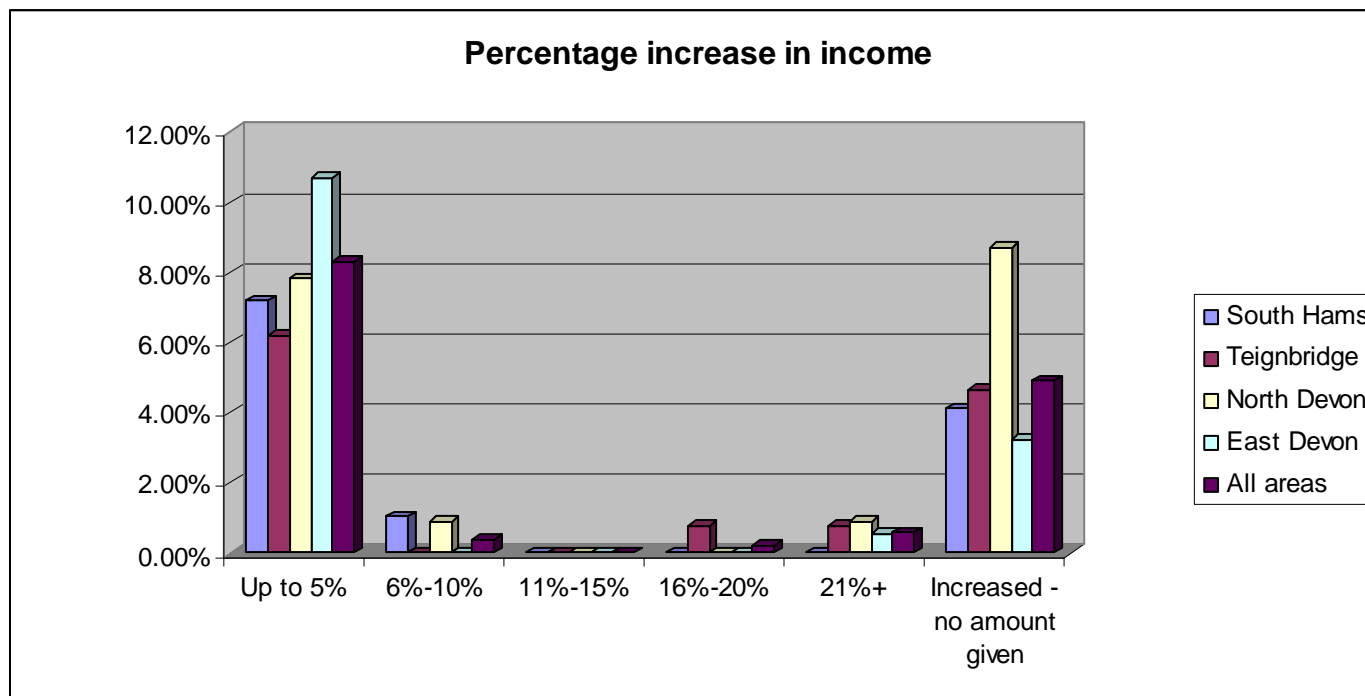
Section F – Changes since the start of the recession

Q14(a) – Income changes

Has your income changed? – Income reduction



Q14(a) (continued) - Percentage increase in income data:



This section demonstrates a significant percentage of incomplete data due to respondents recording an unspecified increase range. Through discounting this element of data the majority of the respondents in all 4 areas have indicated that the percentage increase is in the range of up to 5%.

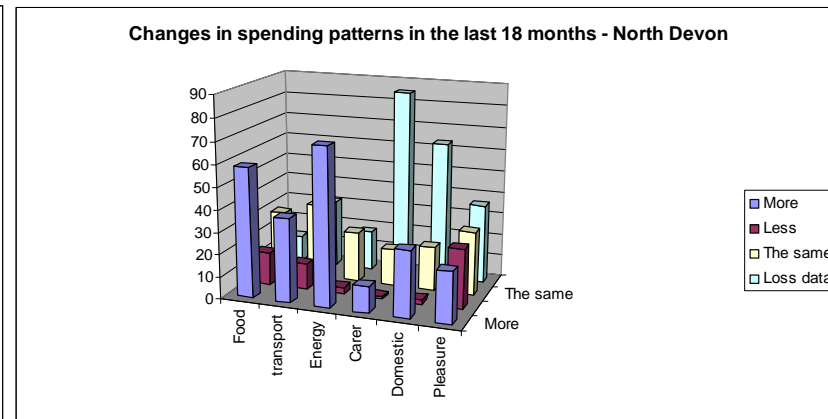
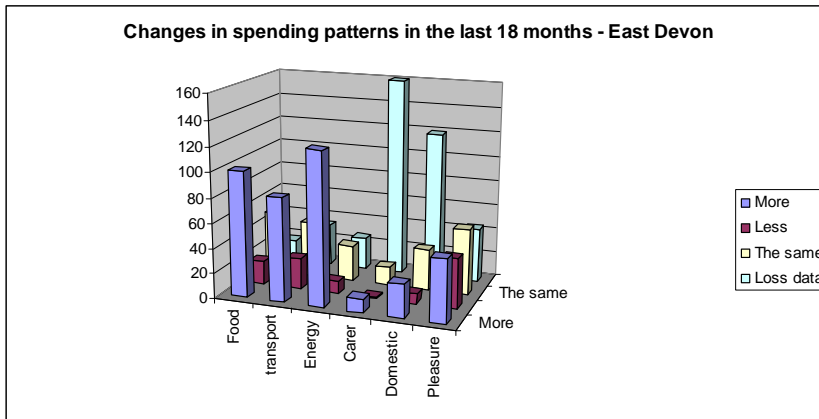
Q15. Equity release in the last 18 months from your property – responses indicated that:

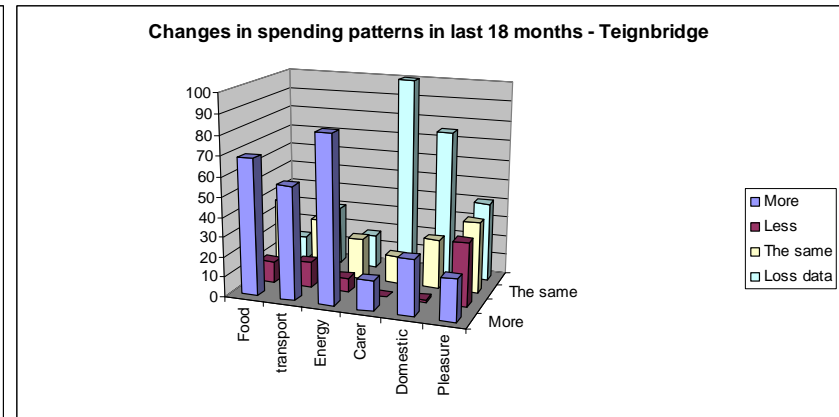
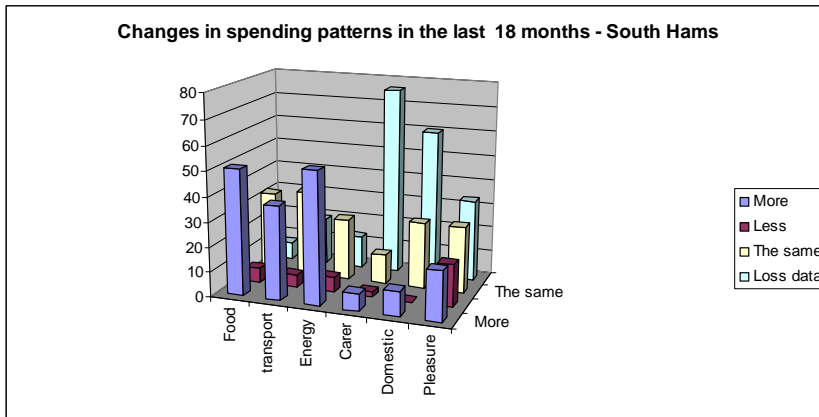
Twelve respondents (all areas) recorded that they have released equity in their property in the last 18 months. One respondent recorded this as due to impact of the recession on their income. (16b)

Q16(a) & (b) Explored / claimed any additional state benefits in the last 18 months: responses indicated:

Seventy four respondents (all areas) stated that they had explored / claimed additional state benefits in the last 18 months. Twenty seven of whom stated that this was due to impact of the recession on their income. (16b)

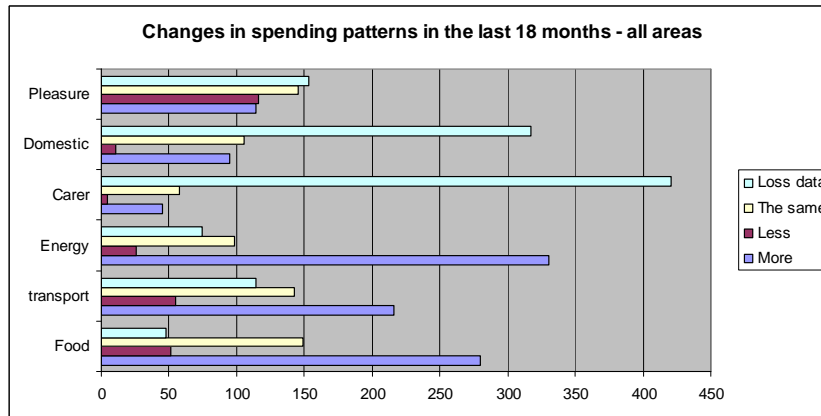
Q17. Have your spending patterns changed on the following in the last 18 months: responses indicated:





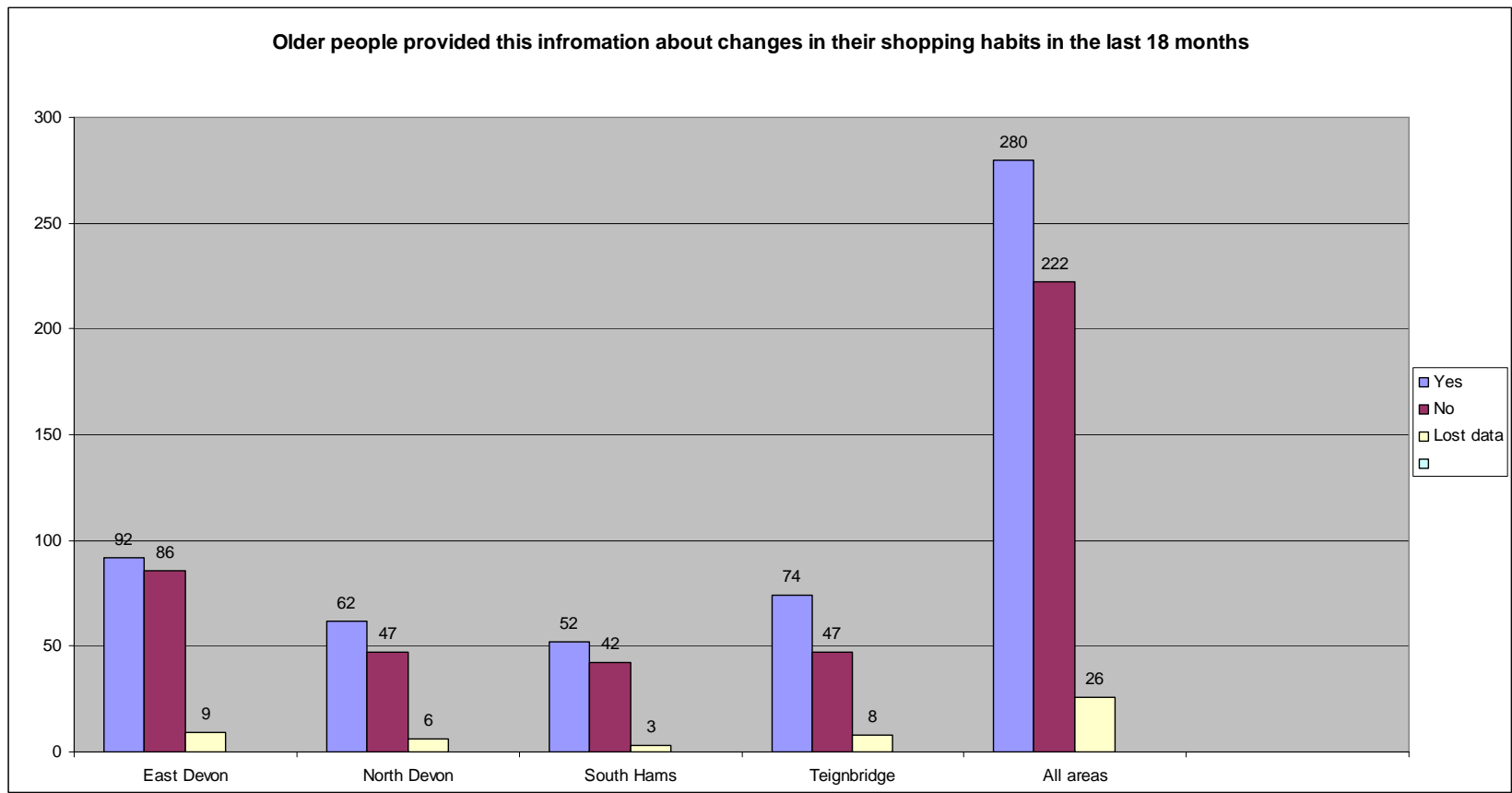
Respondents in all 4 areas have indicated that spending on food, transport and energy have been the biggest change and has increased in the last 18 months.

Q17. All area responses:



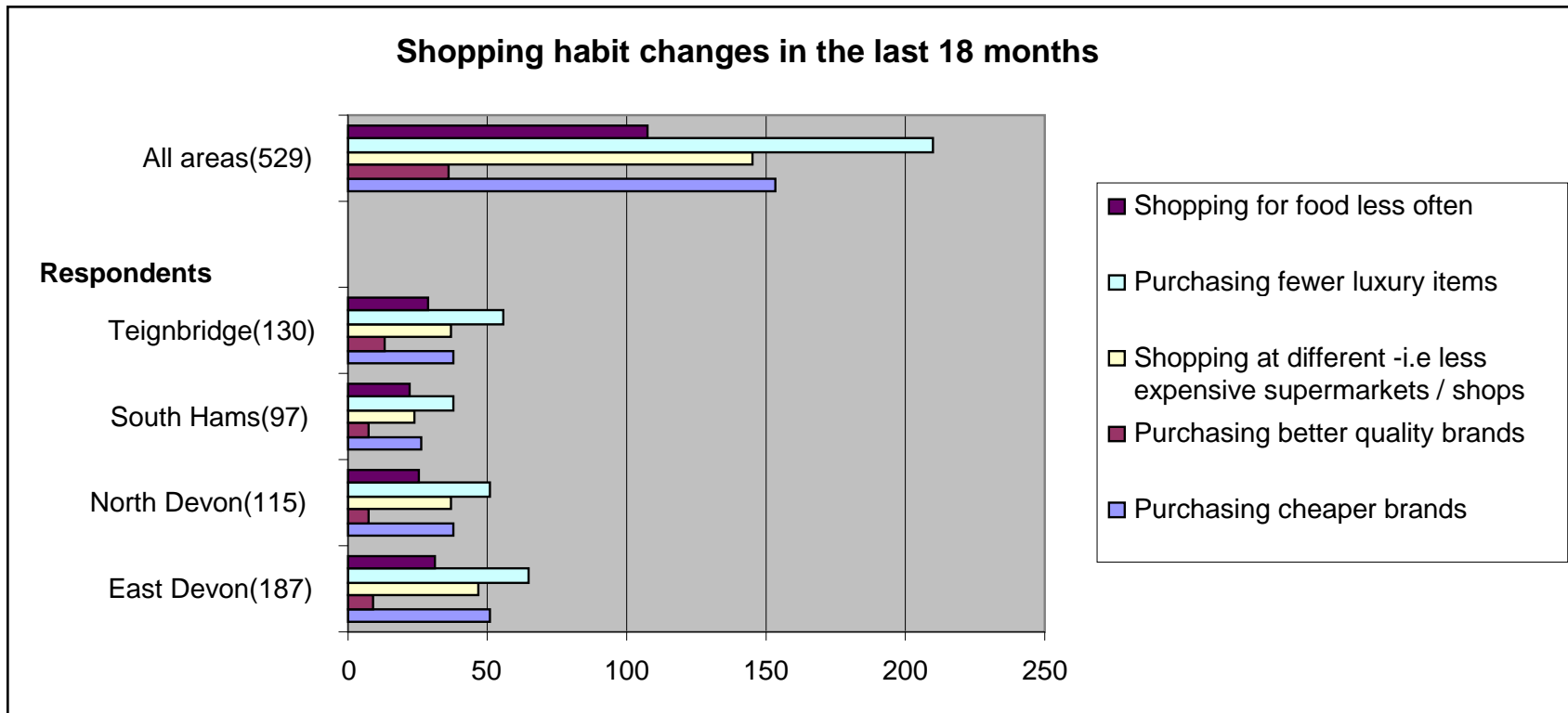
Respondents in all areas recorded that there were changes in their spending patterns in the last 18 months. Food, transport and energy patterns demonstrated the largest change in increased spending.

Q18. Older people were asked if their shopping habits had changed in the last 18 months:



Responses to this question (excluding lost data) demonstrate that 55.77% of the respondents had changed their shopping habits in the last 18 months.

Changes in food shopping habits are recorded as:



All areas: 19% of respondents stated that they were shopping for their food less often with 38% purchasing fewer luxury items. 8% stated that they were shopping at different supermarkets and shops with 28% purchasing cheaper brands of food. 7% stated that they were purchasing better quality brands of food.

Further analysis in relation to the four areas within Devon demonstrated some area variances and similarities:

Shopping for food less often:

17% the respondents in Teignbridge stated that they were shopping for food less often and only 13% in South Hams.

Purchasing fewer luxury items:

32 - 33% of respondents across all areas stated that they were purchasing fewer luxury items

Shopping at different – i.e less expensive supermarkets / shops:

21% of respondents in Teignbridge and South Hams and 23% in North Devon and East Devon stated that they had changed their venues for shopping.

Purchasing cheaper brands of food:

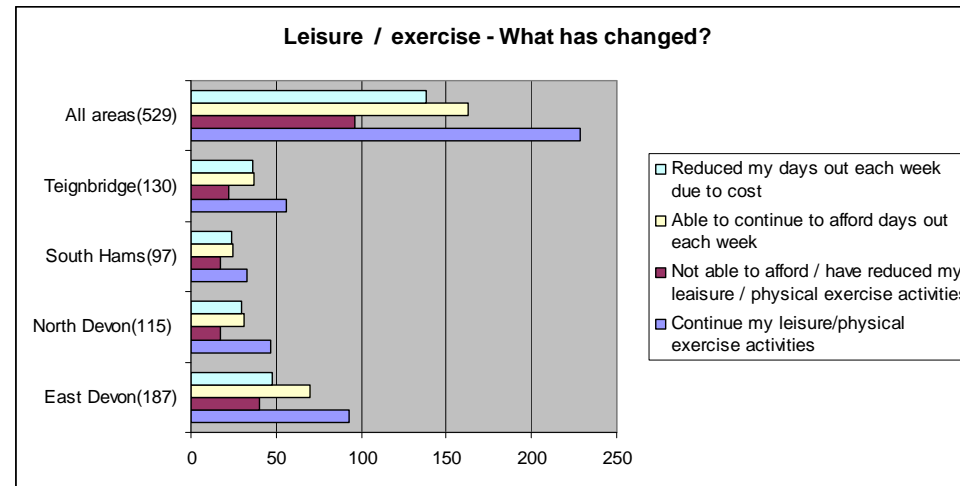
22% of respondents in Teignbridge and South Hams stated they were purchasing cheaper brands of food whilst a slight increase was demonstrated in North Devon (24%) and East Devon (25%).

Purchasing cheaper brands of food:

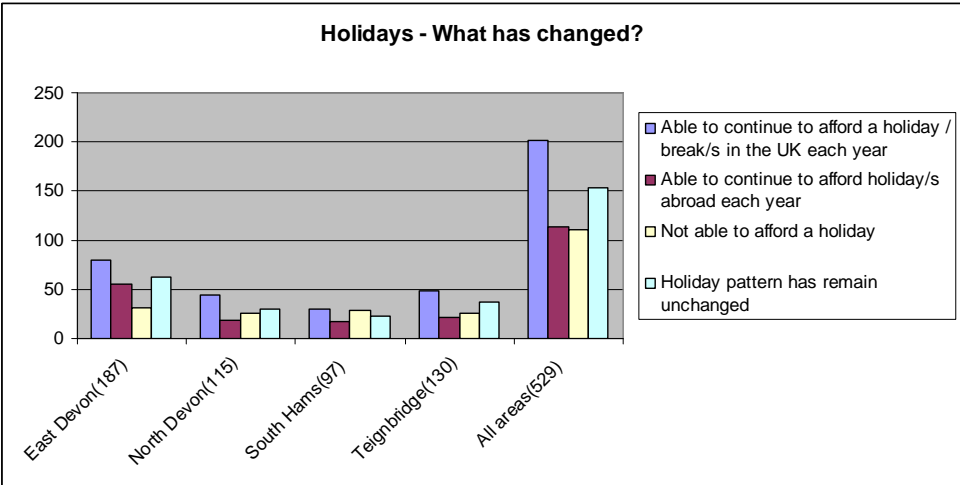
8% of respondents from Teignbridge and 6% from South Hams stated that they were able to purchase better quality brands of food. North and East Devon area demonstrated a 4% response.

Holidays and Leisure – What has changed?

Q19. Holiday and leisure changes in the last 18 months: How has your leisure activities changed in the last 18 months?



Respondents stated that there had been changes in their leisure activities in the last 18 months.



Respondents generally confirmed that there had not been any changes to their holiday patterns related to cost.

Some comments stated that changes had been made due to health and mobility changes.

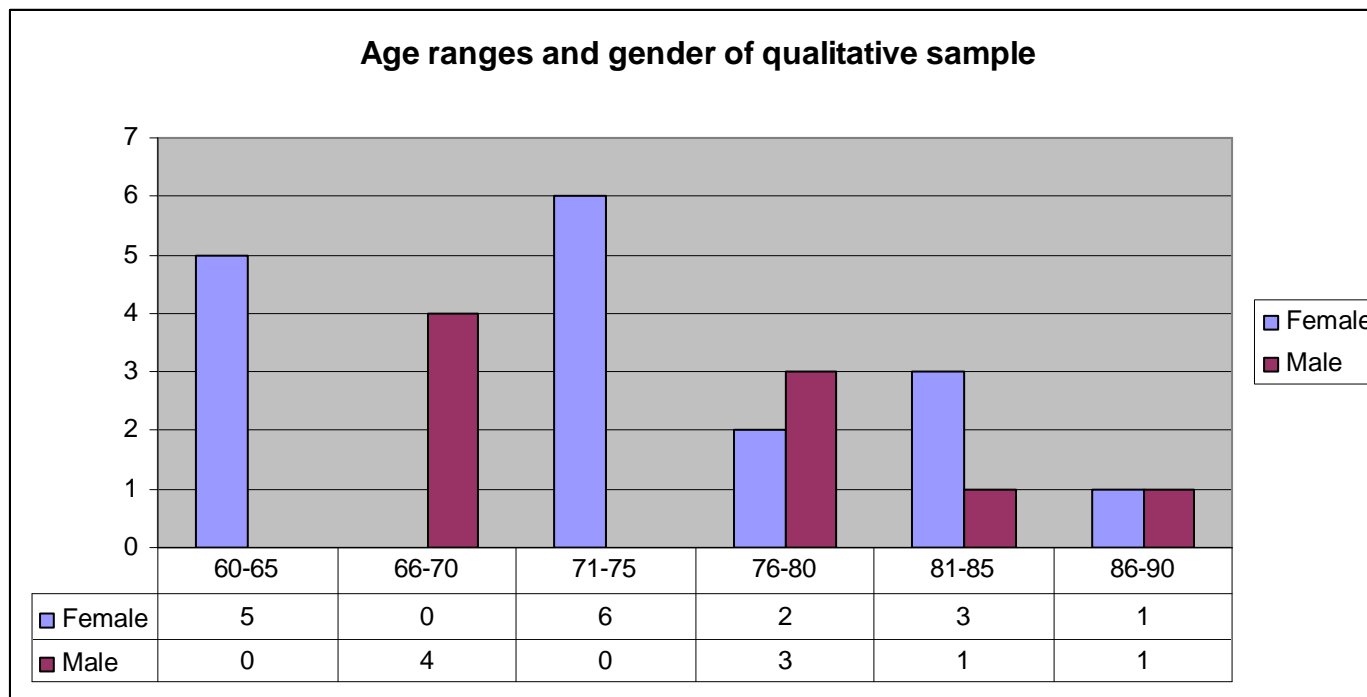
PHASE 3: QUALITATIVE STUDY: Survey time frame 28 June 2010 – 14 July 2010

General information about the people who took part in the qualitative study:

Section A – General Information

26 participants took part in the qualitative study 11 of whom described where they lived as a rural location and 15 as urban. All 26 participants described themselves as White British.

The age range and gender data of the 26 participants is recorded as:



Section B – Household

The participants described their accommodation as:

Own Home	20
Sheltered Accommodation	5
Private Rented	1

The participants described the number of people living in their household as:

Living alone	13
Two people	12
Three people	1

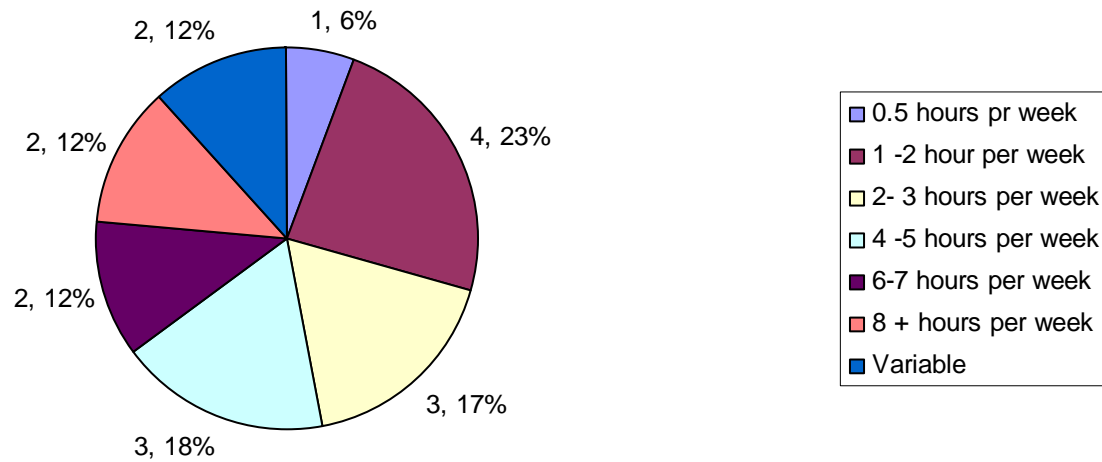
Section C – Employment / volunteering

Participants were asked if they undertake voluntary work / volunteering.

17 (65%) participants stated that they were undertaking voluntary work / volunteering roles. 9 (35%) participants stated that they were not undertaking voluntary work / volunteering roles.

Participants who indicated that they were undertaking voluntary work / volunteering said that they were spending the following average hours / periods of time per week undertaking their roles:

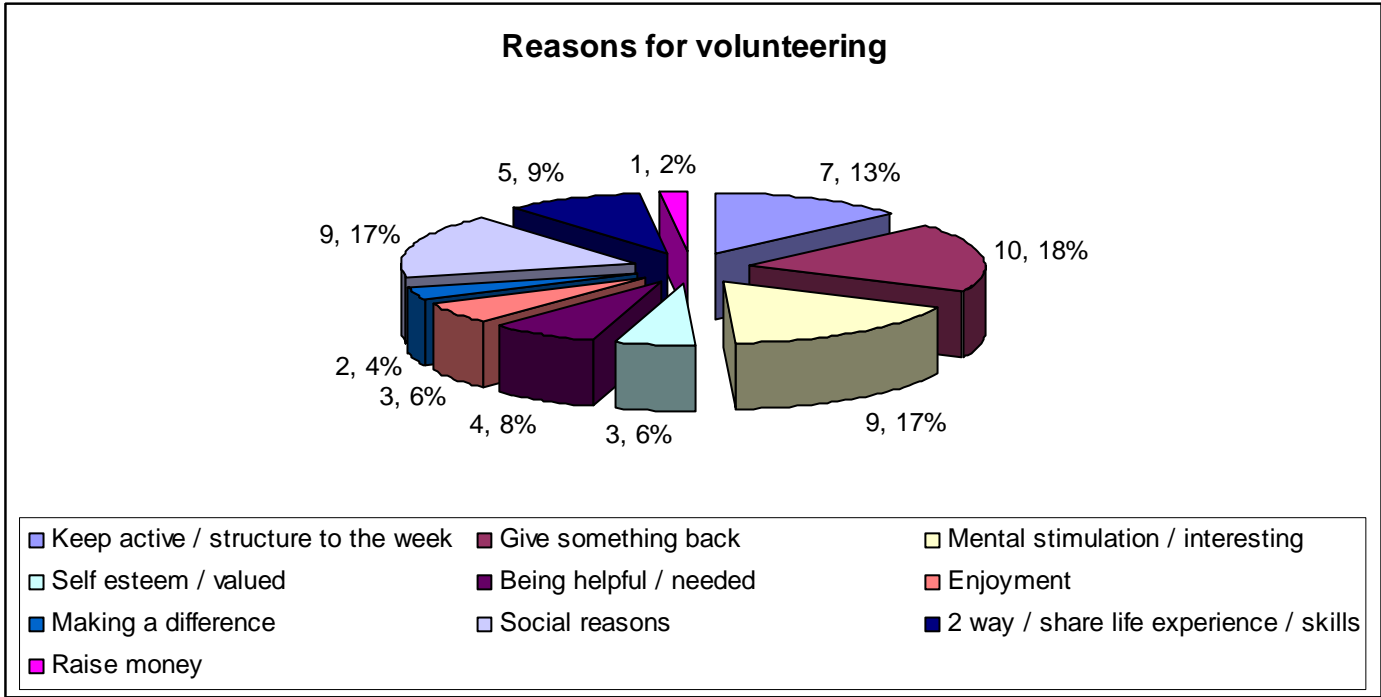
Average time spent per week undertaking volunteering roles (17 people)



Additional information recorded in respect of 4 participants who were not undertaking voluntary work / volunteering were that they were aged between 71 – 90 years with mobility difficulties / physical frailty and one person within the younger age range had significant mobility and other associated difficulties.

Participants were asked: Why do you volunteer?

Participants made the following statements in relation to their volunteering roles:



Section D – Income

Participants were asked: Would you describe the change in the last 18 months in your level of weekly income as:

Increased: Yes / No Much more / slightly more / minimal increase

Stayed the same: Yes / No

Reduced: Yes / No Much less / slightly less / minimal reduction

2 participants stated that they had a minimal increase, 1 a moderate increase and 2 a much more increase in weekly income.

10 participants stated that their weekly income had stayed the same

9 participants stated that their weekly income had reduced minimal / slightly and 2 stated that it had reduced much less

Participants were asked what effects any income changes (either positive or negative) have had on them personally and what the effects are on their daily living.

Statements made by participants were:

- Reduced savings and investments and interest on them
- Using interest from saving
- Occupational pension – no effect
- Recent forced retirement – income reduced
- Rental on house that has been completed – significant increase in income
- Increased benefits X 2 have been claimed (direct impact of the recession)
- Reduced income – having to use savings for repairs on the house / car

Section E – Expenditure

Participants (26) were asked – if you have made some changes to your weekly expenditure which has been the biggest changes you have made and why?

- 9 participants stated that there had been no change to their weekly expenditure.
- 1 participant stated that there had been no serious effect.

The most commonly referred to changes of the remaining 16 participants were:

- the rise in utility bills (electricity and gas) which had significantly increased out of the weekly expenditure
- the rise in petrol costs which had significantly increased out of the weekly expenditure

Other relevant comments were:

- changes to food shopping habits due to control of costs by reducing purchasing luxuries / eating out / social activities
- using the car less and the public transport more
- information was also recorded in relation to using savings for repairs to house / car
- reduction in the use of credit cards

Disposable income: For the purposes of this study – disposable income has been described to participants in the following way for consistency:-

“GDHI (Gross Disposable Household Income) is the amount of money that households have available for spending or savings, hence ‘disposable income’. This is money left after expenditure associated with income, for example, taxes and social contributions, property ownership and provision for future pension income. The household sector covers people living in traditional households as well as those living in institutions. The latter includes people living in retirement homes and prisons. (Office for National Statistics (ONS))”

Participants were asked – Has your disposable income level changed in the last 18 months?

The following responses were recorded from participants:

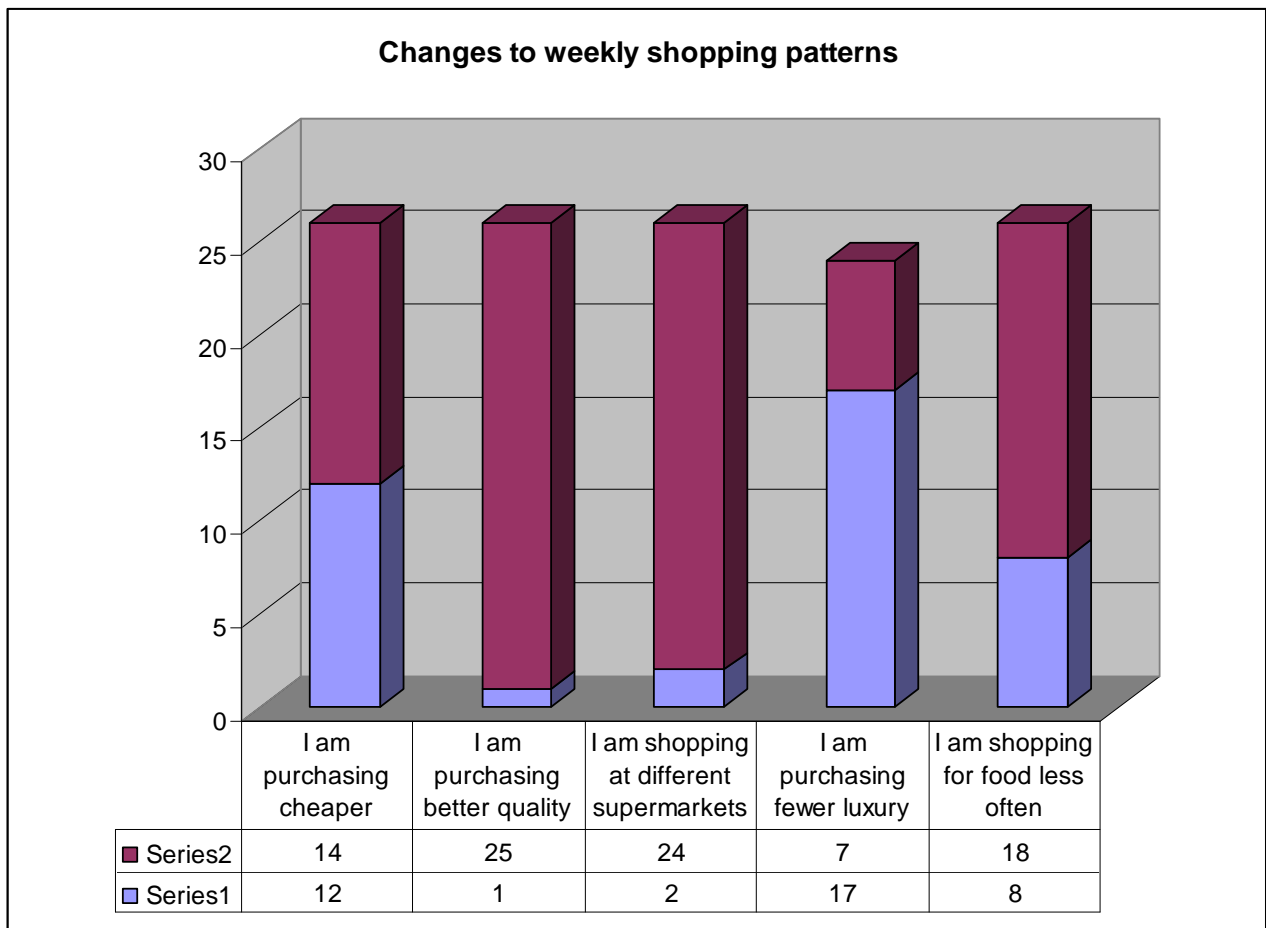
- 16 (61%) stated that they had less disposable income
- 4 (15%) stated that they had the same disposable income
- 3 (12%) stated that they did not have any disposable income
- 2 (8%) stated that they had much less disposable income
- 1 (4%) stated that they had more disposable income

How do you choose to spend your disposable income?

Participants who chose to provide a response to this question described spending their disposable income on:

- family / holidays (1),
- socialising and eating out (3),
- clothes and personal items (2)
- household items (1),
- mobility assistance (1),
- charity support (1),
- savings (1).

Local Economy Impact: Participants were asked to respond to some key indicator statements in respect of any changes that they had made to their weekly shopping habits:



Series 1 = yes

Series 2 = No

Participants were asked - Where do you buy the majority of your food and why?



The reasons stated for the participant choices were recorded as:

- **Large supermarket:** Choice available and extensive range, value for money, free bus to get there, social outing, car parking, accessible for wheelchairs, able to walk there, no other choice –dependent on transport.
- **Small supermarket:** Only choice available, used for top up food, top up food only as expensive, convenience, able to walk there.
- **Mix of large & small supermarkets:** Reasons as already stated in large / small supermarkets and additional information - convenience able to walk to them, choice / bargains – 2 for 1, call in on way home from work to any store – link journeys – no loyalty.
- **Mix of large & small supermarkets / local shops / farm shops:** Reasons as already stated and additional information – treat from local / farm shops as expensive but local produce – free range chicken a treat, supporting locally where possible

Other comments recorded:

- Local shop not used due to poor attitude and cost
- Local shops supported where possible as if you do not use them you lose them.
- Local shops local produce – fresh produce – shop day to day as required
- Local shops – I go out and usually meet someone to talk to.

Participants were asked if there were any essential items such as medical items or specific food items for special diets that you are unable to access independently:

23 participants were able to access all that they required however one person had difficulty in accessing food for a specific special diet linked with a clinical condition.

Participants were asked if they have a choice as to where they shop for food:

22 (84.61%) participants stated that they had choice and 4 (5.38%) participants responded – No

Choices available and the reasons by geographical area:

South Hams:

8 participants were interviewed from South Hams area: 6 participants stated that they felt that they have choice as to where to shop for food / 2 participants stated that choice was limited, both referred to the reason being that stores are geared to tourism.

Teignbridge:

8 participants were interviewed from Teignbridge area: 7 participants stated that they felt that they have choice as to where to shop for food / 1 participant stated that choice was limited, the reason was due to personal mobility issues.

East Devon:

6 participants were interviewed from East Devon area: 6 participants stated that they felt that they have choice as to where to shop for food

North Devon:

4 participants were interviewed from North Devon area: 3 participants stated that they felt that they have choice as to where to shop for food / 1 participant stated that choice was limited, the reason was due to dependence on a free supermarket bus due to personal mobility issues.

Participants were asked - within the last 18 months have any local shops or services closed or been reduced that have directly impacted on you?

17 (65%) of participants stated that local shops or services had closed or been reduced in the last 18 months that directly impacted on them. 9 (35%) of participants stated no to this question.

Types of local shops and services which have closed or reduced in the last 18 months were recorded as:

South Hams:

4 participants stated that local shops and services had closed in the last 18 months. 1 participant had not been effected by any closures / reductions of local shops or services.

Teignbridge:

5 participants stated that local shops and services had closed in the last 18 months. 2 participants had not been effected by any closures / reductions of local shops or services. 1 new local market had opened.

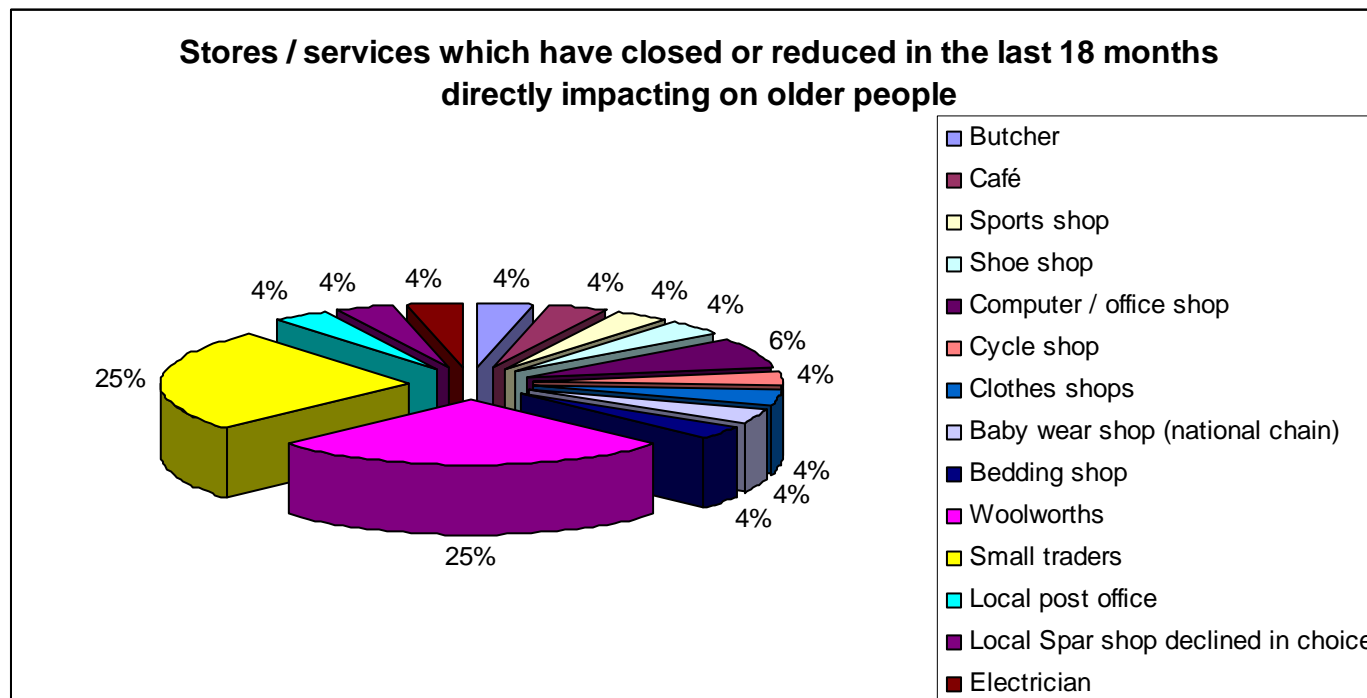
East Devon:

4 participants stated that local shops and services had closed in the last 18 months. 2 participants had not been effected by any closures / reductions of local shops or services.

North Devon:

1 participant stated that local shops and services had closed in the last 18 months. 3 participants had not been effected by any closures / reductions of local shops or services. One participant stated that a new large supermarket had opened. 2 participants stated that additional services had opened which were a local weekly market and a new large supermarket.

Other statements included the types of services / shops which had closed – the theme indicated that small shops had closed however the one main store which had impacted on 7 of the participants was Woolworth's stores closing and the loss of a facility to purchase household / gifts and similar items.



Travel:

Participants were asked about the range of transport that they use during the week and for what purpose:

Participants demonstrated a significant range of transport used during the week for a variety of purposes:

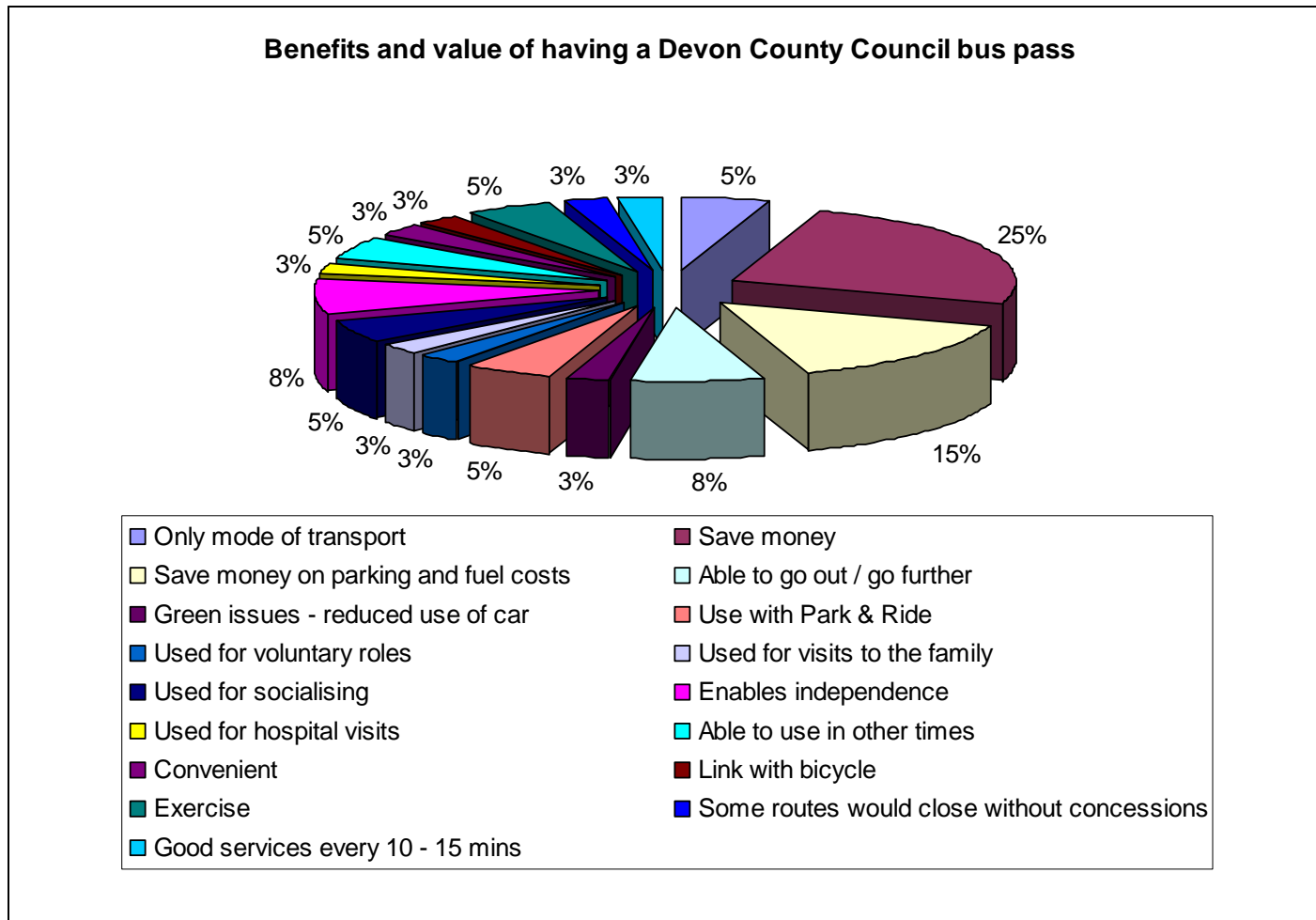
- 13 participants use the car for shopping
- 8 participants walk for social reasons
- 7 participants use the bus for general purposes / shopping / social

- 7 participants walk for shopping
- 3 participants use the car for social reasons
- 3 participants use a taxi for medical reasons and shopping
- 3 participants use a taxi for social reasons
- 3 participants use a shoppa / ring & ride / park & ride for shopping
- 2 participants use a bus for work
- 2 participants use a bicycle for exercise / errands
- 2 participants use a boat / ferry for shopping / banking and social reasons
- 1 participant stated that they have to have an ambulance for hospital purposes 3 x per week
- 1 participant use a bus / train for work
- 1 participant stated that they run for exercise and enjoyment
- 1 participant uses a mobility scooter locally for any purpose

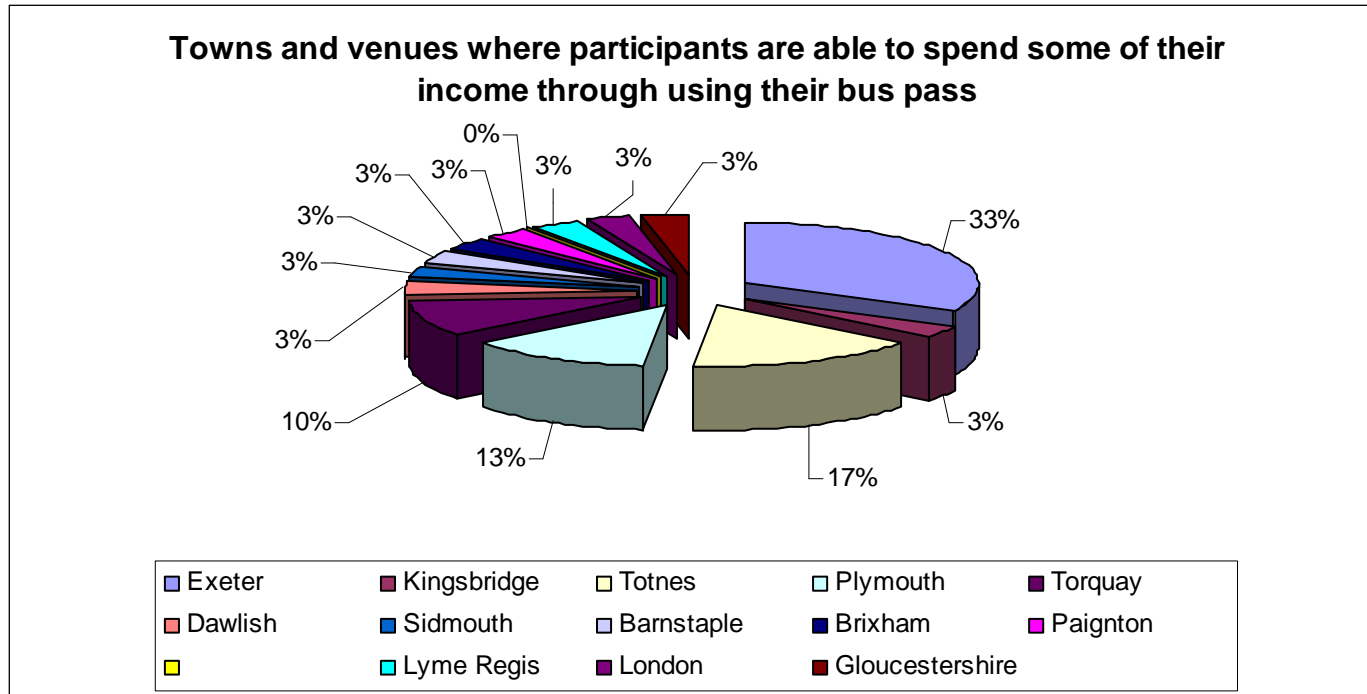
Participants were asked if they have a Devon County Council bus pass and if they used it:

24 (92%) participants stated that they had a Devon County Council bus pass. 21 participants out of the 24 participants who currently have a bus pass stated that they were using it. To people did not have a bus pass but one of whom stated that they were planning to apply for one.

Participants were asked to describe the benefits and value of their bus pass:



Participants were asked if their bus pass enabled them to spend some of their income in other towns or venue:

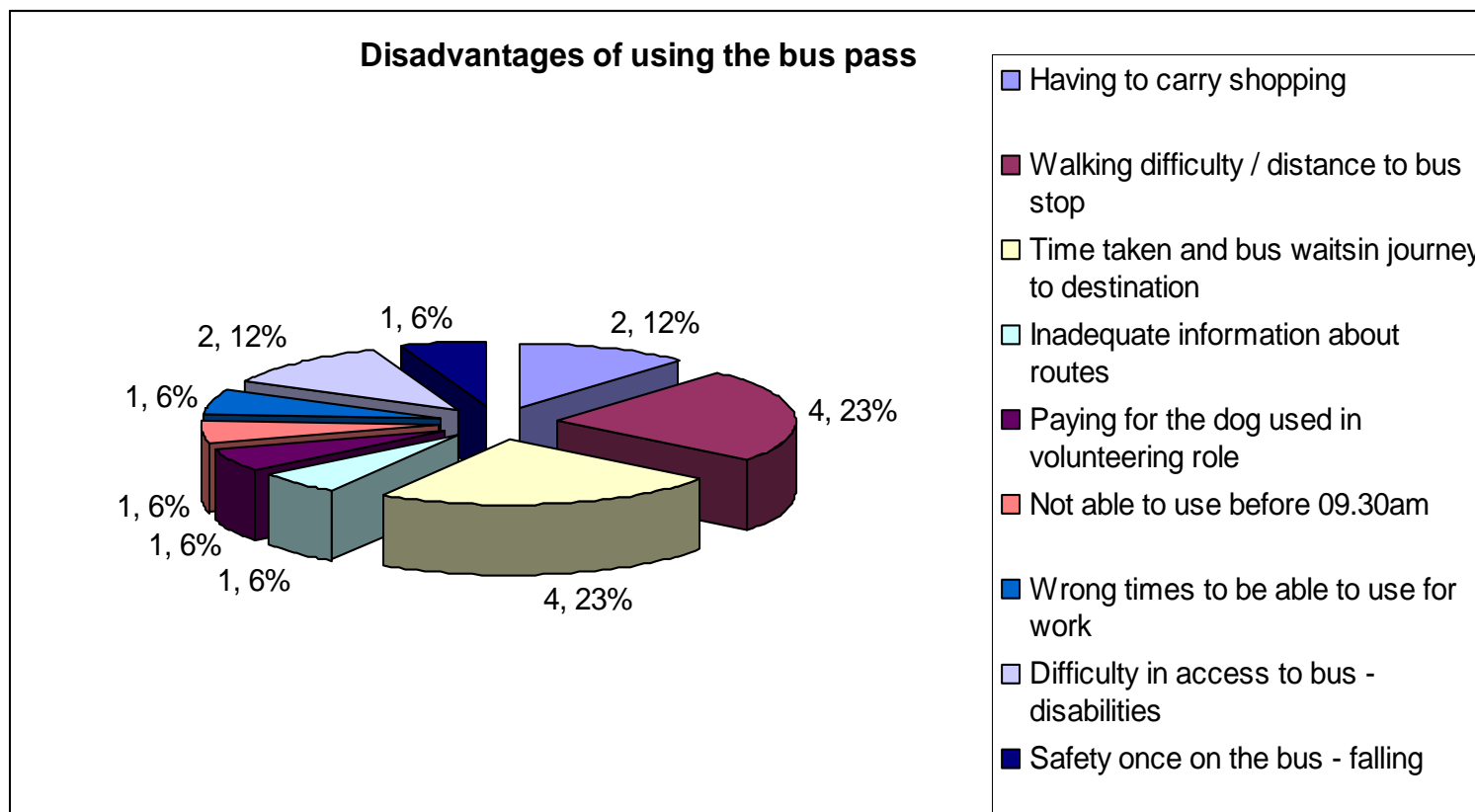


Responses to this question confirmed that the Devon County Council bus pass enabled some of the participants to spend some of their income in other areas of Devon from where they live and particularly to access the cities such as Exeter and Plymouth and the town of Totnes.

Additionally a few participants stated that they were able to spend income outside of Devon through using their bus pass.

Challenges / difficulties of using the Devon County Council bus pass:

Participants were asked to explain any challenges / difficulties in relation to using their bus pass:



Holidays / leisure – Changes since the start of the recession (in the last 18 months)

Holidays / leisure:

Participants were asked to explain any particular changes that they have made in relation to going out / social activities and why:

- 13 participants stated that there had been no change to going out / social activities
- 9 participants stated that they have reduced their social activities due to cost (eating out focused as a theme)
- 3 participants stated that they had reduced their social activities due to health issues and age
- 1 participant stated that they had reduced the social activities due to cost and health

Participants were asked to explain any particular changes that they have made in relation to physical exercise and why:

- 24 participants stated that there had been no change to their physical exercise
- 1 participant stated that they had reduced their physical exercise due to cost
- 1 participant stated that they had increased their physical exercise due to walking more as they had reduced their use of taxis due to cost

Participants were asked to explain any particular changes that they have made in relation to holidays and why:

- 16 participants stated that there had been no change to their holidays
- 5 participants stated that they had reduced holidays abroad due to cost
- 5 participants stated that they have no holiday due to health and age

Participants were asked what had been the one biggest change for them as an older person living in Devon in the last 18 months since the impact of the recession:

Responses: Income & expenditure:

- Conscious budgeting
- Worry about money
- Being more careful / living more frugally / reduced carefree lifestyle
- Sense of loss and concerns about finances
- Not purchasing CD's and DVD's
- Rise in fuel costs (2)
- Reduced income (2)
- Older people will not spend money to support themselves

- Enforced budget
- Economy in bills
- Changes to insurances / energy supplier – not just renewing them – save money
- Consciously using less energy
- Bills going up / income not going up
- Less disposable income
- Price of electricity going up by 10% +
- Concerns – lighting heating costs – utilities increased from £50 - £92 per month in one increase

Housing:

- Concerns about the cut backs by the Housing Association – adaptations / repairs

Travel:

- Consciously using less petrol / awareness of green issues
- 2 buses to get to doctors if poor health
- Concerns about ambulance reduction in the area from 4 – 1
- Reliance on buses – concerns about free bus pass

Savings and Investments / property:

- Loss of capital value of property
- Way in which recession dominates conversation
- Interest rates going down
- Eroding of savings for things quite regularly
- Monitoring investments closely and changing them
- Cost of repairs to the car now from savings

Employment:

- Enforced retirement due to age
- Reduced opportunity for re-employment in economic climate
- Worsened opportunity due to recession

General comments about changes:

- I am part of the community – what I do effects local community
- Grateful for benefits – return money back into community

No change:

- Six participants stated that there had been no change

Participants were asked for any additional information in relation to the ways in which they think the recession has had an impact on them in the immediate period and any perceived longer term impacts:

Immediate concerns:**Income & expenditure:**

- Lighting & heating costs (2), review needed of the threshold to be able to live, Council tax level of cost a concern, careful and continue to be so, enforced extra care with cash, cost of living rising, cost of pet (ageing / deteriorating health) £27-28 minimum per week

Travel:

- Think about travelling 100 miles to visit family (cost of fuel), rising costs of petrol

Savings and Investments / property:

- Interest on savings reduced / low (4), investment interest reduced, monthly income topped up from savings, need to safeguard savings and not squander, repairs for car from savings, Major breakdown / replacement from savings (2), gone without to save and now what is the value of it, when no savings benefit culture, needs hard choices.

No impact / worries (4)**Longer term concerns:****Income & expenditure:**

- Concerns for future – reduce spending – frugal now, income reduction, need car to get to the vet – not on bus route, batten down the hatches for a long haul, worse to come / have not seen the worst of the recession – comes to us in Devon later, High street shops – changes / closures for the future, concerns about being able to control bills such as heating, worried -rising prices, concerns - no control

on council tax costs / increases (2), future concern – living as one and cost of living, do not know what the future holds – limited income – no known increase, concerns about coal / fuel allowance being removed (4), concerns – do not know what is safe to spend, concerns – change to pensions – (RPI –CPI calculation), concerns about ‘future bites by Government’, concerns – erosion of benefits for the future by new Government (3), concerns future cutbacks on Disability Living Allowance (DLA) (2), concerns security of Carers Allowance, concerns about what pensions will look like in the future, concerns about reliance on benefits in the future

Travel:

- Concerns about the removal of free bus pass (2)

Savings and Investments / property:

- Will it be worth having savings in the future, longer term – investments reduced – higher inflation / conditions of the markets, if care needed due to illness – concerns – cost / impact of savings used for care on the partner who is left, concerns – taking money from property for care

Employment:

- Have to continue to work 3 more years part time to keep saving

No impact / worries (2)

Conclusions:

Income Ranges:

Income ranges were specified within the questionnaire in accordance with advice from Age Concern Devon.

There was a significant amount of non recorded / lost data within this section of the survey. However the information that was available demonstrated that there are single people and couples who continue to live on very limited income which is recorded as single below £133 per week and couples below £203 per week.

The Pension Service, part of the Department of Work and Pensions through Guarantee Credit after reaching the qualifying age you are likely to get the Guarantee Credit if money coming in is less than:

- £132.60 a week if you are single
- £202.40 if you have a partner

These amounts may be higher depending on individual circumstances such as disability, caring responsibilities and housing costs such as mortgage interest payments (Pension Credit – Do I qualify and how much could I get? - The Pension Service, Part of the Department of Work and Pensions, April 2010).

Joseph Rowntree Foundation defines the minimum income standard for the UK as ‘ A minimum standard of living in Britain today includes, but is more than just, food, clothes and shelter. It is about having what you need in order to have the opportunities and choices necessary to participate in society’.

According to Joseph Rowntree Foundation a Minimum Income Standard for Britain (MIS) a pensioner couple would require a weekly budget of £222.22 excluding rent. A single person required £175 a week excluding rent to afford a basic but acceptable standard of living (A minimum income standard for the UK in 2010, Joseph Rowntree Foundation, July 2010).

Within this document, a comparison is drawn between the MIS to the poverty line – the results confirmed that most budgets are significantly above the 60 per cent median threshold that is taken as the official poverty line. The one exception among all family types in the MIS is the pensioner couples, whose minimum requirement after housing costs is slightly below the poverty line. However, many will require more than the 60 per cent median, because most pensioners live in houses rather than flats as assumed for the minimum, and this imposes extra costs such as heating.

The qualitative survey data demonstrated that if there had been an increase in the level of income for older people living in Devon since the start of the recession the main bracket of increase was up to 5% (many statements relating to the basic state pension increase).

Composition of Income:

In addition to state entitlements, pensioner income within Devon is made up from private / occupational pensions and interest on savings and investments.

A small proportion of respondents (6.06%) indicated that they were still working either part time or full time with an additional 1.7% part time working and also undertaking volunteering roles.

Within the qualitative interview stage longer term concerns focused around reduction of income / benefits and the possible changes in Government and the restructure of the NHS.

Throughout both stages of this survey older people commented on the loss of income from savings and interest rates and pensions falling behind in real terms, which in turn has increased their strive to seek value for money such as food bargains / offers. Some older people referred to returning to 'war time' and frugal methods.

Concerns were expressed by older people in both stages of the study in relation to eroding savings to pay for repairs to cars, houses and replacement of large items of essential items and the longer term impact of this.

Changing Spending Patterns:

At both stages of the study changing spending patterns were identified such as spending less on food and shopping less often / purchasing cheaper brands. Cautious spending was a theme within both stages of the study with comments particularly around concerns about replacement and repair of houses / cars and other large appliances.

Significant concerns were expressed throughout the study in relation to expenditure and escalating costs for food, transport and energy. In addition the level of council tax was expressed as a concern and the lack of control of any future increases in relation to income.

Spending in the Local Economy:

One theme which emerged was that older people felt that they contributed to the economy, 12 months of the year through

Purchasing food, general household goods, personal support such as gardening & caring / domestic support. Hence they are recycling their income from what ever source back into the local economy. Holidays in the UK were an area which has remained unchanged for many hence spending money in the UK economy. However information in relation to restriction of choice due to shops (particularly in areas of South Hams) having a tourist focus and 'price tag' was identified as a concern. Additionally local closures of stores such as 'Woolworths' has had an impact on older people due to the selection of items in one place at reasonable prices.

Social / leisure opportunities –Information at both stages of the study confirmed that the take up of social opportunities had reduced due to cost – hence older people were spending less in relation to eating out and socialising in the local economy as they had less disposable income available. The quantitative survey demonstrated that over 17.0% of older people had reduced their leisure / physical exercise due to cost. Physical activities – information from the qualitative stage demonstrated that over 90% of the participants had not changed their physical exercise activities due to cost apart from one person who was increasing walking to reduce taxi fares.

Reduction of exercise levels for older people could have long term detrimental effects on their health and combined with reduction of social activities could present issues of isolation and reduction in participation in the wider community hence increased demand on the support services and NHS.

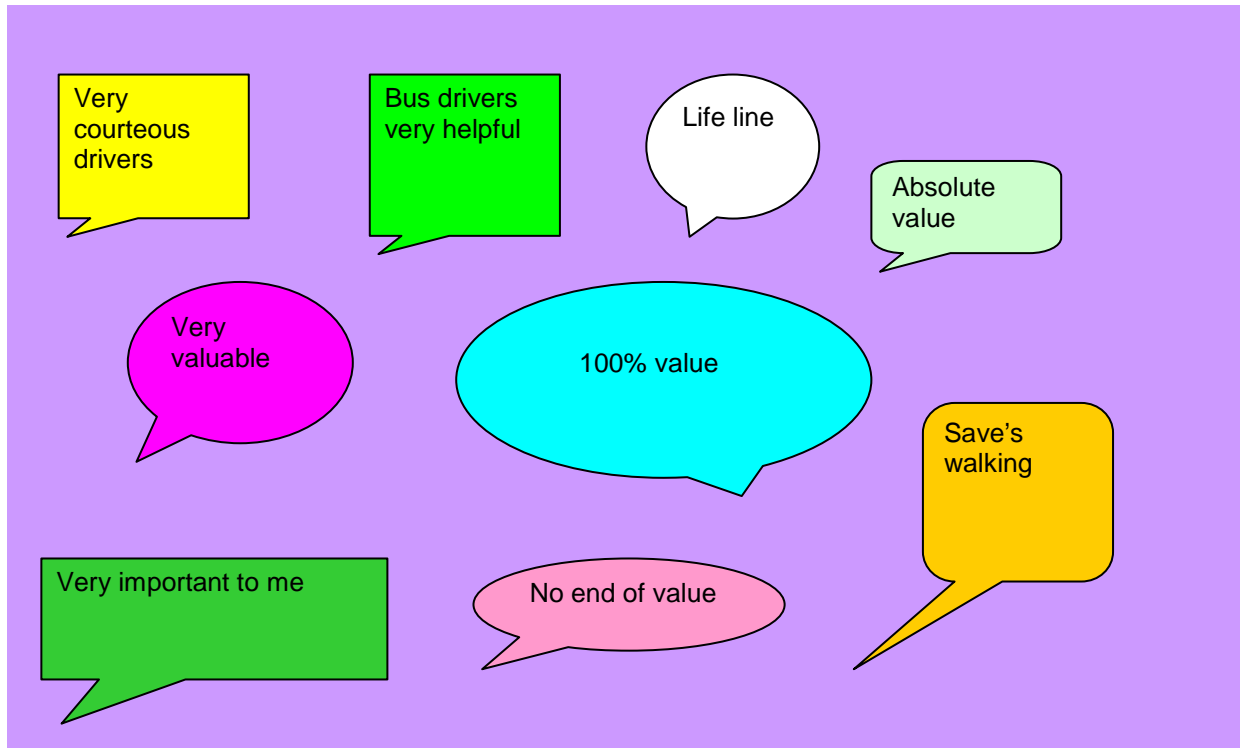
Travel and the impact on the local economy: Information recorded from the survey demonstrated that there was minimal difference in the places that people choose to shop whether locally (55.77%) or over 5 miles away (44.22%).

Devon County Council bus passes featured significantly as a mode of transport for older people in all 4 areas of Devon with an 86.19% take up for all 4 areas and 22.49% of people indicating that it was their only mode of transport. Devon County Council bus pass focused significantly for older people living in Devon and through both stages of the study the value of the bus pass was evident and the contribution to green issues such as fuel reduction etc. Information also recorded through the survey and interviews confirmed that the bus pass enabled older people to save money on petrol and parking. Additionally the pass enabled them to get out of their home and socialise with local expenditure mainly within Devon / their local environments. Respondents in South Hams demonstrated a take up of the bus pass of 82.47%, Teignbridge 79.23%, East Devon 78.61% and North Devon 73.91%.

Minimal use of Devon County Council bus pass outside of Devon was demonstrated. Hence the main value / benefit of the bus pass was in relation to supporting the Devon economy and the contribution to the 'green strategies' within Devon.

17 additional benefits were expressed by older people in relation to having a bus pass.

During the interview stage and the following statements made in relation to bus travel and the bus pass:



Changes to Spending Patterns:

Social / leisure opportunities – Information at both stages of the study confirmed that social opportunities had reduced due to cost – older people were spending less in relation to eating out and socialising in the local economy as they had less disposable income available.

Key information from older people indicated that older people support the Devon economy 52 weeks of the year within areas such as employment of carers and home support, shopping within Devon usually within local environments.

Holidays and travel - minimal changes were identified in relation to the impact of the economy on holidays. Impact however was evident in respect of the ageing process and the physical / health restrictions which had reduced opportunities to take holidays particularly abroad.

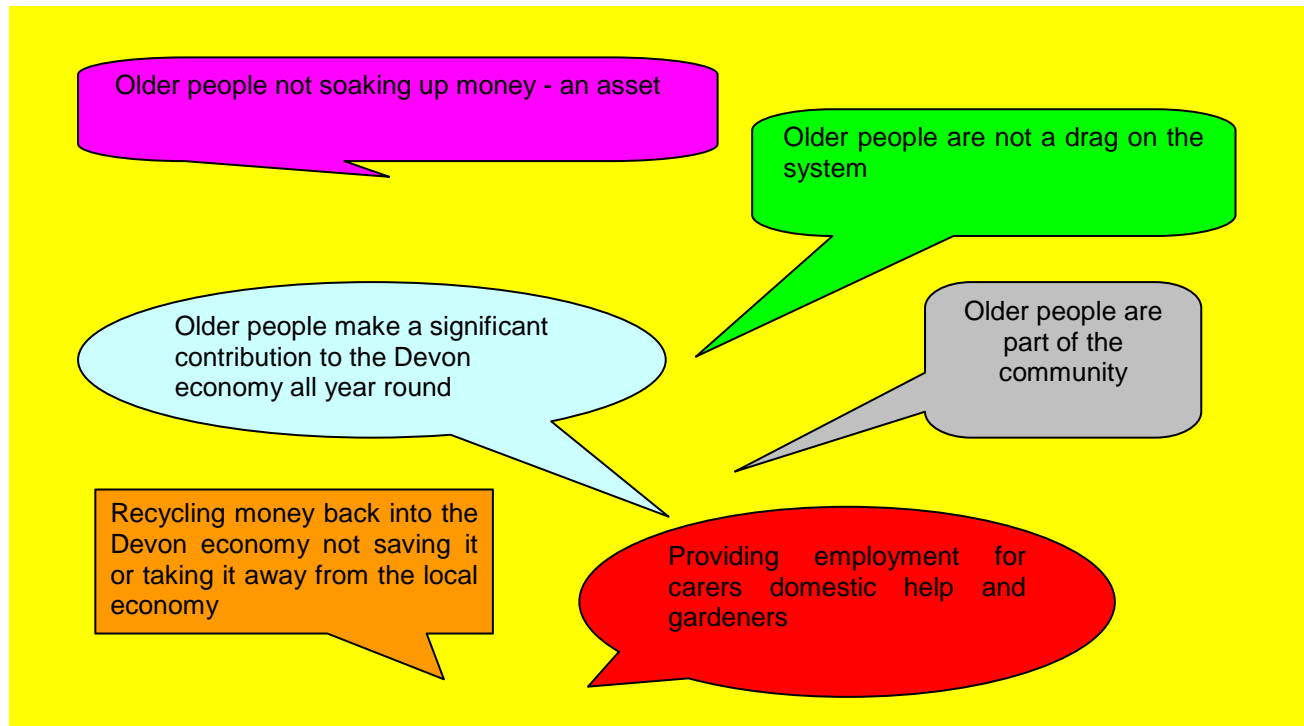
Additional information recorded during both stages of the survey:**Employment / Volunteering:**

6.06% of the respondents indicated that they were still working either part time or full time with an additional 1.7% part time working and also undertaking volunteering roles. An additional 37.12% of respondents were undertaking voluntary work / volunteering roles. Which overall indicates that 44.88% of respondents were contributing to the economy of Devon by paid or non paid work.

Other comments / statements which participants wished to have recorded as part of the survey:

Difficulty in accessing information in one place – need central point for older people, predict impact in the future of the recession, concerns – will medical care / education be free in the future, concerns - Government policy – keeping people in their own homes, hope for a more open attitude / policy change in ageism of employment, value to maintaining savings when no savings benefit culture, increased burden for others if on benefits, lived beyond means for years – need to payback, unable to get rid of garden waste (motorised wheelchair user), better off under previous Government – help more, concerns about where weather readings are taken for the cold weather payment, waste – experience and knowledge – benefit to society, Dentistry not as good as it used to be, worries about the changes in the NHS (2), drop curbs in the area are very limited (motorised wheelchair user), two positive comments about East Devon District Council (EDDC) – very pleased with , does very well, local library excellent

Additional comments recorded as part of the face to face / telephone interviews:



References:

A minimum income standard for the UK in 2010 by Abigail Davis, Donald Hirsch and Noel Smith, Joseph Rowntree Foundation, July 2010.
Pension Credit – Do I qualify and how much could I get? The Pension Service, Part of the Department of Work and Pensions, April 2010,