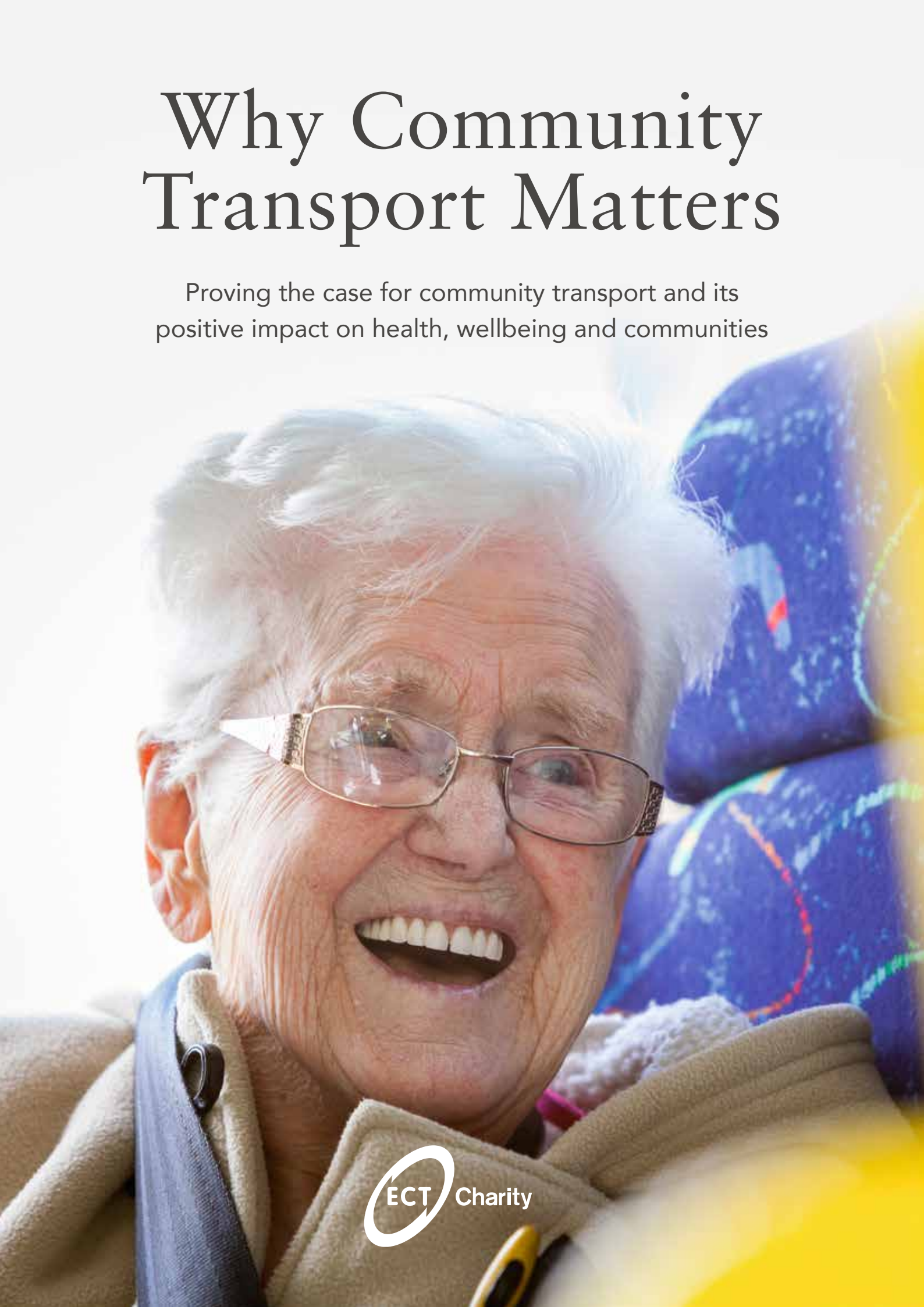
Why Community Transport Matters

Proving the case for community transport and its positive impact on health, wellbeing and communities



Acknowledgements

Both studies cited in this publication are the result of collaborations between a number of organisations.

The first study was prepared by Deloitte, and benefited from the input of a number of sector experts. Alongside support from ECT's senior management team, particular thanks go to John Taylor and the TAS Partnership for their contributions and suggestions around methodologies and data sources.

The second study was written by Geoff Warren and Antonia Orr of ECT Charity, on behalf of the London Strategic Community Transport Forum's Social Value Working Group. Special thanks extended to Andrew Kelly and Kathleen Lyons (Westway CT) and Manuel Button (Wandsworth CT), for their significant contribution and for sharing user quotes, which we have used throughout this publication. The authors would also like to thank all those community transport operators in London who helped both with data and encouragement and now participating in the scheme.

“Lots of the people on these trips are disabled and wouldn’t get a chance to go anywhere over the summer without ECT - they’d be stuck in their house all day long”

Multiple Sclerosis Society,
community transport member

“WCT has kept me alive!”

Community transport user

“A very helpful provision for the lonely”

Community transport user

Photo Credit: Westway CT

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Foreword: Why Community Transport Matters

The next few years are going to be tough for the UK. As the government works to reduce the national deficit, budgets for public services continue to be cut. It is time to look at things in a different way and, as I have always said, community transport is an important – but often invisible – part of the solution.

We at ECT Charity know that an investment in community transport means savings elsewhere. For example, taking an elderly lady on a weekly shopping trip not only saves a carer having to do this for her, but also boosts her wellbeing by getting her out and about. Ensuring that an 80-year-old man with diabetes gets to his regular check-ups means that he remains healthy and independent, reducing the chances of an emergency trip to hospital followed by weeks of after-care.

Anecdotal evidence is powerful, but putting real figures behind these stories is important, especially when we are trying to convince councils, commissioners and government policymakers that community transport is a worthwhile investment.

Therefore, over recent months, ECT has led two pieces of groundbreaking research to help community transport organisations around the UK to demonstrate their social value.

First, we worked with Deloitte to produce *Tackling Loneliness and Isolation through Community Transport,* a major piece of research that links how community transport services help older people to remain active, connected members of their neighbourhoods – to how the CT sector has even greater potential to save hundreds of millions of pounds across the country.

> "There will be no doubt in your minds that community transport has the potential to make a huge impact"

Second, we worked through the London Strategic Community Transport Forum (LSCTF) to develop *A Practical Method for Measuring Community Transport Social Value*. We believe this marks another watershed moment for community transport. It presents a practical methodology for assessing social value, specifically designed for community transport organisations to present a common, clear, compelling case for the value that their services offer to local authorities and other key service commissioners.

ECT Charity has always strongly believed in collaboration and working in partnership, so – along with our partners at Deloitte and LSCTF – we want to share our work with other community transport organisations, public service commissioners and policymakers.

This publication, therefore, presents the highlights of what we have learned in both research initiatives – a toolkit distilled from the Deloitte research, plus an introduction to the practical measurement framework that has been developed with the LSCTF.

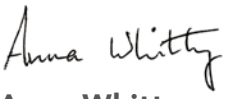
We hope that, if you are a community transport manager, this might encourage you to make use of the methodology to start measuring your social value. And, if you are from a local authority or clinical commissioning group, maybe these ideas will help you to look afresh at the community transport organisations in your area, and support them to help you achieve your aims of improving the health and wellbeing of the people in your community.

There will be no doubt in your minds that community transport has the potential to make a huge impact – one that will make a positive difference both to your social and financial bottom lines.

In addition to using the information contained in this publication, we wholeheartedly welcome your engagement as we seek to develop this agenda further.

We hope you will join the conversation with ECT and our partners, and with our membership body the Community Transport Association, as we seek to demonstrate and to grow the impact that community transport can achieve in communities and on public services all around the UK.

Thank you for your interest, and we look forward to working with you as we continue our social impact journey together.



Anna Whitty
Chief Executive, ECT Charity

"This report is an excellent example of what can be achieved through working in a cross-sector partnership combining the skills and knowledge of a leading corporate and a leading social enterprise"

Rebecca George, Deloitte

About community transport

Community transport is a general term which can be applied to a very wide range of different transport services.

These services may operate in both rural and urban areas and they are usually developed to cover a specific transport need or meet the needs of a particular group of individuals.

They are typically run by voluntary sector organisations for the local community on a non-profit basis. Community transport schemes can be defined by four main key characteristics:

- Accessible transport: transport services for people with disabilities who find it difficult or impossible to use conventional passenger transport, e.g. dial-a-rides, dial-a-buses and social car schemes;

- Social deprivation: transport for individuals and groups who may be characterised as socially deprived, e.g. minibus travel for people with low income, wheels to work services for people without cars who would otherwise be excluded from the skills development or jobs market and low cost MPV hire to families;

- Geographical isolation: transport services for individuals and groups who are not well served by the conventional passenger transport network, e.g. community buses or social car schemes for rural areas, services to remote parts of urban estates and services to areas without services at evenings or weekends; and

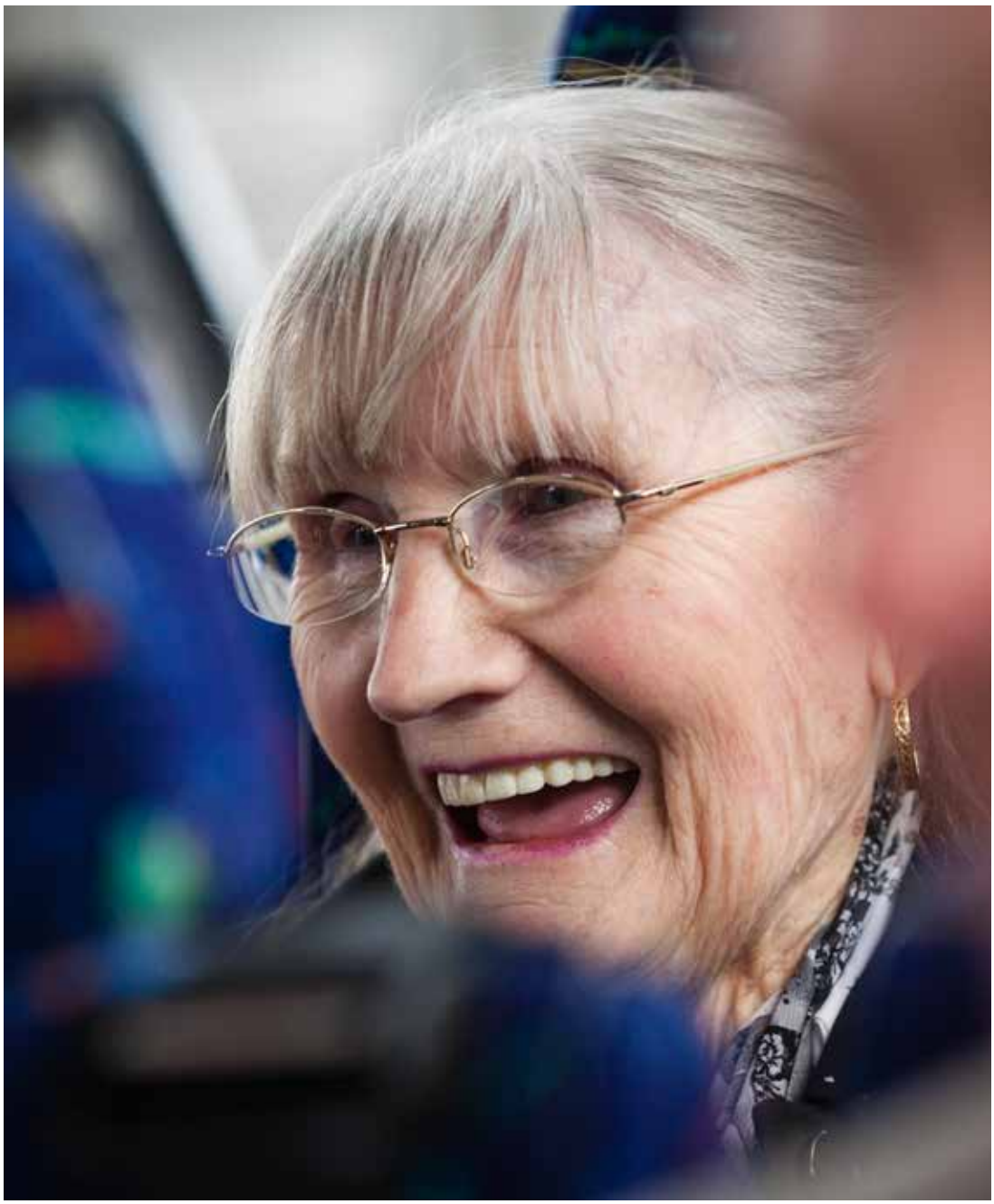
- Community cohesion: transport for community and voluntary groups enabling them to provide services and respond to the needs of the community, e.g. predominately group transport either with their own volunteer driver or a supplied professional driver, in minibuses or larger vehicles.

The London Strategic Community Transport Forum (LSCTF)

The main role of the Forum is to bring together like-minded CT operators at a strategic level to share ideas and support one another in attaining their charitable objectives.

"Community transport in all its forms, has the potential to offer a more reliable and resilient way of addressing a growing number of transport needs and contributing to areas of public policy where access and inclusion are significant challenges"

Bill Freeman, Community Transport Association



About ECT Charity

ECT Charity is a leading provider of local community transport in the UK, running essential transport solutions, particularly for socially isolated people and those with mobility difficulties unable to access other services.

We work in partnership with local authorities, health and social care services, schools and clinical commissioning groups in several UK communities – including Ealing, Cheshire, Dorset and Cornwall – providing a range of transport services, from door-to-door shopping and health centre visits to school buses. We also offer group transport services for local non-profit organisations, such as charities and community groups, and we have led a series of major accessible transport projects for key events including the London 2012 Olympics and Paralympics, the Invictus Games 2014 and the 2015 Rugby World Cup.

ECT Charity is both a charity and a social enterprise, combining business thinking with social values to deliver high quality transport services that positively benefit local communities.

CASE STUDY:

Sisters Brenda and Hayley are widowed and over 75 years old and report being both lonely and isolated. Living in a rural area, they are not on local public transport routes and lack the confidence to drive independently. They feel they have become a burden to their families and do not like to rely on them to go out. Their CT in Dorset has given them a new lease of life.

"It's really helped us overcome our loneliness. We have made lots of new friends during our shopping trips and outings to the theatre. The service has also allowed us to get in touch with old school pals who we meet for lunch or at the theatre. Seeing our old friends has brought back so many memories and it makes us very happy to be in touch with them again.

Our grandchildren are also allowed on the bus. We see them so much more often now and they sometimes join us on shopping outings. On the return trip of a day out the driver often takes us on a route that he knows will keep us chatting and alert. The nap can wait for when we get home!"

1. Tackling loneliness and isolation through community transport

A) THE RESEARCH IN SUMMARY

Tackling Loneliness and Isolation Through Community Transport is an in-depth study of the effect that community transport can have on loneliness and isolation among over-60s across the UK.

It was written by Deloitte, further to ECT Charity's involvement in the Deloitte Social Innovation Pioneers Programme, to estimate the economic and societal costs of loneliness and isolation suffered by older people in the UK, and then to examine the role that community transport can play in reducing these costs – through tackling both the causes and symptoms of loneliness and isolation.

THE CHALLENGE OF LONELINESS

Loneliness and isolation in the UK today are a growing challenge to modern Britain.

- Nearly one third of older people and half of over-80s say that they are sometimes lonely (source: Office for National Statistics).
- Loneliness can lead to depression, anxiety and mental decline, as well as increased levels of drinking and smoking.
- Lonely and isolated people need more support from health and social care services, as well as family members.
- Our research conservatively estimates that the financial cost to the UK of these effects today is around £2.1bn every year.
- What's more, this problem is going to get worse as the UK's population ages.

HOW COMMUNITY TRANSPORT CAN HELP

- Community transport can mitigate the cost of loneliness and isolation through providing older people with access to health and other services, and to social opportunities.
- We conservatively estimate that a wide-scale roll-out of services by community transport operators across the UK could reduce the number of older people experiencing loneliness and isolation and mitigate the health and social care costs of those that still suffer, leading to annual cost savings of around £0.75bn each year.

> "Lonely and isolated people need more support from health and social care services"
>
> Deloitte analysis

The health and social costs of loneliness and isolation to the state and the potential impact of Community Transport scheme can be summarised as follows:

There are approximately 14 million people over the age of 60 in the UK of which over 4 million may be suffering from loneliness and isolation.

A growing problem

The direct effect of suffering from loneliness and isolation can lead to a deterioration in well-being. Reductions in personal wellbeing including:

- Depression
- Disrupted sleep and memory loss
- Stress and anxiety
- Difficulties in regulating behaviours

... and these direct effects can have follow-on indirect effects across society. More individuals suffering impose costs across society including:

- Greater health costs
- Greater pressure on carers
- Greater social care costs

... these effects will impose an additional cost on public services...

That is causing individual harm and putting pressure on public services

... and these additional costs from loneliness and isolation can be significant...

Between £1.3 billion and £2.9 billion a year

This compromises increased costs from:

- Earlier admittance into residential or nursing care
- Increased use of home and day care services
- Higher rates of non-elective hospital admissions
- Increased proportion of domicile GP visits
- Increased A&E visits

Even at an individual borough level, the costs can be significant. It is estimated in Ealing the costs could reach £10 million a year

... there are nonetheless mitigations that can be pursued to reduce these costs...

And is imposing a significant and growing cost to the public purse

Community Transport Schemes are one such mitigation... Community Transport Schemes can reduce loneliness and isolation amongst the elderly through:

- Opportunities to socialise
- Access to public services sooner and more readily

Savings of between £0.4 billion and £1.1 billion a year

At the level of Ealing, savings could reach £4 million a year

... which can save money for the public purse and relieve pressure on public services.

But for which mitigations exist, such as community transport

B) INTRODUCTION: CHALLENGES, DEFINITIONS AND TRENDS

Loneliness and isolation, and their wider impact on society and the economy, are a growing challenge to modern Britain.

Deloitte was asked by ECT Charity to estimate the economic and societal costs of loneliness and isolation suffered by older people in the UK. In addition, the study examines the role that community transport schemes can play in reducing these costs – through tackling both the causes and symptoms of loneliness and isolation.

There are a number of social and economic consequences of loneliness and isolation, nearly all of which are negative and can impose a financial cost on society and the economy. Not all of these costs are readily quantifiable or, in some instances, even identifiable. Given these measurement challenges, the focus of this study has been on identifying and quantifying the additional health and social care costs incurred by the state as a consequence of older people experiencing loneliness and isolation. Wider costs are discussed qualitatively.

Having estimated the economic costs of loneliness and isolation, this study goes on to consider the extent to which community transport schemes, such as ECT Charity, can reduce these costs.

Against a backdrop of rising pressures on healthcare (in particular, accident and emergency departments) and social care services, and the ongoing economic challenges, it becomes even more important to estimate these costs in order to target resources more effectively and develop a better approach. This study contributes to this agenda.

THE DATA USED

The Deloitte study was completed over three months. As such, the analysis is limited to the available time and data. No primary evidence has been collected during this time and any secondary evidence from public sources has not been validated beyond simple consistency checks. All estimates presented are subject to various modelling assumptions (more detail on these can be found in the original Deloitte study).

LONELINESS AND ISOLATION IN THE UK

This study uses the following definitions:

Loneliness refers to subjective, negative feelings that one lacks social or familial contact, community involvement, or access to services to the extent that they are wanted or needed.

Isolation refers to separation from social or familial contact, community involvement, or access to services.

Clearly the two can overlap, and it is this intersection that this study focuses on – individuals who are both lonely and isolated.

The academic literature confirms that individuals from all walks of life can suffer from being lonely and isolated. The characteristics of individuals experiencing loneliness and isolation can include:

- Personal circumstances: living alone, being divorced, living on a low income and living in residential care.
- Transitions: including bereavement and retirement.
- Personal characteristics: aged 75+, being from a minority community.
- Health and disability: having poor health, immobility, having cognitive or sensory impairment.
- Geography: living in an area with high levels of material deprivation.

Many of these characteristics are already increasingly prevalent in the older population, and it is older people who are particularly vulnerable to being lonely and isolated. Nearly a third of all older people report being sometimes lonely, with the rate reaching 50 per cent for those aged over 80.

Unless addressed, the scale of this issue is likely to increase. There are already over 14 million people over the age of 60 in the UK, with 4 million living alone. Estimates predict that between 2008 and 2031 the number of people aged 65-74 living alone will increase by 44 percent and the number of people aged over 75 living alone will increase by 38 percent (source: Office for National Statistics).

An increase in the number of older people experiencing loneliness and isolation has the potential to put significant pressures on already stretched public services.

THE CONSEQUENCES OF BEING LONELY AND ISOLATED

The consequences of being lonely and isolated can be split into two categories over and above what one would expect if older people did not suffer from loneliness and isolation.

DIRECT EFFECTS

These refer to changes to personal wellbeing that the individual feels as compared to those who are not lonely or isolated.

- Increased blood pressure and higher risk of cardiovascular health problems (independent of other factors that may be related, such as smoking).
- Elevated cortisol and stress levels which weaken the immune system.
- Disrupted sleep and its negative effects on memory and on metabolic, neural and hormonal regulation.
- Depression and anxiety.
- Impaired cognitive behaviours such as encouraging a more negative outlook and greater focus on self-preservation together with the associated impacts on relationships.
- Cognitive decline and dementia, including Alzheimer's disease.
- Difficulties in regulating behaviours for example, drinking, smoking, over-eating and exercise, while social relationships have been shown to promote healthy behaviours.
- Increased likelihood to suffer falls and other physical accidents.

Overall, loneliness and isolation have been found not only to reduce overall health and wellbeing but also to increase the risk of dying prematurely in older age. An analysis of 148 studies published in 2010 estimated that individuals with strong social ties have a 50 per cent greater likelihood of survival than those with poor social relationships and networks after an average follow up time of 7.5 years (source: Holt-Lunstad, J., Smith, T and Layton, J.B. (2010) Social relationships and mortality risk: a meta analytic review. PLoS Medicine, vol. 7, no. 7). This effect is comparable to smoking 15 cigarettes a day or being an alcoholic. It is in fact greater than other well-established risk factors for mortality such as physical inactivity and twice as harmful as being obese.

INDIRECT EFFECTS

These trace the follow-on impacts felt across society and the economy from individuals experiencing loneliness and isolation compared to those who don't. The literature suggests a variety of indirect effects on health and social care. Many of these result in higher central and local government spending on providing services for lonely and isolated individuals. For example:

- Earlier admittance to residential or nursing care.
- Greater risk of emergency admission and re-admission to hospital.
- High number of people visiting their GPs mainly because they are lonely.
- Non-attendance at healthcare appointments due to poor transport links.
- Longer hospital visits.
- Increased number of domicile health visits to access those who are isolated.
- Higher rates of mental health drug prescriptions.

While the occurrence of many of the above effects is largely determined by an individual's genetic background and other lifestyle choices, the impact of loneliness and isolation can exacerbate some of the impacts. For example, a lonely and isolated individual may experience more severe health impacts due to the condition not being diagnosed earlier due to a lack of mobility.

OTHER INDIRECT EFFECTS

Other indirect effects from individuals being lonely and isolated identified in the literature include:

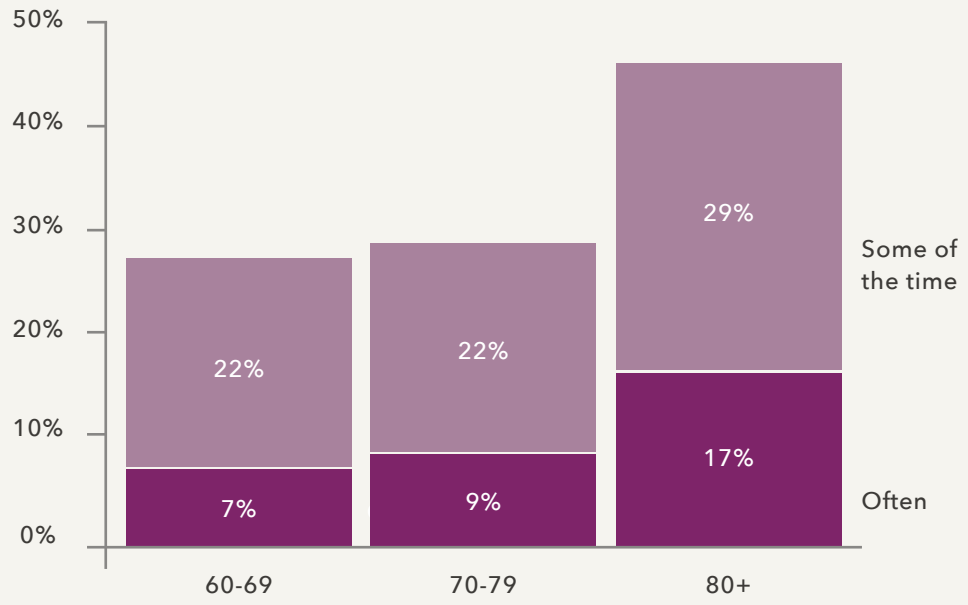
- Increased demand and pressure on informal carers, including their potential lost earnings.
- Increased demand on the voluntary sector to provide services to support people.

TRENDS AND FORECASTS

As is well known, the population of the UK is ageing, with the relative size of this cohort growing. Within this cohort, around 3.8 million older people live alone, of which 70 percent are women over 65. Of those aged over 75 years, over 50 percent live alone.

Reported rates of loneliness among older people within the UK vary between 6 and 13 percent for those who report being often or always lonely and between 31 and 34 percent for those who report being sometimes lonely. This information comes from the English Longitudinal Study of Ageing (ELSA) and studies by Age Concern and Help the Aged. Higher rates, around 50 per cent, were reported amongst those aged 80 and above and one study found that more than 50 percent of nursing home residents reported feeling lonely. Overall it is suggested that around 10 percent of those over 65 are lonely most or all of the time, while 12 percent feel socially isolated.

Proportion of aged population reporting loneliness

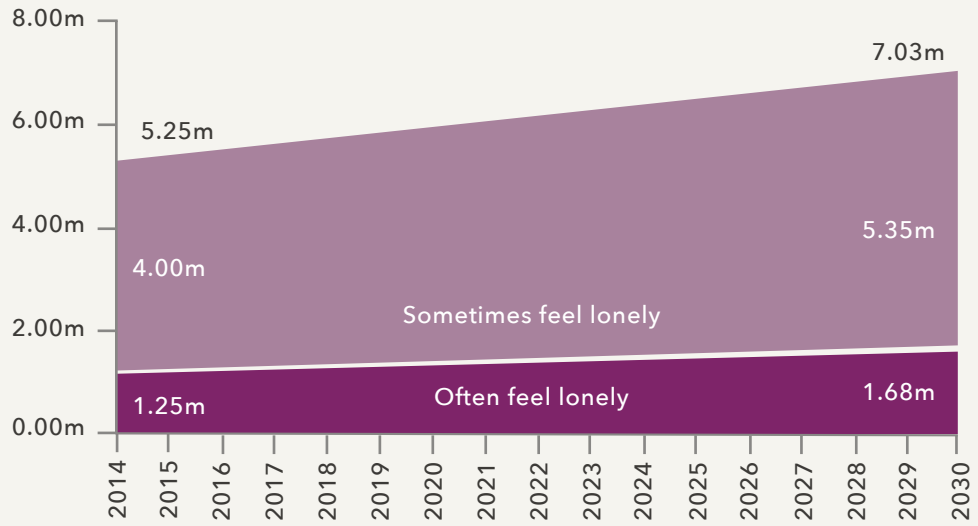


Source: Friends of the Elderly/ English Longitudinal Study of Ageing/ The Future Foundation, 2013

The overall incidence of loneliness among the population does not appear to have grown over time, i.e. the proportion reporting loneliness has not grown over time, although a higher proportion of people report being sometimes lonely rather than never lonely in more recent studies. However, despite the proportion remaining static, the overall number of people experiencing loneliness has risen, driven by an ageing population. This means that in absolute terms, loneliness (and isolation) is becoming an increasing problem.

Further, population estimates suggest that this problem will continue to grow. Estimates predict that between 2008 and 2031 the number of people aged 65-74 living alone will increase by 44 percent and the number of people aged over 75 living alone will increase by 38 percent.

Estimated number of 60+ people suffering from loneliness, 2014-2030



Source: Friends of the Elderly/ English Longitudinal Study of Ageing/ The Future Foundation, 2013

There will also continue to be an increasing number of older people from ethnic minorities, who report higher rates of loneliness, which may further exacerbate the overall issue. Furthermore, improved healthcare means that those with physical disabilities or those who have poor health (again risk factors) are also surviving longer into older age. Finally it has been suggested that over time increasing family dispersal may increase the prevalence of loneliness and isolation.
While this study presents estimates for the cost of loneliness and isolation today, it is important to recognise that, unless addressed, these will grow significantly over the coming decades as the demographics of the country shift.

C) WHAT IMPACT COULD COMMUNITY TRANSPORT MAKE?

THE ROLE OF COMMUNITY TRANSPORT

There is a growing evidence base of the advantages community transport can play in addressing a range of social issues, not just loneliness and isolation. These impacts can benefit a wider population cohort (such as youth and the working-age population) and have positive outcomes in areas such as employability, crime prevention and victim support. Community transport has also been shown to help build social capital and help meet environmental targets.

With respect to the role community transport can play in addressing loneliness and isolation (especially for older people), the literature suggests the impacts can be categorised into community transport influencing outcomes through two channels. The first of these channels operates through community transport schemes reducing the prevalence of loneliness and isolation among segments of the aged population, i.e. by tackling the causes of isolation or loneliness or both. The result is to reduce the overall number of lonely and isolated people. As a result all of the direct and indirect effects of being lonely and isolated described previously are reduced. Examples of how these benefits arise include:

- Providing access to social opportunities.
- Providing opportunities to leave the house.
- Giving a chance to socialise with the driver and other passengers.

The second channel through which community transport can impact loneliness and isolation is by addressing the symptoms and so reducing the effects loneliness and isolation can have on both individuals and the rest of society (but not reducing the numbers experiencing the condition). Examples include:

- Improving access to GPs and healthcare facilities, by providing a low cost and high quality means of transport for those who require it. The result is early diagnosis and treatment. In turn this leads to reduced mortality rates, improved health outcomes, reduced health inequalities and lower healthcare costs.
- Allowing people to live independently for longer, reducing demand on expensive nursing and residential care. This is achieved by allowing people to access services they require to live independently (e.g. supermarkets, luncheon clubs and health services).
- Replacing expensive domicile health visits by more frequent visits to the relevant health facility.
- Reducing non-attendance for health services by ensuring those with transport difficulties do not miss their scheduled appointments.
- Enabling people to be discharged earlier from hospitals by providing a solution to get people home, where not otherwise available, and also ensuring they have access to the services they need while they recover at home (e.g. trips to the supermarket and hospital check-ups).
- Reducing demand on expensive Patient Transport Services by offering a suitable alternative.
- Providing prescription delivery services to reduce the number of required trips for users and so the resulting stress and cost.
- Reducing the stress of difficult journeys for those who are isolated.
- Drivers can identify early warning signals of problems, due to their regular contact with an otherwise isolated person, and so attempt to mitigate future problems. This may directly benefit the individual and also reduce the potential indirect costs to society.

Community transport offers these benefits where other schemes are not suitable. Public transport, even where reliable and frequent is not door-to-door. For many isolated and lonely people who are frail, older or disabled the distance to a bus stop or station is insurmountable. In outer parts of towns and cities and in rural areas especially, substantial reductions in bus services have left very infrequent or no public transport provision.

For many individuals, taxis do not provide a suitable alternative, and not just in relation to availability and costs, which many regard as prohibitively expensive. Taxis do not always offer door-to-door service, with responsibilities finishing at the kerbside. Disabled people, including those using wheelchairs, can be hampered by vehicle design and inadequate driver training.

Furthermore, the nature of community transport operators and drivers means that the direct social benefit from using community transport scheme as opposed to another mode of transport is far greater.

D) ESTIMATING THE COSTS OF LONELINESS AND ISOLATION

A literature review conducted for this study suggests that there is only limited research into estimating the financial cost of loneliness and isolation for older people in the UK, focusing on health and social care costs. This study has used the available data, alongside modelling assumptions calibrated through the literature review and stakeholder discussions, to generate estimates for the first time (to the authors' knowledge). The estimates presented are illustrative and changes to modelling assumptions and improvements in the quality of the underlying data could materially alter the estimates.

The study creates two scenarios based on the number of aged people suffering loneliness and isolation. The best case scenario estimates 2.1 million people are affected, whereas the worst case scenario uses a figure of 4.2 million. Using these two scenarios, we have calculated that the total economic cost to the State (including both national and local authorities) of loneliness and isolation is between £1.3bn and £2.9bn per year.

Estimates of the costs to society of loneliness and isolation

Cost	Estimated annual financial cost to society	
	Best case	*Worst case*
Earlier admittance into residential or nursing care	£409m	£935m
Increased use of home care and day care service	£195m	£447m
Higher rate of non-elective hospital admission	£551m	£1,259m
Increased proportion of domicile GP visits	£84m	£148m
Increased number of A&E visits	£57m	£130m
Total	**£1.3bn**	**£2.9bn**

To put these costs into context obesity is estimated to cost the UK £6bn annually on medical costs related to the disease. A further £10bn is estimated to be spent on diabetes annually. The health costs of cancer total £5.6bn annually in the UK, including £2.4bn on lung cancer. Therefore we can see the scale of the problem of the loneliness and isolation, as it costs the UK, may be half as much as obesity and more than the health costs of lung cancer.

The above estimates are at a UK-wide level. However, to get a sense of the economic cost of loneliness and isolation at a more local level, similar calculations have been undertaken for the London Borough of Ealing, where ECT provides a number of services.

The total Ealing population of over 60s is estimated at 50,000. The estimated number of lonely and isolated people over 60 in Ealing is between 7,000 and 15,000 – and the total cost to the State (including both national and local authorities), is estimated to be between £4.6m and £10.4m per year.

Estimated Ealing costs of loneliness and isolation

Cost	Estimated annual financial cost to society	
	Best case	*Worst case*
Earlier admittance into residential or nursing care	£1,456k	£3,331k
Increased use of home care and day care service	£696k	£1,591k
Higher rate of non-elective hospital admission	£1,961k	£4,485k
Increased proportion of domicile GP visits	£299k	£529k
Increased number of A&E visits	£203k	£464k
Total	**£4.6m**	**£10.4m**

How we worked it out

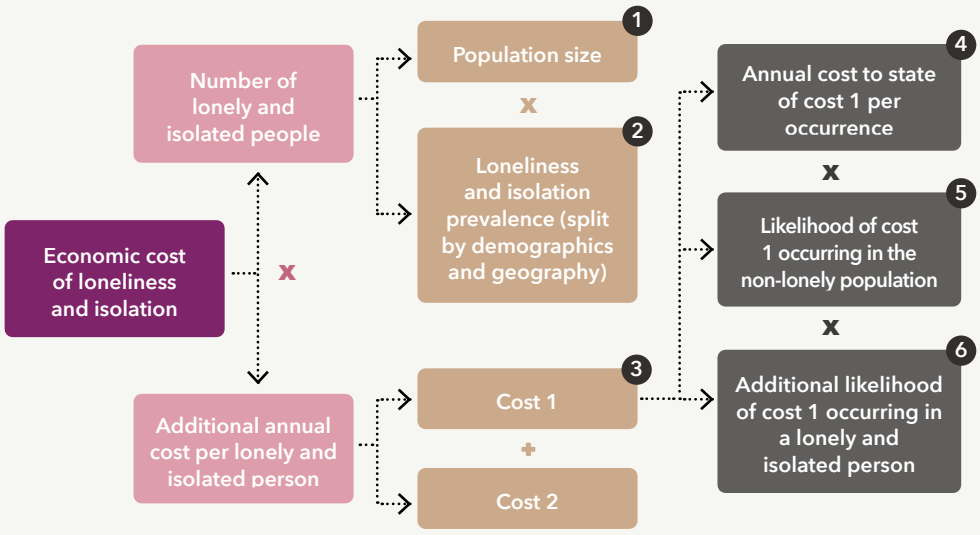
We took a pragmatic approach to estimating the size of the economic cost of loneliness and isolation and the role community transport can play in mitigating its negative consequences.

First, we considered the number of lonely and isolated people – then we looked at the additional cost each of those individuals had on the State because they were lonely and isolated.

I) SIX STEPS FOR WORKING OUT THE ECONOMIC IMPACT OF LONELINESS AND ISOLATION

The following diagram sets out our framework:

Framework for quantifying the economic impact of loneliness and isolation



Source: Deloitte Analysis

1. Sizing the population
The first stage is to size the population. This can be achieved (for the whole of the UK and for different sub-regions) using 2011 Census data, in which the UK population is organised into age brackets, gender and marital status.

2. Determining the loneliness and isolation prevalence
Next, using data from published research, we estimate the prevalence of loneliness and isolation among the different population segments, focusing on the over 60s (see table below).

Loneliness and isolation prevalence by age group

Age group	Loneliness and isolation prevalence	
	Min. (best case)	*Max. (worst case)*
60-69	10%	25%
70-79	15%	30%
80+	20%	40%

Source: NELSON, W., (2014) The Future of Loneliness, Friends of the Elderly, Deloitte Analysis

These steps give a best case scenario of an older isolated and lonely population of 2.1 million people and a worst case scenario of 4.2 million people.

3. Identifying the costs
We selected five key costs (as identified in the tables above for savings in both the UK and Ealing) that were considered by our experts to have the largest impact on state expenditure, and to be most greatly affected by loneliness and isolation. Various other costs could be included in future research, but those we chose to focus on were:

- Earlier admittance into residential or nursing care;
- Increased use of home care and day care services;
- Higher rate of non-elective hospital admission;
- Increased proportion of domicile GP visits; and
- Increased number of A&E visits.

4. Quantifying the financial value of the selected costs

Having identified the key costs to be estimated for the State, we used the extensive reporting of health and social care spending by Central and Local Governments to determine the annual cost to the State of an occurrence of each cost. These estimates are produced at a national level and are likely to be similar across sub-regions. However, if data is available for local spending on these costs more accurate estimates could be produced.

Costs per occurrence to the state from health and social care costs

Cost	Description	Cost to the state per occurrence
Earlier admittance into residential or nursing care	Annual cost of a state funded place in residential or nursing care	£17,081
Increased use of home care and day care services	Annual cost to the state of an individual requiring home and day care services	£4,335
Higher rate of non-elective hospital admission	Cost per single non-elective hospital admission	£2,184
Increased proportion of domicile GP visits	Annual cost per individual who requires domicile GP visits instead of at a surgery	£646
Increased number of A&E visits	Cost per single A&E visit	£114

Source: Deloitte Analysis

5. Determining the likelihood of occurrence in the non-lonely population

Once the financial cost to the State of an event occurring is known, one can determine the likelihood of the occurrence of this event across the whole non-lonely population (over 60s). Again these estimates are produced at a national level and although significant variation is unlikely, where data is available at a local level more accurate estimates could be produced.

6. Sizing the additional occurrence of the costs due to loneliness and isolation

The final stage in understanding the economic cost of loneliness and isolation is to understand how much more likely a cost is to occur in a lonely and isolated individual compared to someone who is not lonely and isolated.

Occurrence rates of health and social care costs

Cost	Description	Occurrence in non-lonely population	
		Min. (best case)	*Max. (worst case)*
Earlier admittance into residential or nursing care	Proportion of people over 60 in state funded residential or nursing care	1.5%	1.3%
Increased use of home care and day care service	Proportion of people over 60 using state funding home and day care services	2.9%	2.5%
Higher rate of non-elective hospital admission	Average number of non-elective hospital admissions per person over 60 per year, i.e. assume it is the proportion of people who are admitted into hospital per year (non-elective)	16.1%	13.8%
Increased proportion of domicile GP visits	Proportion of GP visits which take place in the home i.e. assume it is the proportion of people who require domicile visits	2.1%	1.4%
Increased number of A&E visits	Average number of GP visits per person over 60 per year i.e. assume it is the proportion of people who visit A&E in a year	32.0%	27.4%

Source: Deloitte Analysis

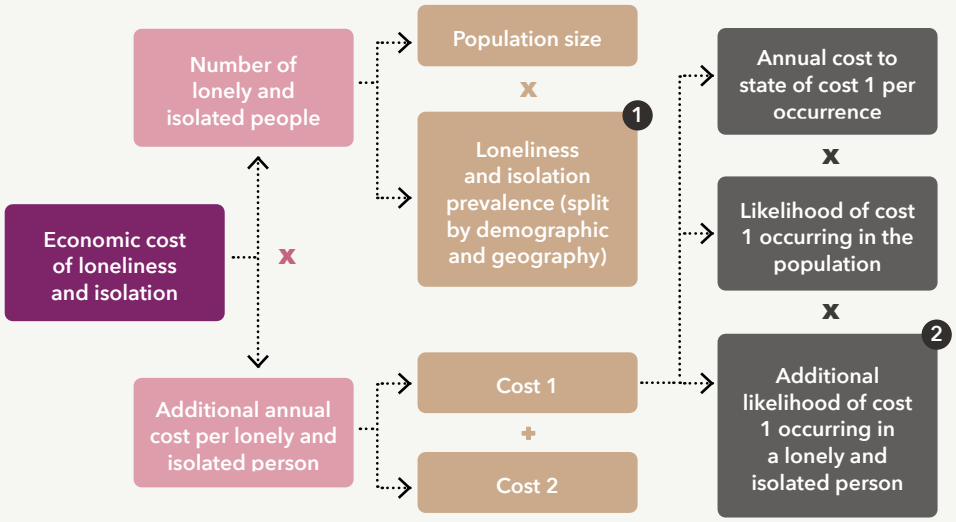
Likelihood of cost occurrence in lonely and isolated population

Cost	Additional proportional likelihood of occurrence in lonely and isolated population	
	Min. (best case)	*Max. (worst case)*
Earlier admittance into residential or nursing care	75%	100%
Increased use of home care and day care service	75%	100%
Higher rate of non-elective hospital admission	75%	100%
Increased proportion of domicile GP visits	300%	400%
Increased number of A&E visits	75%	100%

Source: Deloitte Analysis

II) TWO STEPS FOR WORKING OUT THE POSITIVE IMPACT OF COMMUNITY TRANSPORT

Framework for quantifying the benefit of community transport



Source: Deloitte Analysis

1. Reducing the prevalence of loneliness

The first area examined is how community transport services can *reduce the size of the lonely and isolated populations in the community*. This occurs through a number of channels: firstly through interactions with the driver and other passengers; secondly, and perhaps more importantly, community transport provides regular access to services – and social opportunities, such as lunch clubs – which otherwise the older person may be unable to access.

Community transport services provide services that reduce loneliness and isolation. The estimates we are presenting are the *additional benefits* that could be achieved through *further* community transport use. We think our estimates below are quite conservative. Again, they are for the whole of the UK but could be adapted to suit a local area.

Reduction in loneliness and isolation prevalence due to community transport

	Min. (worst case)	*Max. (best case)*
Proportional reduction in the lonely and isolated prevalence due to community transport	15%	20%

Source: Deloitte Analysis using conservative estimates

2. Reducing the additional likelihood that costs occur in the lonely and isolated population

The second way through which community transport can impact the health and social care costs to the State resulting from loneliness and isolation, is by *reducing the additional likelihood that a cost occurs in the lonely and isolated population*, e.g. if a cost occurs 50% more frequently in the lonely and isolated population, then a 25% reduction in this additional occurrence rate, due to community transport, means that with community transport the additional frequency of the cost occurrence in the lonely and isolated people falls to 37.5%. Again, our estimates capture the additional impact that may be achievable through further use of community transport services.

Reduction cost occurrence due to community transport

Cost	Proportional reduction in additional likelihood of occurrence in lonely and isolated population	
	Min. (worst case)	*Max. (best case)*
Earlier admittance into residential or nursing care	15%	20%
Increased use of home care and day care service	15%	20%
Higher rate of non-elective hospital admission	20%	25%
Increased proportion of domicile GP visits	40%	50%
Increased number of A&E visits	20%	25%

Source: Deloitte Analysis

E) ESTIMATING THE SAVINGS THAT COMMUNITY TRANSPORT CAN ACHIEVE

Now that we understand the costs of loneliness and isolation to services in the UK and at a more local level, as well as the reduction in loneliness and isolation that community transport can achieve, we can estimate the savings that community transport can make as a result.

The total UK population of over 60s was estimated to be at 14.1m at the time of our study – and the estimated number of lonely and isolated people over 60 in the UK was estimated to be between 2.1 million and 4.2 million.

The total economic cost to the State (including both national and local authorities), based on the five costs identified earlier is therefore estimated to be between £1.3bn and £2.9bn per year.

To estimate the savings that community transport can make, we first need to consider how much community transport can reduce the size of the older population of lonely and isolated individuals. By considering the largest and smallest impact of community transport on our 'best' and 'worst' cases of the baselines prevalence of loneliness and isolation, we estimate the reduction in the size of the older lonely and isolated population achievable through community transport to be between 313,000 and 835,000 people.

We then need to consider the impact of community transport on the costs of loneliness and isolation. By considering the 'best' and 'worst' reductions in the size of the older lonely and isolated population and the 'best' and 'worst' reductions in the additional occurrence of the cost in the lonely and isolated population, we can estimate the benefits to the state achievable through community transport to be between £0.4bn and £1.1bn per year.

Estimated benefits of community transport in the UK

Cost	Estimated annual benefits from community transport	
	Worst case	*Best case*
Earlier admittance into residential or nursing care	£113m	£337m
Increased use of home care and day care service	£54m	£161m
Higher rate of non-elective hospital admission	£176m	£503m
Increased proportion of domicile GP visits	£41m	£89m
Increased number of A&E visits	£18m	£52m
Total	£0.4bn	£1.1bn

Source: Deloitte Analysis

WHAT DOES THIS LOOK LIKE ON A REGIONAL/LOCAL LEVEL?

In Ealing, where ECT Charity is based, we estimate that the reduction in size of the older lonely and isolated population achievable through community transport is between 1,100 and 3,000 people. We therefore estimate that the range of annual benefits to the state achievable through community transport in Ealing to be between £1.4m and £4.1m as shown below, i.e. up to 40% of the estimated cost.

Estimated benefits of community transport in Ealing

Cost	Estimated annual benefits from community transport	
	Worst case	*Best case*
Earlier admittance into residential or nursing care	£404k	£1,199k
Increased use of home care and day care service	£193k	£573k
Higher rate of non-elective hospital admission	£627k	£1,794k
Increased proportion of domicile GP visits	£147k	£317k
Increased number of A&E visits	£65k	£186k
Total	£1.4m	£4.1m

Source: Deloitte Analysis

"WCT has improved my independence. I have made friends and look forward to my shopping days"

Community transport user


01908

F) CONCLUSION

It is clear that loneliness and isolation are growing challenges for society and will place increasing pressure on the public purse. Left unchecked, these will exert a significant cost on public services, which may divert resources from other non-preventable health conditions, especially when local authorities need to make significant savings.

There are also huge – and largely unrecognised – costs in voluntary care and support which must be provided (normally by family members) to support lonely and isolated people to address their needs and maintain their quality of life. The burden this support places on people is significant, with carers themselves more likely to become lonely and isolated, creating a damaging cycle.

Moving forward, the issue of loneliness and isolation can no longer be dealt with in a reactive manner. Both as the problem scales and the resources to deal with effects are squeezed, the supporting network of services risk being pushed to breaking point. The results of this will not only be felt by the individuals in question, who not only see their health and quality of lives deteriorate as services fail to meet their needs, but also by wider society who must either pay for this issue, either through higher taxes or diverted public spending, or receive lower quality of services themselves.

Community transport organisations are and can increasingly be a key mechanism for addressing both of these issues. Community transport enables older people to remain independent and engaged in society, removing barriers that would otherwise exist. As a result, older people are more able to continue their normal lives; maintaining social links, addressing their personal needs and accessing relevant services. Importantly, community transport operators provide unique services which are not filled by traditional operators in the public or private sectors.

> "Without this service a lot of us including myself would be stuck at home never going out"
>
> Community transport user

Indeed, older people often require additional support to navigate leaving their home and accessing the services they require. It is these hard-to-reach people who often eventually cost the state the greatest amount and where community transport can play the largest role in meeting unmet needs. Community transport facilitates this in a cost effective manner, enabling a wider range of people to get about. Furthermore, "loneliness maps" may enable providers to more effectively target those in need. Vehicles are specially adapted. Dedicated staff or volunteers are trained to meet their users' accessibility, safeguarding and safety needs. Making vulnerable people feel comfortable and confident travelling are key objectives for community transport.

In order to meet this growing demand of lonely and isolated people and an increasing need to address this issue from a public finances perspective, prevention and early intervention must be the key priority. As this study has shown, community transport schemes are building a track record of addressing both the causes and consequences of loneliness and isolation and can play a leading role in tackling the social and economic costs. Indeed, this study suggests that over a third of the cost of the health and social care costs could be mitigated by the roll out of such schemes.

CASE STUDY:

Paul Preston is 82 years old and is a wheelchair user. He lives with his wife, Gill, also over 80, who is his primary carer. Gill was finding it hard to leave the house with her husband as local taxi fares are expensive and the vehicles often cannot accommodate Paul's wheelchair. Despite having each other and living in an urban area, they felt isolated and cut off from the outside world. Their lives changed five years ago when they started using their local CT in Ealing.

"Most of the time we travel together and the driver takes us from our home to the nearby luncheon club or occasionally to the clinic. We really enjoy seeing our friends at the club. It's so much nicer than only chatting with them on the phone. Paul and I always feel very happy after a trip out of the house. It's good to laugh and hear other people's stories.

I would worry about Paul's mental health a lot more if he didn't have that chance to get out of the house. It's hard for him being in a wheelchair and being cared for. I think it also helps me stay positive as I feel that there are people around us supporting us. It's nice for our children and grand-children to see that we are able to still feel part of the community."

Photo Credit: Westway CT

"The public's awareness of the devastating effects of loneliness amongst older people has never been higher but as a society we need to find new solutions to ensure their continuing contribution to our communities. This will require actions as individuals, families, neighbours, communities, service providers and commissioners."

Janet Morrison, Independent Age

2. A Practical Method for Measuring Community Transport Social Value

A) INTRODUCTION: A WATERSHED MOMENT FOR THE CT SECTOR

At the same time as ECT was working with Deloitte, we also helped to spearhead a new initiative through the London Strategic Community Transport Forum and its specially established Social Value Working Group (made up of representatives from Ealing CT, Westway CT and Wandsworth CT). This group set out to create something that had not previously been achieved: a practical, shareable method for community transport organisations whether large or small to work out the social value of the benefits that they provide individually or collectively.

One of the key drivers for this work was the introduction of the Public Services (Social Value) Act 2012, which requires public bodies to consider how the services that they commission might improve the economic, social and environmental wellbeing of their area. Interest in the notion of social value has increased and there are a number of models available for measuring social impact, social return on investment and social value in different ways.

There is merit in many of these models, but it was believed that none truly fitted the community transport sector. Rather than seeking to put a social value on an entire organisation, this approach enables particular outcomes and particular types of services to be valued. In this way, it is designed to be useful in applying for tenders or grants whose outcomes match those we can fulfil. And, importantly, the aim was to find practical methods that all community transport organisations can use regularly without taking excessive amounts of time or spending lots of money. It was not intended to create an expensive, one-off exercise, but something that was simple to set up and then easy to continue.

The methodology means that community transport organisations can now measure their social value in a common format. It also means that the results of all the organisations that participate can be collated.

As results come through we see it becoming a significant contributor to public policy debate relating to social care.

B) DECIDING WHAT TO MEASURE

CTs in London have over 30 years of experience meeting the accessibility needs of older, disabled and vulnerable people. Individual case studies, user questionnaire surveys and interviews with key stakeholders reveal the benefits being sought through community transport.

From a long-list, London CTs selected six outcomes that are important to community transport passengers as well as being potentially measurable. These are:

1. Enabling independent living.
2. Facilitating social interaction.
3. Enabling affordable trips for voluntary and community groups.
4. Supporting volunteering and the voluntary sector.
5. Contributing to individuals' wellbeing.
6. Contributing to individuals' health.

Practical methodology was then devised to estimate the financial value of the social benefits of these.

C) HOW THE METHODOLOGY WORKS

For each of the first four outcomes, measurable units of impact were selected (such as shopping trips) and then a financial value of that unit was estimated (such as the value of the time saved by a carer who would otherwise have done the shopping). From these, equations were derived that can be applied to any community transport organisation that has the necessary raw data.

Standard survey questions were developed to measure user perception of community transport contributes to people's wellbeing.

At the moment, there is no formula to assess community transport's contribution to health within this methodology, other than the overlapping wellbeing measurement. However, much more exploration has been carried out into the economic benefits within this theme in the report, *Tackling Loneliness and Isolation through Community Transport.*

The methodology is based upon reasonable assumptions, and there is no final right answer. However, it is believed that the formulae will result in reasonable indications that can inform new policies and decision-making. Over time, with experience of using the methodology and with constructive criticism, they will improve and develop.

D) LONDON SOCIAL VALUE SCHEME UNDERWAY

A significant number of CT operator participants in London (Ealing CT, Westway CT, Wandsworth CT, DABD, Enfield CT, Merton CT, RaKAT, Sutton CT and Tower Hamlets CT) started the continuous data collection to the common format in October 2015.

The project implementation steering group will seek to increase participation in the methodology in London and discuss with the Community Transport Association how it may be extended to CTs in other parts of the country - rural and urban. Additionally we want to enliven the public policy debate on how community transport can improve social and health care outcomes. This could include workshops on action flowing from the implications of the social value measurement results. These should involve not just LSCTF's members and other CT operators, but also local authorities, CCGs, commissioners, politicians and relevant other bodies.

E) FURTHER INFORMATION

For those seeking further information or wanting to be involved in ongoing development of social value measurement and its wider relevance:

In the first instance email ECT Charity:
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