Ageing at home pays: Calculation model in Sweden and contribution to the elevator market

Daniel Nyman, Chairman of the board, The Swedish Association of Lifts and Escalators
The demographic challenge

The number of persons 65+ is expected to grow by more than 1 miljon by 2060

Källa: SOU 2015:85

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Increase</th>
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</thead>
<tbody>
<tr>
<td>65-74 years</td>
<td>+335 488</td>
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<tr>
<td>75-84 years</td>
<td>+418 200</td>
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<tr>
<td>85-94 years</td>
<td>+354 300</td>
</tr>
<tr>
<td>95+ years</td>
<td>+53 300</td>
</tr>
</tbody>
</table>
The demographic challenge

The costs for nursing homes is estimated to increase from 6.3 billion €/year to 10 billion €/year by 2040.
Fewer young people and more old people until 2030

Annual development of population

- 20-29 years
- 65+ years
An ageing population in inaccessible housing

- 75,000 entrances in multi-storey houses have no lifts.
- Every other senior person living in multi-storey houses have no access to lifts.
- Almost half of the seniors with access to lifts have stairs in the entrance to reach the lift.
- 2/3 of the apartments in multi-storey houses are not accessible to persons unable to use the stairs.
- Similar situation in villas.
An ageing population in inaccessible housing

- Unfortunate combination => lower quality of life + increased costs for old people’s care
- Inaccessible housing is today resolved by home care
- When home care is no longer sufficient => far too early move to nursing home
- Nursing home = the most costly type of care
Increased accessibility pays

Society saves 50,000 €/year if one person can stay living at home with home care service instead of moving to a nursing home.

Property owners in Sweden have no incentive to invest in increased accessibility due to rigid tenancy laws.
Lobbying to get government subsidies for installing lifts in existing buildings

- Project started by the Swedish Lift Association in 2013
- Our message towards politicians: Improved accessibility in the light of an ageing population will decrease public expenses for care of old people and increase quality of life for many in society
- Calculation method for public expense savings has been developed
Every lift installed gives a net saving to society of €125,000

POTENTIAL PUBLIC SAVING PER ENTRANCE WHEN AN ELEVATOR IS INSTALLED

Saving will increase by 20% if decrease in number of accidents in stairs and lowered costs for mobility service are included.
Lift subsidies of €150 million gives a net saving to society of €290 million.

Nuvärdesberäkning, 25 år, kalkylränta 3,5 %. Besparing räknad på att 5% av de äldre över 65 bor i särskilt boende. Kostnad för särskilt boende är 735 000 kr/år och hemtjänst 235 000 kr/år, jämfört med minskat antal personer med särskilt boende om 10 % inte behöver flytta alls och 90 % skjuter upp flytt till särskilt boende 2 år.

POTENTIAL PUBLIC SAVING PER ENTRANCE WHEN AN ELEVATOR IS INSTALLED ACCORDING TO SOU2015:85

- Private investment: €150 million
- Gov. subsidy: €150 million
- Net Saving at local & regional level: €290 million
- Saving at local & regional level: €370 million
- €440 million
- Lift subsidy: €30 million/year for 5 years
- Gov. subsidy max 50% = 65000€

Saving will increase by 20% if decrease in number of accidents in stairs and lowered costs for mobility service are included.
We have engaged in extensive lobby activities

- Mobilizing key stakeholders (pensioner’s organizations, disability organizations)
- Organizing various meetings with politicians and civil servants including a seminar in the Swedish Parliament
- Preparing reports, articles and fact sheets
- Creating an annual Accessibility Arena during the Almedalen Week
Achievements so far

• New government program includes government subsidies for improved accessibility in existing buildings
  – €166 million over 2016-2020
  – Max 25%, max €20.000 per project
  – Can be used for lift installation

• Government investigation has proposed gov. funding
  – Earmarked for lift installation
  – €150 million for 5 years
  – Max 50% = max €65.000 per lift

• Other non-confirmed initiatives are underway
Key success factors

- Understanding the problem and the political process
- Understanding the stakeholders interests and needs
- Joining forces with the right partners
- Developing the argument for the politicians
- Activity activity activity