BRIEFING PAPER FOR THE HEALTH DEVOLUTION COMMISSION'S FIRST ROUNDTABLE OF 2023 ON 22ND MARCH

The Hewitt Review of Integrated Care Systems and ICS Best Practice Regarding Cost of Living Pressures

Prepared by the Commission's Secretariat, Steve Barwick and Phil Hope

CONTENTS

INTRODUCTION

1 Background

This is a Health Devolution Commission briefing paper prepared in advance of the Commission's first roundtable of 2023 which is to be held online from 15:00 – 17:00 on Wednesday 22nd March.

Following the launch of its end of year report ***"ICSs: a Great Deal Done – a Great Deal More to Do"*** the Commission agreed a programme of meetings for 2023 which will look in March, June and September at a range of key issues facing ICSs and help develop, as well as highlight, emerging, best practice:

March: ICSs, health and the cost-of-living crisis
June: ICSs, health and economic participation
September: ICSs, health and housing
December: ICSs and the future for health devolution

Each meeting will include expert analysis and examples of best practice with reference to the cross-cutting themes of health inequalities, workforce development, people with learning disabilities/ autism, children and young people, and mental health.

The Commission regards 2023 as the year when ICS should "bed down" and mature. However, given the considerable pressures on the NHS and social care, exacerbated by the cost of living crisis, there is a risk of a return – both locally and nationally - to silo thinking and behaviour rather than putting into practice the principles of integration and partnership, prevention and early intervention. See the Health Devolution Commission's website for more information.

2 The March 2023 Commission Meeting

Rt Hon Sir Norman Lamb, Co-chair of the Health Devolution Commission, will chair this meeting which will reflect on the Hewitt Review of Integrated Care Systems, and on emerging ICS best practice regarding mitigating the exceptional cost of living pressures being exerted on both the public and health service providers and staff, and on population health inequalities.

Rt Hon Patricia Hewitt, is leading the Hewitt Review of the oversight and governance of integrated care systems (ICSs) and will inform and consult the Commission about the shape of her forthcoming report, which is now expected to be published in late March 2023. After this there will be ample time to discuss key issues in light of the detailed submission by the Commission to the Review.

David Finch, Assistant Director of the Health Foundation, will then present on the issue of ICSs and cost of living pressures. **Zina Etheridge, Chief Executive, North East London ICS**, will then discuss the challenges and opportunities in taking forward good practice on mitigating these pressures. There will be ample time for Commissioners, full and advisory, and wider stakeholders, to discuss all the issues raised.

3 Recent policy developments

Major Conditions Strategy

The Government has announced that it will develop and publish a Major Conditions Strategy that sets out to shift national policy to integrated, whole-person care. Interventions included in the strategy will aim to alleviate pressure on the health system as well as support the Government's objective to increase healthy life expectancy and reduce ill-health related labour market inactivity.

The strategy will be rooted in the best understanding of the evidence to tackle the major conditions which contribute to the burden of disease in England, namely:

- Cancers
- Cardiovascular diseases, including stroke and diabetes
- Chronic respiratory diseases
- Dementia
- Mental ill health
- Musculoskeletal disorders

The strategy aims to shift the model of care towards preserving comprehensive health and the early treatment and detection of disease particularly through innovation and technology. It will require health and care services, local government, NHS bodies and others to work ever more closely together. It will include supporting and enabling interventions from the centre to ensure ICSs maximise opportunities to tackle clusters of dis-advantage in their local areas.

This new strategy will 'combine Government's key commitments in mental health, cancer, dementia and health disparities into a single powerful strategy'. This is interpreted to mean there will not be published, as had been previously expected, separate strategies for each of these conditions/ services nor will there be a separate Inequalities White Paper. The Commission may wish to discuss this strategy at a future meeting when more details become available.

Review of Mental Health Services in England

The 2023 NAO Review of Mental Health Services in England analyses the progress the Government has made in achieving its 2011 ambition to achieve parity of esteem of mental health services with physical health services.

Key facts it highlighted include:

22% (24,000)	increase in NHS mental health workforce between 2016-17 and 2021-22
44%	increase in referrals to NHS mental health services between 2016-17 and 2021-22, from 4.4 million in 2016-17 to 6.4 million in 2021-22
8 million	NHS England estimate of the number of people with mental health needs not in contact with NHS mental health services, as of 2021
1.2 million	estimated number of people on the waiting list for community-based NHS mental health services at the end of June 2022

26%	estimated proportion of 17- to 19-year-olds with a probable mental disorder in 2022, increasing from 10% in 2017
17%	proportion of NHS mental health funding spent on non-NHS providers, including independent and voluntary sector providers, in 2021-22

One of the 13 findings of the report is that plans for service expansion up to 2023-24 still leave a sizeable gap between the number of people with mental health conditions and how many people the NHS can treat. And although the NHS mental health workforce has increased, staff shortages remain the major constraint to improving and expanding services. The NHS has not yet achieved its waiting times standards for eating disorders services for children and young people.

The report makes five recommendations that reflect closely the views expressed by the Commission in its previous reports and submissions:

1. **Parity of esteem:** DHSC and NHSE should publish a detailed statement of what achieving full 'parity of esteem' between mental and physical health services encompasses, in terms of access and service standards, staffing model and funding allocations, and the road map for national bodies, ICBs and local providers to achieve it.

2. **Workforce:** Either separately or as a distinct part of the overall NHS workforce plan due in 2023, DHSC and NHSE should publish a longer-term mental health workforce recruitment and retention strategy and a costed plan, that reflects the volume and skills required to meet future service ambitions. They will need to engage closely with HM Treasury in this process. The strategy should include how they will work with ICBs on local workforce development, recruitment and retention.

3. **Data**: NHSE, working with local ICBs and providers, should improve its data and analysis to better understand the relative cost and cost-effectiveness of different services, and provide a more robust basis to decide future priorities.

4. **Guidance**: NHSE, working with ICBs, should develop and issue guidance in 2023 on how the system will gain more transparency over capacity, activity, performance and outcomes in community mental health services, including improvements required to implement the proposed new clinical standards, as well as mental health related capacity and activity in primary care.

5. **Goals:** As mental health services will need to remain the focus of sustained improvement and in the light of the national and local reorganisation of health bodies, DHSC and NHSE should set out the future approach to leading, monitoring and assuring oversight of mental health service expansion and improvement. This should include how they ensure that ICBs and NHS providers have sustainable plans for workforce and service models in the short to medium term.

Children and Young people with Special Educational Needs and Disabilities

The Government have announced a new policy to ensure that children and young people across England with special educational needs and disabilities (SEND) or in alternative provision (AP) will get high-quality, early support wherever they live in the country.

The SEND and AP improvement plan published in March 2023 confirms investment in training for thousands of workers so children can get the help they need earlier, alongside thousands of additional specialist school places for those with the greatest needs – as 33 new special free schools are approved to be built. The transformation of the system will be underpinned by new national SEND and AP standards, which will give families confidence in what support they should receive and who will provide and pay for it, regardless of where they live.

There will be new guides for professionals to help them provide the right support in line with the national standards but suited to each child's unique experience, setting out for example how to make adjustments to classrooms to help a child remain in mainstream education. To improve parents' and carers' experiences of accessing support, the plan aims to reduce local bureaucracy by making sure the process for assessing children and young people's needs through education health and care (EHC) plans is digital-first, quicker and simpler wherever possible.

Fair costs of care

The Government plans for adult social care charging reforms have been delayed until October 2025 but in February 2023 it issued guidance to support local authorities in administering the Market Sustainability and Fair Cost of Care Fund for England.

An analysis by Care England of the average fee rates currently paid by Local Authorities across England and the reported Fair Cost of Care rates published in their Annex B submissions to the Department of Health and Social Care (February 2023) says that the average difference between what a Local Authority pays for residential care fees and the Fair Cost of Care was £218 per week, whilst this figure increases to £231 per week for nursing care. Care England also identify significant regional differences:

- In the North East region, a Local Authority would be required to uplift average fees paid in 2021-22 for residential care by over 18% and 24% for nursing to meet the Fair Cost of Care at a cost of over £100m per annum across the 12 authorities.
- In the South East, the average uplift from the average fee paid to the Fair Cost of Care for residential care would need to be over 32% and for nursing care over 25% - addressing this gap during 2021-22 would cost the 19 Local Authorities £400m.

Meanwhile the Institute for Government report that Government spending on adult social care fell 9.5% in real terms throughout the first half of the 2010s, only returning to 2009/10 levels again in 2019/20. It concluded "Instead of long-term investment the government's inefficient cycle of 'crisis-cash-repeat' has seen it issue three short-term, emergency pots of money – but all three have come too late to make a meaningful difference. A lack of financial stability means workforce issues aren't addressed, with the long-standing staffing crisis in adult social care – with 165,000 vacancies – now arguably more severe than the higher profile one in the NHS itself."

PART ONE: THE HEWITT REVIEW OF INTEGRATED CARE SYSTEMS

The Health Devolution Commission made a substantial submission to the Hewitt Review. This is summarised below with some key questions that Commissioners may wish to discuss with Patricia Hewitt who will inform and consult the Commission on the shape of her final report.

1. Summary of the Commission's Submission to the Hewitt Review

There is currently a large and at times confusing array of what may be called generically 'national targets' across a range of policy and operational guidance documents that include mandates, rights, objectives, values, pledges, metrics. The total number of targets probably runs into many hundreds and can cover very different aspects of health care services including inputs (e.g., the workforce), outputs (e.g., waiting times) and outcomes (e.g., cancer treatment success rates).

There is, without doubt, a de facto case for streamlining and rationalising the current system of national targets as part of the process of determining which targets might be devolved to ICSs for local determination and accountability.

A streamlined and more devolved system of national and local targets should include the appropriate number and nature of national targets for the new, wider goals of the NHS namely, contributing to local social and economic development, and reducing local health inequalities in local populations.

The detailed nature of these new aims, roles and obligations of the NHS will vary hugely between and within the 42 different integrated care systems depending on local needs and circumstances so there must be flexibility for local determination within a national framework of expectations.

Distinguishing between national outcomes that fulfil the NHS Mandate and Constitution, and locally determined ways of working designed to address local needs and circumstances in partnership with key stakeholders, is the key that unlocks the challenge of ensuring the right combination of both 'vertical' and 'horizontal' accountability within Integrated Care Systems.

The Commission believes the centre should focus on 'why' and 'what' systems should achieve, not 'how', and assess them on outcomes based on ICSs' four core purposes namely to:

- improve outcomes in population health and healthcare
- tackle inequalities in outcomes, experience and access
- enhance productivity and value for money
- support broader social and economic development

Guidance on this should be co-produced between ICSs and the centre, and agreed via a Memorandum of Understanding. There is however potential for creating and/or maintaining a limited number of time-limited national targets on specific health challenges.

Any change to the current system will need to recognise that national health targets have come to embody the public's expectation that the NHS is a national service that seeks to provide health care fairly and equally well wherever they live and whatever their circumstances.

Timely access to healthcare of all kinds does really matter to people so there will need to be caution about removing all referrals to treatment standards especially as there are currently such long delays – not just for access to A&E but in accessing CAMHS and other mental health services in many parts of the country. Assuming a limited number of access standards are retained then there must be parity between standards set for access to physical health and to mental health treatment.

However, the Commission believes there is considerable scope for streamlining the current system in ways that maintain the confidence of the public and give greater flexibility to local decision makers about how to achieve them.

The Commission is keen to ensure that having fewer national targets does not have the unintended consequence of letting the Government of the day 'off the hook' for its support and leadership of the NHS by reducing the scope for organisations inside and outside of Parliament to raise concerns and hold the Government to account. It is important therefore for the Government to undertake a full, 13-week statutory consultation – and ideally a nationwide debate – on what it is minded to conclude, and take forward, after the Hewitt Review has reported.

2. Potential questions

I. Will the Review fundamentally reform the confusing current array of more than a hundred targets that include mandates, rights, objectives, values, pledges and metrics?

II. How will any new set of national targets reflect the new wider roles of ICSs – namely contributing to local social and economic development, and reducing local health inequalities in local populations - rather than traditional NHS inputs and outputs?

III. To what extent will the Review recommend that ICSs generate – through genuine public consultation – their own targets?

IV. How would local targets be "signed off" for example with the DHSC through a Memorandum of Understanding?

V. How will the Review reflect the public's support for some referral standards e.g., A&E waiting times and how will it balance the case for streamlining with the need for public confidence and Parliamentary scrutiny?

VI. Does the Review support the notion that whatever national standards are agreed there must be parity between national targets for physical health services and mental health service services.

VII. Will the Review recommend that the Government undertake a full, 13-week statutory consultation – and ideally a nationwide debate – on what it is minded to conclude, and take forward, after the Review has reported?

PART TWO: ICS BEST PRACTICE REGARDING COST OF LIVING PRESSURES

1. ***Introduction***

A report by Public Health Wales helpfully defines the cost of living crisis as being when people's wages and welfare payments are not keeping pace with rising living costs, in particular, the costs of energy, fuel, housing, and food. Businesses and public services are also seeing their budgets not go as far in the face of rising costs.

The crisis means more people are unable to afford the essentials, which has significant and wide-ranging negative impacts on mental and physical health. It also puts pressure on businesses, public services and the voluntary sector, with systemic consequences for health and well-being. Key examples of how the cost of living crisis links to health and well-being are summarised in the figure below. The people affected and the services that are needed to support them will feel the impacts long-term. This is why the cost of living crisis should be considered a public health emergency.

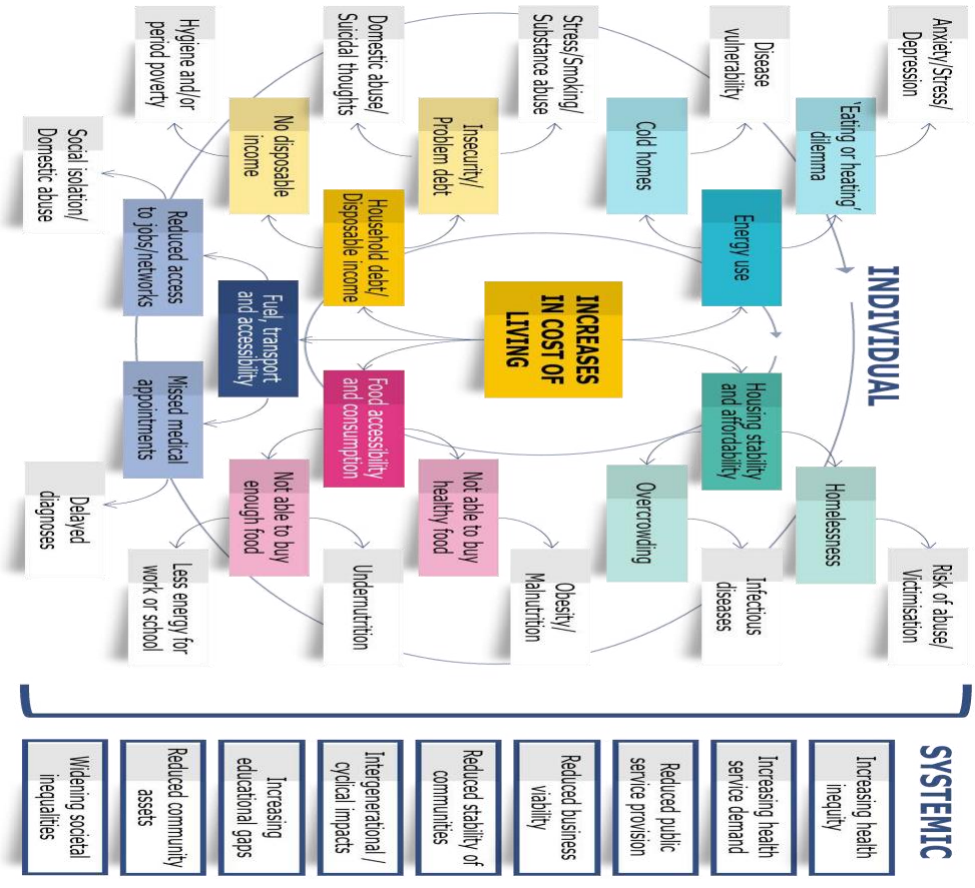

Figure 1. Conceptualisation of the ways in which the cost of living crisis links to health. Infographic developed by authors.

Concern about the impact of the rising cost of living increased throughout 2022 with the NHS Confederation, for example, calling on the Government to take urgent action on rising energy costs "or risk a public health emergency" as long ago as August last year.

Although action was taken by the Government to reduce the impact of soaring energy bills in autumn 2022, overall inflation (Consumer Price Index) rose to 11.1% in October and has since fallen back to 8.8% in January 2023. The previously used Retail Price Index that includes housing costs was 13.4% in January 2023.

Although overall inflation has started to fall, food inflation is still rising. In the 12 months to December 2022 food prices rose by 16.9%.

Of course, the rising cost of living is not the only pressure on NHS, social care and public services. The long-term impacts of the Covid 19 pandemic and ongoing recruitment and retention issues - in all sectors but especially in social care, which is beset by endemic low pay – have all exacerbated demands on the NHS and public health services. There are also demographic pressures which have contributed to increased demands and higher expectations. In short, headline measures such as 4 hour waits at A&E have not been met since 2015

The industrial action over health workers' pay and conditions between the Government and different parts of the health workforce (nurses, ambulance workers, junior doctors, physiotherapists and midwives) is also having a significant short-term impact on the availability of health services. This affects the health, care and wellbeing of people needing treatment by causing disruption to planned appointments and procedures, and lengthened backlogs and waiting lists.

2. The impact of Cost of Living Pressures

2.1 Impact on incomes

Inflation leads to increasing poverty among people on low incomes unless wages and benefits increase at the same level. Inflation-linked benefits and tax credits will rise by 10.1% from April 2023, in line with the Consumer Prices Index (CPI) rate of inflation in September 2022. However, this is expected to be less than the increase in food inflation or the increase in the Retail Price Index. The House of Commons Library Briefing on the Rising Cost of Living points out that:

- According to the Office for National Statistics, 92% of adults in Great Britain reported an increase in their cost of living in November-December 2022.
- The OBR expects real post-tax household income to fall by 4.3% in 2022-23, the biggest fall since comparable records began in 1956.
- Low-income households spend a larger proportion than average on energy and food, so are more affected by price increases.
- Food bank charities are reporting an increase in demand: the Trussell Trust reported that in April-September 2022 they provided almost 1.3 million emergency food parcels, a third more than in the same period in 2021 and 50% more than pre-pandemic levels.

2.2 Impact on communities, children and families

NHS Providers published a report based on a survey of NHS Trust chairs, chief executives, finance directors, HR directors, medical directors and nursing directors in September 2022 'Rising Living Costs: The Impact on NHS, Staff and Patients' which describes the impacts on patients including:

- 95% said that the cost of living increases had significantly or severely worsened local health inequalities;
- 72% said they have seen more people coming to mental health services due to stress, debt and poverty;

- 51% said they have seen an increase in safeguarding concerns as a result of people's living conditions.

The Resolution Foundation has reported "the number of people living in absolute poverty is currently projected to rise from 11 million in 2021-22 to 14 million in 2023-24 – a rise from 17 to 21%, including 30 per cent of children. Relative child poverty is projected to reach its highest level since the peaks of the 1990s."

The Barnardo's 2023 report on the impact of the cost of living crisis on children and families highlighted a number of serious concerns:

- 51% of parents with children aged 0-4 were spending less on food shopping and essentials in September 2022
- 1 in 5 parents (23%) have struggled to provide sufficient food for their child due to the cost of living)
- 1.3 million emergency food parcels were provided to people between April-September 2022 with half of these going to children
- 34% of parents struggled to access activities for their child during school holidays and 49% of parents were worried about not being able to keep their home warm enough for their children
- Cost of living pressures are associated with higher incidence of poor mental health and the prevalence of mental health conditions for children and young people is increasing.
- In 2023, 1 in 3 parents said their child's mental health has worsened due to rising costs of living - up from 1 in 4 in 2022
- In 2023 1 in 5 parents said their child's physical health had worsened due to rising costs of living.

The UK's public health leaders (Faculty of Public Health, Association of Directors of Public Health, Royal Society for Public Health, and School and Public Health Nurses Association) highlighted their concern that in September 2022 over a quarter of households with children experienced food insecurity and that this will increase during 2023. Childhood food insecurity is described as contributing to increased anxiety, poor mental health, poor social and emotional development, and a reduced level of attainment in school.

2.3 Impact on older people

A poll of older people by Age UK in November 2022 found that 10% (1.6 million) of over-60s in the UK are already cutting back or stopping their social care, or expect to do so in the months to come, because they can't afford the cost. This particularly affects older people who pay for their own care, but in England even those whose care is supposedly funded by the State often have to pay 'top ups' to their provider, so some of them are likely to be impacted too.

In addition, 22% (3.6 million) of older people are already reducing or stopping spending on medications or specialist foods or expect to do so in the coming months; and 15% (2.5 million) are already skipping meals, or expect to do so over the same time period.

Given these worrying statistics Age UK said it was not surprising that the same polling found that more than half of over-60s - 54% or 8.8 million people - said they believed that cost of living increases would affect their health and care needs over the winter.

Age UK has also highlighted NHS Digital figures for England, which show that 28,890 requests for people aged 65 and over to be given support in 2021-22 were recorded as them having died without any services being provided. While the figures are for requests for support rather than individual people, the charity said it was unlikely many people would have had multiple requests logged when they died. Therefore, they said, the numbers equated to more than 550 deaths a week – or 79 a day.

2.4 Impact on people with learning disabilities/autism

People with learning disabilities are more likely to rely on benefits and have fewer levers open to them (e.g., pay rises, working longer hours, taking a second or a better paid job) to increase their income to cope with a large increase in their living costs. This can mean they have fewer savings and financial cushions when costs rise. They may also be less able to shop around for lower fuel prices in a complex retail energy market and may need help to budget and manage their finances. Being disabled also comes at a cost as people may have higher costs for heating, washing, food and transport. So, the scope for people with learning disabilities to get into debt is much higher.

People receiving local authority-arranged care and support other than in a care home need to retain a certain level of income to cover their living costs. Under the Care Act 2014, charges must not reduce people's income below a certain amount, but local authorities can allow people to keep more of their income if they wish. This is a weekly amount and is known as the MIG (minimum income guarantee) which has only risen 3.1% in seven years and in 2022 was much lower for young people aged 19-25 (£74.60 per week) than for adults over 25 (£94.15) or pensioners (£148.65).

There is some evidence now that people are deciding not to take up care packages because they can't afford them. Mencap provided two illustrative examples:

> *Mum contacted the helpline for advice about charging issues. Mum is carer for her son aged 22, he has eligible care and support needs but the Local Authority want a contribution of £92.00 per week and Mum can't afford to pay. The only income Mum has coming in is carers allowance and Universal Credit and her son's benefit. So son is not accessing any activities at all and is stuck at home all day with Mum. Mencap has checked financial assessment and looked at possible Disability Related Expenses, we also advised Mum to ask LA to waive charges under discretionary powers on grounds of hardship.*
>
> *Mary, 67 from Southwark is a full-time carer for her adult daughter Nimali, 41 who has a learning disability. Prior to February 2022, Nimali had never contributed towards her social care, the family received a letter out of the blue from Southwark council informing them that a new charge of £84.02 a week, Mary said: "I was obviously distressed and called to query the charges, I was told it was for "social care contributions" and that I "shouldn't have expected it to be free forever." She continued: "Nimali's current social care package is minimal; it covers just two days at a support centre. Attending the centre is Nimali's only meaningful social interaction outside of our home. Although she struggles to make friends, she enjoys doing Pilates, dancing and art projects – it also gives me some much-needed respite."*

Mary concluded "My husband and I live off a state pension and we're increasingly worried about our finances – sometimes we use torches instead of turning on the lights in our house in an attempt to save money. The future feels so bleak for us. Social care costs are only going to go up, not down, and I worry endlessly that things are only going to get worse for Nimali."

2.5 Impact on mental health

In an open letter to the Prime Minister signed by 19 organisations in February 2023, the Mental Health Foundation says the UK cost-of-living crisis runs deep in every community and is having a significant impact on mental health. High levels of inflation affect everyone as the price of necessities including food and energy increase. However, the impact is not felt equally. They say that they know those already experiencing inequality, poverty and hardship are being hardest hit. And poverty is the single biggest driver of poor mental health in children.

The letter says that the first intervention to reduce mental ill health and prevent suicide is to ensure every household has the means to be safe and warm with enough to eat. And the Government is urged you act with speed and compassion to tackle the root causes of destitution and in doing so prevent suicide and an inevitable rise in mental ill health.

The impacts of high inflation and the rising cost of living are still developing, however we know from emerging data that this is having a negative impact on the mental health of the nation. This is reflected in ONS figures from September 2022, which showed that around one in four (24%) of those who reported it was very, or somewhat difficult, to pay their energy bills experienced some form of depression. This is nearly three times higher than those who found it very or somewhat easy to pay their energy bills (9%).

Yorkshire Building Society's 2022 report 'Inflation Nation' additionally found that over two-thirds of (67%) of UK adults are worried about the impact of the cost of living crisis, and nearly half (46%) reported worsening mental state as a result.

With high inflation, stagnant wages, and uncertainty about whether benefits will increase in line with inflation, it is certain that the numbers affected will rise sharply in the coming months. Food insecurity and fuel poverty also cause considerable anxiety and distress (Davillas et al, 2022). We also know that those with disabilities and those experiencing poor mental health are more likely to be affected (Loopstra et al, 2019).

To make ends meet, more and more people are relying on credit cards and loans to meet basic needs. This is pushing more people into debt. An analysis of data from the Adult Psychiatric Morbidity Survey and an in-depth survey of people and professionals with experience of issues around suicide, led by the Money and Mental Health Policy Institute, shows stark connections: those with problem debt are three times more likely to consider suicide than others, and over 100,000 people in debt attempt suicide in England each year.

Persistent poverty and financial insecurity and threatening letters from lenders are key factors that impact on the experience of debt and increase anxiety. (A Silent Killer: Breaking the link between financial difficulty and suicide).

People with pre-existing mental health problems are among those at greatest risk from the cost-of-living crisis. They are 3.5 times more likely to have been in financial difficulty before the crisis hit, and more than twice as likely to have relied on credit or borrowing to cover everyday spending — for example, on food or heating - during the pandemic (26% compared to 11%). They are also much more likely to have no savings (Mental Health Foundation, 2023).

As part of their analysis of the Chancellor's plans, the Office for Budget Responsibility (OBR) has estimated that living standards will fall a further 7% over the next two years, constituting the largest fall since Office for National Statistics (ONS) records began in 1956-57. This will have a profoundly damaging and long-lasting effect on the mental health of the nation.

Research by the Money and Mental Health Policy Institute found that the cost of living is directly affecting the treatment people receive for their mental health. Nearly one in five (19%) respondents to a 2022 survey said they had missed an appointment related to their mental health care, with some explaining that they simply cannot afford the cost of travelling there.

This reflected the findings of BACP's recent members survey, which showed 60% of members seeing clients cutting back on therapy sessions due to money worries and almost half (47%) reporting that clients are cancelling or pausing sessions because they can no longer afford them.

These figures show that people are struggling to access the services they require due to cost of living constraints at a time when mental health outcomes are worsening. Investment in timely, appropriate and evidence-based interventions, such as counselling and psychotherapy, has never been more important. To support this aim, the Government and ICBs should direct enhanced funding towards accessible mental health services, tailored to counteract the impact of the cost-of-living crisis on those groups most impacted.

2.6 Impact on health and social care workers

The NHS Providers report 'Rising Living Costs: The Impact on NHS, Staff and Patients' described the impacts of the cost of living pressures on providers and staff:

- 71% of trust leaders reported that many staff are struggling to afford to travel to work;
- 69% said the cost of living is having a 'significant or severe' impact on their ability to recruit lower-paid roles such as porters and healthcare assistants;
- 61% reported a rise in mental health sickness absence;
- 81% are 'moderately or extremely' concerned about staff's physical health;

NHS Providers said that: "inflation is eroding the NHS funding settlement, creating cost pressures for trusts, particularly for fuel, energy and consumables." It also impacts on the employees of the NHS and social care with reports of nurses and other health service workers attending food banks.

For care workers the position is even worse. An analysis by the Health Foundation in October 2022 shows that staff working in care homes are far more likely to live in poverty and deprivation than the average UK worker. Even before the cost-of-living crisis hit, 1 in 5 residential care workers in the UK was living in poverty, compared to 1 in 8 of all workers.

Many relied on state support to make up for low income from employment – 20% of the residential care workforce drew on universal credit and legacy benefits from 2017 to 2020, compared to 10% of all workers.

The report also found that around 1 in 10 residential care workers experienced food insecurity, living without reliable access to enough healthy food. And 13% of residential care workers' children lived in material deprivation, where families are unable to provide children with essentials like fresh fruit and vegetables or a warm winter coat. This compared to 5% of children in all working families.

3. ICS best practice and Government action

In this context, what are Integrated Care Systems to do? Clearly many of the main determinants of the cost of living crisis – from Brexit, the invasion of Ukraine and the uprating of social security benefit levels - are well beyond the influence of ICSs. As the NHS Confederation points out "*Government action is needed on issues likely to cause spikes in ill health and unmanageable demand on NHS services*". However, there are some specific actions that can be taken and should be more widely considered.

3.1 Reducing food insecurity

Public health leaders have called upon the Government to take three key actions to address food insecurity, particularly as it affects the lives of children in low-income families:

1. Expand access to Free School Meals for all children in households receiving Universal Credit, removing the £7,400 income cap.

2. Increase funding to the National School Breakfast Programme to expand delivery initially from 2,500 schools to 5,000, with a long-term plan to provide coverage to a higher percentage of disadvantaged pupils.

3. Promote access to the Healthy Start scheme, and expand access to all families with young children who receive Universal Credit.

They propose that the costs of delivering these new measures should be met through new targeted levies on manufacturers of unhealthy food and drink based on the Sugar Drinks Industry Levy.

The NHS Confederation also make clear what the Government could do to underpin local action by ICSs with similar recommendations:

- Expand the eligibility of free school meals and breakfast clubs to all households with low incomes in the UK because of the impact of poor diet and being hungry on children's health
- Ensure that benefits rise in line with inflation because of the link between poverty and ill-health.
- Adopt a cross-Government approach to policymaking that considers the social, political, economic and commercial determinants of food insecurity because the wider determinants of ill health require action outside the health and social care system

Action on food insecurity in the capital has also been recently announced by the Mayor of London who has created a one-off scheme to extend free school meals to every primary school pupil in the capital for one year. The £130m programme, which comes into effect from September 2023, aims to help struggling households during the cost of living crisis. It will be funded by additional business rates income and is estimated to help around 270,000 primary school pupils and save families around £440 per child.

Six examples of ICS good practice regarding food insecurity are highlighted by the NHS Confederation, which it claims affects *9.7 million adults* and that malnutrition costs the NHS *£19.6 billion* per year.

- Frimley ICS, Slough Borough Council and VCSE sector have opened a number of **community pantries** and supporting a meal delivery service so GPs can refer patients who need emergency help with meals.
- At Morecambe Bay NHS Foundation Trust ward staff assess whether a patient about to be discharged might not have food in at home and if so is sent home with **a care package that includes staples** such as tea or coffee, milk, bread, butter, jam, a tin of soup or beans, and cereal.
- Nottingham and Nottinghamshire ICS ensure that NHS providers and local authority teams **make every contact count** by enquiring about access to food and heating, and their place-based partnerships are supporting access to food banks and other support offers from the VCSE sector.
- Southwark Council working with partners has a **three-tier response to food insecurity**: solving structural and policy issues that cause food insecurity (access to affordable, healthy food); building resilience (empowering and upskilling people); and crisis provision (emergency food aid).
- The Royal Orthopaedic Hospital NHS Foundation Trust has an **on-site food bank** where colleagues can access food in a discreet area of the hospital. There is also signposting to the local food bank and services for individuals and families, which are near the hospital.
- Newcastle Upon Tyne NHS Foundation Trust offers **discreet meal cards for staff** who may be unable to prioritise funds, to enable them to eat and drink while at work. Chaplains and the catering team can issue the credit-card-sized card, which is titled 'staff loyalty card.'

3.2 Reducing fuel poverty

The NHS Confederation has proposed three recommendations on how Government could underpin local action to help reduce fuel poverty:

- Target support at those least able to heat their homes.
- Consider poverty as a key determinant of health.
- Consider financial support to help struggling households improve the heating and insulation of their properties.

Four examples of ICS good practice regarding fuel poverty are highlighted by the NHS Confederation which reports that children growing up in cold, damp homes are more than *twice as likely* to suffer from respiratory conditions than their classmates in warm homes and that the NHS in England spends *£1.3billion* each year treating preventable conditions caused by cold, damp homes.

- West Yorkshire Integrated Care Board has invested £1million to create an affordable warmth page that collates resources available to offer support on fuel poverty, whether that be providing details of organisations offering expert advocacy or signposting to grant funding opportunities.
- One Northern Devon Fuel Poverty Group uses a population health management approach to identify households at risk of fuel poverty. 500 patients were sent a letter advising them to contact the medical centre who referred them to VCSE partner 361 Energy for energy saving advice.
- OneSlough has created an information pack with the latest advice and support available to them. This support includes 'Green doctors' - expert energy advisers who help residents save money, stay warm, and improve energy efficiency in the home.
- Nottingham and Nottinghamshire ICS through their primary care networks which identify vulnerable households are supporting access to warm hubs and other support offers through partnerships with the VCSE sector.

3.3 Improving mental health and support for people with learning disabilities/autism

Mencap have identified the local and national support that should be provided for people with learning disabilities during the cost of living crisis including:

- More accessible communications for people to get the information and advice they need to manage better
- Removing the need for people with learning disabilities to make a contribution to their care costs; or failing that to increase the MIG above the level of inflation
- Targeted support on energy bills for people with a learning disability through a social energy tariff or additional payments.
- Strong local responses to make all services more accessible to people with a learning disability
- More support for people to get into work and to keep their wage (if they only work for a few hours per week).

The NHS Confederation identifies four actions that the Government should take regarding mental health and the cost of living crisis:

- Consider and fully incorporate a cross-Government approach to mental health within the upcoming major conditions strategy, and publish an updated suicide prevention strategy without delay.
- Make funding available so all schools can have mental health support teams.
- Introduce a real-terms increase to the public health grant, to the level seen before 2015/16, to fund services and public mental health programmes.
- Deliver a fully funded, long-term workforce plan.

Four examples of ICS good practice regarding mental health are highlighted by the NHS Confederation which highlights that *1 in 6 adults* are experiencing moderate to severe depression; *three-quarters of mothers* with new-born babies report that the cost of living is impacting their mental health and wellbeing; and there has been a *40% increase* in people contacting Mind's mental health helpline about financial matters.

- The Life Rooms are an initiative by Mersey Care NHS Trust. The Life Rooms model focuses on learning, social prescribing and community, and is a preventative service that improves the health of the local population – which in turn, reduces pressure on clinical services.
- 42nd Street, partly commissioned by Greater Manchester ICS, is a voluntary organisation for young people aged 13-25. It provides services such as improving access to psychological therapies (IAPT) and help and advice on a range of issues including concerns about money.
- No Limits is a voluntary organisation partly commissioned by Hampshire and Isle of Wight ICS. It is based in Southampton, providing a wide range of support for children and young people, including counselling. It also provides a drop-in advice centre.
- Cheshire and Merseyside Health and Care Partnership helps support Mental Health Innovations, which runs the 24-hour helpline Shout. This is a free service for people who need mental health support. The website also has resources for people struggling with their mental health.

3.4 Support for health and social care workers

The NHS Confederation reports that one in eight workers in the UK are already unable to make ends meet or cover their essential living costs; and within the NHS 19% of staff are losing sleep over cost of living worries and 10% are finding it hard to concentrate or make decisions.

It provides eight examples of ICS best practice including hardship loans, free education advice, on site food banks, signposting to advice on problem gambling, meal cards, subsidised hot food during out of hours and at the weekends, information leaflets and webpages. It has also highlighted four core areas for employers to consider:

- Pay processes and practices: supporting staff through providing a comprehensive benefits package.
- In-work progression: the offer available to colleagues to access development, training and experience including apprenticeships, to progress and enter higher paid work in the medium-to-longer term.
- Financial wellbeing and education: empowering staff through the offer provided.
- Flexible and agile working: approaches that support individuals in a way which helps them with managing household costs.

Toby Lewis, Senior Fellow at the Kings Fund, has made a plea for all healthcare employers to consider paying the Real Living Wage (£10.90ph/£11.95 in London) to all employees:

- Eighty-three NHS bodies, including 24 trusts, have signed up to being real Living Wage employers. 131 local authorities have fully adopted the standard, and Birmingham has just been recognised as a Living Wage City.
- To look justly at poverty in health, all NHS systems need to look clearly at their own practices and address the blind spot in their vision. A few have. Many still can. If you are unsure what to do about poverty, look no further than the real Living Wage as a first step. This needs leadership on what is core business.

Meanwhile Hugh Alderwick, Director of Policy at the Health Foundation, is similarly concerned to see Government action to improve the position of social care workers:

"Social care workers – who are mostly women – play a vital role in society but are among the lowest paid workers in the UK, and experience shocking levels of poverty and deprivation. Many cannot afford enough food, shelter, clothing and other essentials, putting their health at risk.

"Sustained underfunding of social care has contributed to unacceptable pay and conditions for staff and major workforce shortages, with vacancies in England rising by 52% last year. This reflects political choices. If Government values people using and providing social care, it must act to tackle low pay and insecure employment conditions in the sector.

"People on low incomes are most likely to struggle through the current cost-of-living crisis, and poverty in the UK is set to increase."

The Health Foundation believes the Government should prioritise improving pay in a fully-funded, comprehensive workforce plan for social care in England and that broader policy to tackle poverty is also vital – including on housing and social security. This is also the view of the Future Social Care Coalition, a cross-party, cross-sector alliance of organisations that has been at the forefront of the campaign to improve the pay of care workers.

4. Some Key Questions

I. How do ICSs **prioritise action** on these cost of living issues when headlines and politicians primarily focus on waiting lists and waiting times?

II. Which of the best practice examples have **greatest impact** and could be readily adopted across ICSs for different age groups in their local population regarding:

- Reducing food scarcity
- Reducing fuel poverty
- Improving mental health
- Supporting people with learning disabilities/autism

III. Which of the best practice examples have greatest impact and could be readily adopted across ICSs for their **health and social care workforce?**

IV. Are there other **examples of best practice** that ICSs should be made aware of?

V. What actions would ICSs like to see **Government take nationally** to underpin their efforts locally to relieve the impact of increases in cost of living pressures on their residents, providers and staff?

VI. What can and should ICSs do to **monitor the impact** of the cost of living pressures on local residents and their workforce; and how should ICSs use this data to inform their decision making and influencing activities?

VII. How possible is it for health service employers and social care organisations to move to paying relevant staff the **Real Living Wage** as a minimum wage within the next twelve months? What are the barriers and how can they be removed?