BRIEFING PAPER FOR THE HEALTH DEVOLUTION COMMISSION'S INTEGRATED CARE SYSTEMS BEST PRACTICE ROUNDTABLE II

15:30 to 17:30, WEDNESDAY 21ST JUNE 2023
KPMG'S 11TH FLOOR BOARDROOM,
ONE ST PETER'S SQUARE, CENTRAL MANCHESTER M2 3AE

ICSs and the future of social care, and
How ICSs can best support social and economic development

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INTRODUCTION

I. Background

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 at a range of key issues facing ICSs and help develop, as well as highlight, emerging, best practice:

- March – the Hewitt Review; and ICSs and the health and the cost-of-living crisis – for summary of meeting see here
- June - social care; and ICSs and social and economic development
- September – ICSs and 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 crosscutting themes of health inequalities, workforce development, people with learning disabilities/ autism, children and young people, and mental health. There will also be a part of each meeting that focuses on a key topical issue and has a political speaker.

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.

II. The June 2023 Commission Meeting

The Commission has always advocated that policies are joined up at the devolved level in order to improve outcomes across a whole range of indicators including economic growth. Please see the Commission's 2020 'Health and Prosperity' report. We therefore welcomed the advent of ICSs and their four core purposes one of which is to help support broader social and economic development. Our remit is now to highlight, and where necessary develop, best practice within Integrated Care Systems.

The themes for the in-person meeting in Manchester in June are two-fold:

- Part 1: ICSs and the future of social care
- Part 2: ICSs support for broader social and economic development

The aim of part 1 is to critically examine the Fabian proposals for a National Care Service by Labour and to reflect on the comparison with the Conservative approach to social care reform; and in particular to consider the envisaged role for ICSs by both.

The goal of part 2 is to explore ICSs fourth core purpose and, in particular, how ICSs could, and should, better support broader social and economic development.

The Rt Hon Andy Burnham, Co-chair of the Health Devolution Commission, will chair this meeting which will hear first from **Andy Harrop, General Secretary of the Fabians** and author of an inquiry for the Labour Party into a National Care Service. In part two of the meeting – focused on social and economic development – the keynote speakers are**:**

- **Sandra Husband,** Director of Public Health, Hackney BC, and Honorary Secretary of the Association of Directors of Public Health
- **Cathy Elliott,** Chair, West Yorkshire Health and Care Partnership
- **Mark Rowland,** Chief Executive, Mental Health Foundation
- **Mayor Oliver Coppard,** Chair, South Yorkshire Integrated Partnership

III. Recap of key questions to be asked after parts one and two

PART ONE (FUTURE OF SOCAL CARE)

- **Integrated care:** What impact would the Fabian proposals for a National Care Service have on the development of Integrated Care Systems, place-based partnerships and neighbourhood networks with their emphasise on devolution and subsidiarity?
- **Care Inequalities:** What impact will the Fabian proposals for a National Care Service have on reducing care inequalities – both inequalities in who has access to social care and inequalities in its outcomes on people who experience discrimination?
- **Silo-thinking:** How will building the National Care Service avoid promoting silo-thinking and behaviours when system-wide, cross-sector approaches are needed to improve people's experiences of health and social care services, to improve population health and to reduce health and care inequalities?
- **Comparison:** What are the key differences and areas of agreement between the proposals for a National Care Service and the current social care policies of the Government? Is there the potential for a cross-party agreement on social care before the election?
- **Priorities:** What should be the top five social care priorities of the next Government?

PART TWO (ICSs AND THEIR 4TH PURPOSE)

- What are the top five actions ICSs – ICBs and ICPs - could take to deliver *at place* on their wider role in social and economic development? What specific skillsets are required?
- What should NHSE and the Government do to support ICSs to understand and deliver their wider role in social and economic development *at place*?
- What are the top five actions an ICS could take to maximise its own economic footprint in order to deliver health benefits *at place* for its local population?
- What should NHSE and the Government do to support ICSs to maximise their own economic footprint in order to deliver health benefits *at place* for its local population?
- What is the role of the private sector in delivering healthier communities and how can ICSs work with them to do so?
- What should be the role of Mayoral Combined Authorities in delivering on this agenda and how should ICSs work with them?
- Given current pressures on NHS & social care, what will help ICSs to give priority to their 4th main purpose of ensuring the NHS contributes to broader social & economic development?
- Given the overwhelming evidence of the mutual relationship between health and wealth, who still needs to be convinced of the case for change and how will we persuade them?

PART ONE: ICSs AND THE FUTURE OF SOCIAL CARE

I. Summary of the conclusions of the Fabian Policy Report on Social Care: 'Support Guaranteed'

A. Overview

'Support Guaranteed' is the Fabian Policy Report on Social Care published in June 2023 for UNISON and the Labour Party. It is a comprehensive analysis of the social care system with 48 recommendations for change through the development of a National Care Service (NCS) to transform care and support in England.

A key feature of these proposals is that the NHS and adult social care remain separate, though interconnected, services rather than being a single fully integrated service. It says the title 'National Care Service' could be different but the report is clear that a new name is needed to mark a fresh start, signal the scale of ambition, build public support, and create the institutional identity needed to sustain and protect a reformed service for the long term.

The table below summarises the change between the position now and that of the proposed National Care Service:

The position now	**A National Care Service**
Local authorities supposedly in charge but without the money or powers they need	National ministerial responsibility and leadership working in partnership with strong councils
Unclear entitlements that are often not realised in practice	Clear rights and entitlements and the ability to enforce them
Inconsistency in access to support and quality of care	Nationwide entitlements and geographic consistency
A fragile, fragmented and sometimes extractive 'market' of care providers	Commissioners and licensed partners working together as part of a public service
Support only for people with limited means	Support and peace of mind for everyone
Inadequate funding and emergency cash injections	Long-term and sustainable approach to finance, including a new national funding formula
Insufficient development of specialist housing and modern care homes	Long-term certainty and funding to build new facilities
Inadequately rewarded staff and a recruitment and retention crisis	National terms and conditions working towards parity with the NHS
Unaffordable fees and inability to pool risks	Improvements to affordability by reducing the scope of charging over time

B. **Principles and building blocks**

The report describes in detail the principles and building blocks of the NCS and these are summarised in the two tables below:

Ten principles of the NCS	
1 Choice and control for individuals and their families	Personalised care and assistance, with people requiring support and their carers directing and co-producing services to lead the life they want in the home they want
2 Local and place-based	Rooted in local communities and networks of support, shaped and delivered by properly resourced, accountable local authorities
3 Nationally consistent	Equally available everywhere, with a national guarantee of support and an end to postcode lotteries in support and care
4 Accessible	Available to meet all reasonable support requirements, with people referred for assistance as needs arise
5 For everyone	Services for everyone with support needs, regardless of their means, and affordable to all
6 Preventative	Providing support to reduce future needs, with a focus on early identification, wellbeing, independence, reablement and support at home
7 Relationship-based	Trusting, caring relationships between an empowered, sup-ported, and properly rewarded workforce and individuals, carers and their families
8 Rights-based	Clear legal entitlements, transparently communicated and explained, with support to help people access their rights
9 High quality and diverse	High and rising standards, with sufficient support available to meet people's needs, diverse models of provision, and ongoing innovation and investment
10 Connected	Support that is seamlessly integrated with housing, the NHS, DWP and other community help whenever necessary.

Ten building blocks of the NCS	
1 Structure and identity	National brand and leadership, use of existing structures, local flexibility, integrated care systems and city regions
2 Workforce	Fair pay agreement for care workers, national terms and conditions, redesign roles, align social care and NHS workforce planning, expand skills and training regulations
3 Co-production	Embed, create co-production accountability systems, require co-production in local systems
4 Rights	NCS constitution right and expectations, UN right to independent living, appeals system
5 Unpaid carers	NCS carers strategy, specify and promote carers' existing rights, require local authorities to discuss carers' wishes, right to short breaks for carers, sharing carers' information
6 Access	Expand preventive open-access support, requirements on NHS and DWP to refer, improving and standardising implementation of the current law, better packages of support, arrange services for everyone regardless of means unless people opt-out
7 Models of support	National promotion of effective care models, improved research and best-practice evidence, support take-up and use of direct payments, joint delivery of health and care to people with significant clinical and support needs, promote models of housing with care, improve use of data and technology, national data standards and collection requirements
8 Providers	Stronger public service relationship with 'licensed' independent providers, promote public sector and non-profit options by local authorities, strengthen local partnerships between councils and providers, standardised pricing of services, strengthen the financial supervision of providers
9 Affordability	Charging reform, the new national care guarantee, implement early reforms e.g. free support for people disabled by the age of 25, introduce further charging reforms in following years
10 Money	Prioritise 'year one' stabilisation spending - workforce crisis and service continuity, 10-year spending commitment to significantly raise expenditure in real terms every year, phase in a national funding formula and National Care Service grant to equalise spending power between areas, public sector National Care Service investment fund to support long-term investment in modern care homes, specialist housing and technology, increased role for social security in funding residential care

C. Roadmap

The report describes six stages in the reform journey:

1. **Inherit**: recent changes to law and policy already provide important foundations
2. **Stabilise**: an immediate 'rescue plan' for both health and adult social care that is also designed to begin longer-term reform, especially focused on workforce issues
3. **Prepare**: co-production and consultation on details of the reforms, initial changes to practice and finance using existing laws, a National Care Service Act and associated regulations and guidance
4. **Launch**: the new brand, citizens' rights and public sector responsibilities go live
5. **Embed**: time and money is required to secure major improvements and introduce charging reforms
6. **Evolve**: continual change to improve services informed by co-production and evidence, plus a scheduled review four years after the launch date

D. The business case for change

The report says the case for spending more money on care and support is first and foremost to better realise the ambition of the Social Care Movement that "We all want to live in the place we call home with the people and things that we love, in communities where we look out for one another, doing the things that matter to us". However, it also goes onto make the wider business case for change including:

- Reducing pressure on the NHS
- Responding to the unpaid carer shortfall
- Increasing unpaid carers' employment
- Increasing disabled people's employment
- Creating jobs and growth everywhere
- Tackling gender inequality

E. Issues of most relevance to the Commission

a) Integration and the relationship between adult social care the NHS -

The report addresses directly the question of whether adult social care should merge with the NHS:

"Overall we support the view that adult social care and healthcare are different and should not be fully integrated. We do not back the creation of a single national health and care service, although if services wish to merge locally, or at the level of city region, no one should stand in their way. Having said that, there are many people with social care needs who should receive joined-up support that makes little or no distinction between health and social care.

In particular, securing better outcomes for frail older people close to the end of life demands better services from healthcare and social care, and closer coordination between the two. Even without formal integration, there are some functions that should sit across health and care. Population level needs assessment and strategic planning are already joint responsibilities. We think workforce planning, education and employment conditions should also be closely aligned."

b) National vs Local

The report addresses directly the question of the relationships between the national and the local in the NCS. It says:

> *"Our own instincts are localist and the next Labour government is likely to embrace a strong commitment to devolution in England. We do not support the emerging Scottish model of a top-down National Care Service without local democratic involvement and accountability. Councils should remain in charge. But our firm view is also that more nationwide rights, standards and functions are needed for local government to fulfil its adult social care mission. We need a national care guarantee.'*

The national guarantee will cover rights, standards and functions; and a national funding model including grants. The single largest institutional change proposed in the report is that adult care funding is largely separated out from the rest of local government finance.

c) Independent providers and a national public service

The report says a successful NCS is likely to be a network of thousands of different providers, and of tens of thousands of directly-employed personal assistants. But says the relationship between the public sector and independent providers must change with a new settlement that aligns adult social care with other public services that use partners from outside the public sector (e.g., schools, refuse service, bus operators).

> *"Instead of spot purchasing individual packages of support, long-term public service licences are needed with robust requirements regarding the quality of care, ethical workforce practice and financial standards. The new service should specify what people can expect, regardless of who delivers the support. Locally, the idea of care 'markets' should be replaced with networks of collaboration."*

d) Affordability and money

The report says that in principle there is a strong argument for the costs of support and care being shared across society through taxation, as with other public services. However, for the foreseeable future, it says there will be a mix of adult care services that are free of charge, and services that require a financial contribution. Consequently, reforms should be progressively introduced to improve affordability and the pooling of risk over time.

The Dilnot charging reforms (changes to the assets means-test and a new limited liability cap) are currently scheduled for implementation in 2025/26 and their cost forms part of the financial baseline that Ministers will inherit. The report argues that if the planned timetable is confirmed, future ministers should see the reforms through.

In the meantime, immediate reforms to the charging system which would be low-cost and make it work more effectively are proposed including to:

- Make all short-term support and care free, especially during the first six weeks after hospital discharge (this removes ambiguity since most of this support is free now).

- Annually uprate thresholds in existing means-testing rules (ie capital rules, minimum income guarantee, personal expenses allowance).
- Reform the disability facilities grant means-test (following the Government's commitment to consult on this issue).

The report says that ideally an incoming Government would approve a significant one-off increase in adult social care spending to make up for years of underfunding, or at least arrest the current workforce crisis. However, given the scale of the underfunding and the huge demands on an incoming government, the report proposes a long-term approach to funding with a 10-year plan for large, sustained real-terms spending increases. This will provide the certainty to plan, build institutional capacity and invest.

e) Legislation

The report then draws on its analysis and recommendations to identify a list of provisions for legislation after the general election:

THE PROPOSED NATIONAL CARE SERVICE ACT 2026

"An act to provide for the establishment of a comprehensive care and support service for adults in England"

Duties on the Secretary of State

- New national functions/structures
- Partnership/co-production arrangements
- Workforce and skills arms-length body (standalone or joint with NHS)
- Independent scrutiny, evidence and engagement body
- Financial regulation of large providers
- Citizen rights
- NCS constitution
- The right to independent living
- Carer's right to short breaks
- OPTION: formalise existing rights derived from duties on public bodies

Revised duties for local authorities

- Co-production requirements and machinery
- Partnerships with providers and worker representatives
- Requirement to fund peer-led support
- Stable public service contracts with 'licensed' providers
- Free arrangement of services for all
- Carer choice during assessment and care planning
- Joint responsibility with the NHS for care following hospital discharge
- Transferability of assessments between areas
- Financial supervision of small providers

Revised requirements for the NHS

- ICS representation/engagement
- Joint responsibility with local authorities for care following hospital discharge
- Requirement to refer to the National Care Service

Professional registration

- OPTION: introduce a compulsory scheme

Social security

- Requirement to refer to the National Care Service
- OPTION: reform housing and disability benefits in care homes

II. Summary of the (Conservative) Government's policy with regard social care

The current Government was elected in 2019 and promised to 'get social care done'. In September 2021 Prime Minister Boris Johnson promised a 1.25% levy on National Insurance to fund health and social care services and later the same year, in December, it published People at the Heart of Care White Paper. The commitment to the levy was subsequently dropped in the Budget on 23rd September 2022.

On the 4th of April 2023 the Government set out next steps to support social care. The main points from the allocation of over £2 billion previously announced funding included:

- **Care workforce pathway**: launching a call for evidence in partnership with Skills for Care on a new care workforce pathway and funding for hundreds of thousands of training places, including a new Care Certificate qualification - aiming to increase opportunities for career progression and development, backed by £250 million
- **Digitisation**: £100 million to accelerate digitisation in the sector, including investment in digital social care records, so staff have the latest information at their fingertips to best meet the needs of those receiving care
- **Innovation**: a new innovation and improvement unit to explore creative solutions for improving care, such as supporting local authorities to reduce care-assessment waiting times and using best practice from those areas where waiting times have already been cut by a third - backed by up to £35 million
- **Care Market**: a £1.4 billion Market Sustainability and Improvement Fund, which local authorities can use flexibly, including to increase the rates paid to social care providers or reduce waiting times
- **Adaptations:** £102 million over 2 years to help make small but significant adaptations people need to remain at home, stay independent and avoid hospital - including grab rails and ramps, small repairs and safety and security checks
- **Data:** £50 million to improve social care insight, data and quality assurance - including person-level data collections and new Care Quality Commission assessments of local authorities to improve poor performance on social care and identify where further support is needed

- **CQC:** From April 2023, the Care Quality Commission will begin to assess local authorities to identify where further support is needed and help identify good practice. This will ensure a continued focus on delivering quality care and improving services.
- **Older People's Housing Taskforce**: In partnership with the Department for Levelling Up, Housing and Communities (DLUHC), launching a new, independently chaired Older People's Housing Taskforce to decide how best to provide a greater range of suitable housing depending on the support people need.

Alongside these commitments it was announced that the Better Care Fund, which brings together health, social care and housing to help older people and those with complex needs live at home for longer, will increase from £7.7 billion in 2022 to £8.1 billion in 2023 and £8.7 billion in 2024. The total fund includes £1.6 billion to improve hospital discharge arrangements - £600 million next year and £1 billion the following year.

The Government restated its commitment to "the 10-year vision for adult social care" set out in the People at the Heart of Care White Paper, and pointed out that since its publication it has issued 55,000 visas for people to take up care-worker roles and increased uptake of digital social care records (DSCRs) by 10 percentage points.

It is worth quoting in full what Health Minister Helen Whately said on 4th April 2023:

Care depends completely on the people who do the caring - that's over a million care staff working in care homes and agencies, and countless relatives, friends and volunteers acting out of the kindness of their hearts.

That's why this package of reforms focuses on recognising care with the status it deserves, while also focusing on the better use of technology, the power of data and digital care records, and extra funding for councils - aiming to make a care system we can be proud of.

Later in April the Government responded to the Lords Adult Social Care Inquiry report: 'a gloriously ordinary life'. In its introduction it states:

We express our thanks to the Committee for their report and recommendations, which we have carefully considered. This memorandum responds to the recommendations set out in the Committee's report. The report makes a strong case for the central importance of the adult social care sector for our nation and the challenge of ensuring it delivers for everyone who interacts with it, either as someone who draws on, or provides, care and support, both now and in the future.

As this response, and Next Steps to put People at the Heart of Care make clear, the government is committed to delivering an ambitious vision for reform. The Committee considered several important issues such as reforming adult social care, improving the workforce, and ensuring the personalisation of care. The government agrees that these are important issues and that is why we remain committed to delivering on the 10-year vision for reform we set out in the People at the Heart of Care white paper, published in December 2021.

In passing it is worth noting that the Commission responded to the Government's call for evidence on its proposed Care Workforce Pathway for Adult Social Care. The letter from Co-chair Rt Hon Sir Norman Lamb welcomes *"the intention of creating a clearer workforce pathway for adult social care that will help to overcome the misguided perception of care work as low skilled. The pathway, with its proposals about different roles and their associated qualifications, will help support the professionalisation of the social care workforce; and this in turn will help to attract and retain people in social care as it is increasingly perceived as a genuine vocation and career."*

However, it points out that the Government's proposals fail to *"address the link between care skills/responsibilities and pay/financial incentives to progress at every level"* and concludes by stating that *"the most fundamental challenge at present for improving social care is the low pay of care workers."*

Finally, in May, Skills for Care sought to put a spotlight on understanding integrated health and care. It said: "At its core, integration is about co-ordinating and providing joined up and seamless services for people who draw on care and support for health or care needs. To ensure this works effectively we need adult social care providers to be engaged and enabled to contribute their insights about the social care sector and the people and communities who they support."

III. Potential Questions from a Commission perspective

- **Integrated care:** What impact would the Fabian proposals for a National Care Service have on the development of Integrated Care Systems, place-based partnerships and neighbourhood networks with their emphasise on devolution and subsidiarity?

- **Care Inequalities:** What impact will the Fabian proposals for a National Care Service have on reducing care inequalities – both inequalities in who has access to social care and inequalities in its outcomes on people who experience discrimination?

- **Silo-thinking:** How will building the National Care Service avoid promoting silo-thinking and behaviours when system-wide, cross-sector approaches are needed to improve people's experiences of health and social care services, to improve population health and to reduce health and care inequalities?

- **Comparison:** What are the key differences and areas of agreement between the proposals for a National Care Service and the current social care policies of the Government? Is there the potential for a cross-party agreement on social care before the election?

- **Priorities:** What should be the top five social care priorities of the next Government?

PART TWO: HOW ICSs CAN BEST SUPPORT SOCIAL AND ECONOMIC DEVELOPMENT

I. Introduction

The NHSE policy paper Integrating Care: Next Steps to Building Strong and Effective Integrated Care Systems Across England, published in November 2020, described the four core purposes of an integrated care system (ICS):

- improving outcomes in population health and health care
- tackling inequalities in outcomes, experience and access
- enhancing productivity and value for money, and
- helping the NHS to support broader social and economic development.

Arguably the fourth of these has had the least attention from policy makers, politicians and indeed from ICSs themselves. This purpose is perhaps the least well defined and understood in traditional NHS management and strategy terms, yet is particularly important given the wider ongoing impact of the pandemic and the inextricable relationship between health and socio-economic outcomes.

However it is the case that various organisations including the Centre for Local Economic strategies has long argued the case for NHS institutions to recognise and be recognised for their key role as "anchors" within the context of a broader community wealth building approach – see this publication from 2019.

Four years later and in the midst of a cost of living crisis the links between health and wellbeing and the economic participation and growth are becoming more important and more well known. There are of course two dimensions to this inter-relationship. The extent to which the purchasing power and employment opportunities of health institutions can contribute to the economy; and the extent to which ICS can mitigate unhealthy working and living conditions which reduce economic performance through long term illness. The following is an illustration of this as it impacts the north.

II. Summaries of reports on health and social/economic development

A number of reports have been published on the subject and ten of these are summarised below:

a) **Healthy Places, Building Inclusive Local Economies through ICSs,** CLES, May 2023
b) **Healthy People, Prosperous Lives**, IPPR, April 2023
c) **Population health in business,** PPP, April 2023
d) **Fit for the Future**, Tony Blair Institute, March 2023
e) **The Preventative State**, Demos, March 2023
f) **Unlocking the NHS's social and economic potential**, NHS Confederation, December 2022
g) **The Work Health Index**, CBI, November 2022
h) **The economic case for investing in the prevention of mental health conditions in the UK**, Mental Health Foundation, February 2022
i) **The value of adult social care in England**, Skills for Care Report: October 2021
j) **The value of investing in social care**, Health Foundation et al, October 2021

a) Healthy Places, Building Inclusive Local Economies through ICSs, CLES, May 2023

This paper seeks to provide a blueprint for ICSs who wish to work with their partners to build a more inclusive economy – an economy where the activity is environmentally sustainable, which supports good jobs and wages and actively removes barriers to participation. With a particular focus on large provider trusts and local authority partners, it details the way in which ICSs should cultivate their place-based assets to harness their power as a series of anchor institutions, thereby developing their local economies from within.

It makes nine recommendations for ICSs:

1. **Be purposeful about social and economic development**

With their emphasis on place, there is a real opportunity within ICSs to pioneer progressive approaches to social and economic development. ICSs should pledge to use good anchor practice as the key mechanism to build an inclusive economy and promote better population health. They should be explicit about their commitment to using the combined power of their place-based assets and this should be the central narrative which underlies their commitment to social and economic development.

2. **Enable local enterprise to play a greater role**

ICSs should look to develop a commitment across their partners to use spending as a mechanism to grow and develop the grass roots economy. This would involve collaboration between the NHS and local government.

3. **Use NHS procurement to drive local industrial strategy**

NHS and local authority partners could look to explore the feasibility of an alternative local manufacturing offer for certain consumable items, which are currently manufactured and shipped from overseas. The Department of Health and NHS England should consider how NHS Supply Chain could accommodate more local flexibility to enable this approach.

4. **Unify approaches to securing social value**

Social value weighting during tendering has been enthusiastically taken up by many local authorities. The emergence of ICSs is an opportunity to review the local application of social value and make improvements to processes for everyone.

5. **Explore supply chain social licensing**

The Department of Health and NHS England should consider a form of social licensing which would ensure that suppliers who access NHS Supply Chain guarantee certain social, economic and environmental returns.

6. **Target skills and opportunities to those who need them most**

To help alleviate poverty, deprivation and inequalities, ICSs should consider how their employment and skills development opportunities could be targeted towards those who are most in need.

7. **Give the local NHS greater control of land**

All ICB partners should consider whether surplus land and property could be used as a development site for affordable housing, to support local businesses or be transferred into community ownership or management. To enable this, the Department of Health and NHS England should grant greater local flexibility over the disposal of surplus NHS land.

8. **Collaborate to advance good anchor practice**

Communities of practice and intermediaries on the ground are an evidence-based way of mobilising knowledge and best practice. ICS leaders may want to consider using these tools as a means of sharing learning, addressing challenges and working together to advance good anchor practice.

9. **Develop an earn-back mechanism to incentivise innovation**

The Department of Health and NHS England should work to agree a set of appropriate metrics for ICS-led social and economic development and develop mechanisms for quid pro quo incentives to "pass back" a proportion of any savings being created for national budgets (for example through a reduction in Universal Credit claims) by this activity.

b) **Healthy People, Prosperous Lives**, IPPR

The UK is getting poorer and sicker. The UK faces a challenging economic outlook. While the March budget had some improved economic news, the UK economy is still projected to shrink in 2023, inflation remains high and the fall in household spending power in the next two years is predicted to be the highest in 70 years (OBR 2023). At the same time, population health is going backwards. After rapid progress on life expectancy in the 20th century, the UK has rising rates of death and impairment – including higher prevalence of long-term conditions and greater rates of multimorbidity. Moreover, from 1960 to 2020, the UK has dropped from seventh to 23rd in the Organisation for Economic Cooperation and Development (OECD) on life expectancy at birth (OECD 2020).

Good health has its own value – but this paper tests its relationship with prosperity. Good health is vital to an enjoyable and meaningful life, free from avoidable pain, anxiety and, in the worst cases, premature death. But it is also a crucial determinant of our economic prospects, both at an individual and a national level. This has been poorly accounted for by policymakers. In that context, this paper sets out to quantify whether better health could provide an answer to some of our most deep-rooted economic challenges and what policies could help 'price in' its value across all decision-making. Having conducted a multi-year data analysis that follows individuals over time, this report concludes that poor health harms both individual and national prosperity.

We propose the UK government introduce a new Health and Prosperity Act to hardwire health across all we do. We recommend such a Health and Prosperity Act be a single piece of primary legislation actioning three core components:

1. **Set the mission**: We propose a new, whole society 'healthy lives mission' for the UK. This would have two commitments, each covering a 30-year period. First, a commitment to make the UK the healthiest country in the world by the end of the period – replicating rapid success in countries like Japan (in the late 20th century) and South Korea (between 2000 and 2020). Second, a commitment to increase healthy life expectancy to at least the UK state retirement age across all regions.

2. Design the institutions: First, a new legislative body – the Committee on Health and Prosperity – modelled on the Climate Change Committee (CCC) and designed to independently advise on the above mission (and hold all government accountable to it). Second, a 'what works' centre to rapidly expand the evidence base on interventions that support the health of the public, take a broader view of what evidence is 'good enough', and establish cost-efficacy of different interventions.

3. **Create the right investment flows**: First, a health creation fund, to put 'what works' evidence into practice and tackle health inequalities. Second, a health investment bank, to provide a reliable source of low-cost long-term capital for health-creating innovations – allowing us to 'go for health' as a national economy.

We do not suggest these changes in government architecture and overall approach to health policy would constitute a silver bullet; the specifics of the policy programme will be critical. Instead, we contend the above proposals have the power to shift the default in the UK from apathy on actively pursuing good health to one where policy implementation, innovation and strategic investment is the norm.

c) Population Health in Business by Public Policy Projects

The report says that overall improvement in health outcomes at the community level requires consistent collaboration and coordination between ICSs, NHS trusts, councils and businesses.

Impact of businesses on community health: It recognises that businesses can impact the health of a community in a variety of ways – such as by implementing healthy workplace policies, implementing inclusive local recruitment practices, partnering with community organisations, investing in community development, implementing local procurement strategies, and advocating for health equity. It suggests that private businesses can use the NICE guidelines for community engagement to better understand how to support their wider community.

Benefits of vibrant communities to businesses: The report says that strong and vibrant communities offer a number of benefits for businesses, including improved workforce productivity, better reputation, and access to better talent. It describes a number of clear benefits for businesses investing in communities, including increased community loyalty and trust, improved employee morale/retention, enhanced brand visibility, and increased innovation.

There is a correlation between health outcomes, socioeconomic outcomes, and the attractiveness of a local area to businesses and employees; and that strong relationship exists between the economic impact of environmental and social degradation and health outcomes in a region.

Jobs for people at risk of poor health: The report suggests that businesses can provide better employment opportunities for those at higher risk of poor health outcomes, by developing inclusive recruitment programmes where possible. It says that are several examples of these initiatives working effectively within NHS trusts, and that private businesses could emulate their example.

Recommendations:

- Businesses should be incentivised to invest in communities – through recruitment, procurement and outreach – and should be encouraged to partner with other businesses and public bodies to improve the quality of data and insight.
- ICSs, local authorities, central government and businesses should explore opportunities to utilise ICPs as a forum for private, public and third sector stakeholders in a local area to communicate, establish shared priorities and create plans of action.
- To develop stronger guidance for businesses to collaborate with ICPs, there should be a tailored section within the Maturity Matrix discussing partnerships with private businesses.
- Businesses should communicate regularly with other local stakeholders, including HWBs. These communications should ensure businesses are supporting local health equity ambitions by responding to JSNAs.
- Businesses and local authorities alike should seek to grow their investment into tools to understand the impact of community engagement and the health value of social investment.
- Further guidance on partnerships within the ICS framework should be issued – with a specific focus on enabling effective public-private collaboration.
- ICSs and DHSC should seek to develop guidance for businesses to support local health outcomes through recruitment, procurement and outreach. This guidance should not be overly proscriptive, but should provide a clear idea of the relationship between various social determinants of health and business practices.

d) Fit for the Future by the Tony Blair Institute

In the paper *A New National Purpose: Innovation Can Power the Future of Britain* published in March 2023 the Institute sets out the need to both harness the power of new technologies and to create a streamlined, strategic state to revolutionise the delivery of public services. Nowhere, it says, is this approach more urgently needed than on the country's health. By moving at speed to create a new public-service model, with the right enabling policy infrastructure, it will be possible to increase population health, unlock long-term economic growth and make Britain fit for the future.

The problem: While detailed evidence on the drivers of population ill health is still emerging, the report makes clear that individual factors including lifestyle, the environments in which we live and the genetic material we inherit account for between 70 per cent and 90 per cent of what constitutes health. In contrast, treating sickness accounts for as little as 10 per cent, but consumes more than 90 per cent of available resources.

Health-care demands continue to increase while costs are spiralling as health takes up an ever-higher proportion of public spending. At the same time, outcomes are deteriorating, with UK life expectancy stagnating and health inequalities on the rise. So, everyone is paying more and more to achieve less and less. These problems are being driven by the current approach, which it says is almost entirely focused on treating sickness.

As a result, the National Health Service (NHS) is overwhelmed by rising demand, with more than 7 million people waiting for treatment. This was brought home during the recent winter crisis, which resulted in thousands of excess deaths and showed the cost of ongoing inaction. What's more, with more than 2.5 million people out of the labour market due to long-term ill health, any sustainable plan for growth needs to have improving population health and prevention at its heart.

A paradigm shift: The report calls for a paradigm shift that treats individual and collective health as a national asset. Government must focus its efforts and resources on creating the conditions in which population and individual health can flourish. It calls for much greater political attention and public funding directed towards preventative-health measures alongside support for the drivers of good individual health, including personal, environmental and workplace factors.

Choice through technology: And it calls for action to accelerate and adopt new advances in technology that can enable health professionals to make earlier and more effective diagnoses, alongside interventions that can empower individuals to take greater personal control of and responsibility for their own health. In addition, it identifies the need for a tougher regulatory approach to make it easier for people to live healthier lives and a new institutional framework that makes government more accountable for public health.

The report recognises that these efforts often face accusations of "nanny-statism". Instead, it says they are about providing individuals with meaningful choices and a sense of collective social responsibility – which are critical under a taxpayer-funded health-care system – and are being aided by the advent of new technologies.

Barriers to change: To deliver on this vision, it identifies the need to overcome several long-standing barriers, including:

1) outdated delivery models that remain overly focused on the NHS and central government;
2) tensions between fiscal and economic priorities, which have hampered investment in prevention, new technologies and population-health measures that take time to bear fruit; and
3) political short-termism, which undermines health reforms that require sustained policy interventions. The NHS will always be a priority for constituents and the politicians who represent them, but creating a healthy population must also be a priority.

The report says that only by helping people better understand their individual risks and supporting them to have meaningful choices will we help them to live longer and healthier lives. Only by improving population health and prevention will we begin to alleviate unsustainable burdens on the NHS and ensure people can still get access to treatment when they do get sick. And only by investing in our health as a national asset will we create the long-term sustainable economic growth and prosperity that will benefit us all.

d) ***The Preventative State* by Demos**

Foundational approach

This report published in April 2023 argues that a 'preventative state' requires a fundamental shift in the way that government, at all levels, thinks and acts. At the core of this shift is recognising the importance of foundational policy.

This is described as investing in the social, civic and cultural institutions that enable foundational activities to take place. The places where you can bring your family. The space to meet with friends. The chance to participate in local social and civic life. The religious, sporting and cultural institutions that draw us together. The voluntary associations and charities that give additional meaning and purpose to our lives. The bonding and bridging institutions that society depends upon.

The report says that delivering this foundational activity will require new models and methods. Community Wealth Funds should be created which can provide long term, patient investment into local communities. These will need to be part of a policy ecosystem that strengthens our social foundations. Funding to enable communities to take on local assets and put them to local use, such as the Community Ownership Fund, will need to be expanded. Large structural programmes, such as the UK Shared Prosperity Fund, will need to be adapted so that resources can flow into local social and civic institutions that underpin social and economic prosperity. A preventative state will use every lever at its disposal to strengthen our social and civic foundations.

Relational public services

Once this shift has taken place, the report argues that there can be reform of public services so that they better meet the needs of citizens. These will be more locally based, in tune with people's lives and needs. They will be ***relational public services***.

Relational public services will lead to greater prevention through considering people holistically, looking at how they have got to where they are, the relationships and networks around them and treating them as a citizen whose view is to be respected, rather than tolerated. They will be more tailored in their approach, building in greater time for co- production.

Over time, resources will need to shift towards these relational public services that seek to tackle preventable demand and its root causes. Many public health measures would fall under this bracket - smoking cessation, weight loss services, earlier intervention for mental health services and in-work employment support to help people navigate their careers without falling into worklessness.

To be effective, these need to be delivered by trusted local institutions, particularly those in the hardest to reach places which have the lowest levels of trust in the state. Relational public services will work with communities and citizens to get ahead of these challenges.

Design principles

The report concludes by saying that mistake of the past decade has been to overlook the connection between strong public services, strong communities and a strong economy. It identifies five main principles for going forward:

- **Valuing relationships**: Stronger relationships, within families, within communities and across society are at the centre of delivering a better future. We cannot deliver more effective services, improve lives, generate better outcomes and save money through disparaging the importance of relationships.
- **True devolution to neighbourhoods:** The revolution Demos is calling for has to be local, based in neighbourhoods, where people's lives are made. You cannot deliver a preventative state from a spreadsheet in Whitehall. We need to localise power with a truer form of devolution
  to neighbourhoods.
- **Silo-busting:** A siloed system is not human centred and won't be efficient. Relational public services require place-based and place-led organisation of the public sector.
- **New universal approach to services:** The report says that universalism is an enabler to relational public services. This is a 'public goods' approach to public services, recognising their value as essential parts of our social and communal life, rather than viewing them purely as instruments of public policy.
- **Follow the money:** The report recognises that delivering a preventative state is going to take bold new thinking about funding. In the current risk-averse spending climate, we have created a system that favours existing costs – even if they are ballooning out of control – over investment in trying something different to prevent the costs being incurred in the longterm. This will take bold investment.

e) **Unlocking the NHS's social and economic potential, the NHS Confederation, December 2022**

This report published in December 2022 is the first published resource for ICS leaders on this core purpose of an ICS and builds on significant cross-sector leadership engagement. It sets out in detail what social and economic development is, why it matters to the NHS and vice versa, how ICSs might deliver against this purpose for the benefit of its populations and where next this form of broad, strategic partnership working might lead system thinking.

Widespread support: The report found that there is widespread support for this new ICS purpose, from those leading systems, from the existing NHS leadership, and from both new and traditional partners. Going further, understanding how and where the NHS can support social and economic development was itself thought of as a key test of how the new structures will work more broadly and whether this time, 'things really will be different'. This is an important reminder of the persuasive power of this purpose and the central role it should play in wider integrated care strategic planning.

Impact: The current context in which ICSs are beginning to shape their approach to this purpose matters. The report says that an engaged ICS can not only broaden its own traditional prevention and population health planning to include new partners, such as the private sector and external resources, they can themselves chip away at the growing inequalities communities are facing and influence the future direction of local social and economic development – moulding an economy and place that supports health in everything it does.

A system approach: The NHS Confederation has led the public discourse on understanding the links between the health sector and the economy for several years, articulating the value of the NHS as an anchor in both national policy and local practice. It believes that this core ICS purpose reflects the next phase of the anchor journey – moving from an institutional view of what one can do, to a system view of what we can change.

Model framing tool: At the heart of this report is a model framing tool, which can help guide ICS leaders through a process of understanding their social and economic value, reframing the questions they should be asking as they develop IC strategies, highlighting the partners, policies and funding programmes that can help realise their collective ambitions, and measuring the impact made.

ICS Maturity framework: The report recognises there will be tensions between the short-term operational pressures leaders face and the long-term nature of social and economic development. A maturity framework that complements this report, aims to support systems to gauge their progress and also design and agree delivery milestones in the coming years across a range of suggested example areas.

Opportunities: The external landscape in which an ICS is making decisions is rapidly changing, with significant social and economic churn. This report looks at the wider implications and opportunities that may arise as ICSs become more engaged in this purpose. In particular, there will be clear overlaps with areas developing new and existing devolution deals, as outlined in the Levelling Up White Paper.

NHSE support: The report says that with the right support, leadership and collaboration, ICSs can make significant progress in delivering against their purpose of supporting social and economic development. The role of NHS England is particularly important in developing ongoing packages of practical support, permissive frameworks for systems on policy and delivery, ensuring leadership programmes reflect the system-nature of this work and engaging across government.

Joint planning: Recognising the innovative and unique nature of this purpose offers opportunities for NHS England to evolve its future relationship with systems. In, for example, setting a collective expectation for the 42 ICSs to work together across thematic or geographic areas to come up with a joint plan on how they will fulfil this purpose, NHS England would be making ICSs accountable for both their progress and collaboration.

Please note this report built on one from the NHS Confederation in October 2022: **The link between investing in health and economic growth.** This included an analysis by Carnall Farrar which finds that growth in healthcare investment has a clear relationship with economic growth. This analysis brought together, for the first time, longitudinal data from multiple sources linked at the local level across all of England. This analysis shows that for each £1 spent per head on the NHS, there is a corresponding return on investment of £4 – showing an economic benefit to investing in our national health service.

The main argument that health investment leads to economic growth is that increasing spending on the NHS results in a healthier population with higher levels of workforce participation, based on three findings:

- Long term illness is linked to employment, median income and economic output (GVA) per person
- Worryingly, long term sickness levels have risen steadily in the UK and have not returned to pre-covid levels, resulting in a cumulative total of 2.46 million working-aged adults off work due to long-term illness
- Investing in the NHS has potential to support the population to improve health. The most direct link we have observed is that investing in primary care workforce shows links to reduced A&E attendances and non-elective admissions, both of which are signals of ill health and in turn influence workforce participation

In addition, the NHS itself has a powerful role as an employer. Half of NHS spending is on workforce and the NHS is the largest employer in England. The role of the NHS as an employer is especially important in more deprived areas. This means that spending on the NHS should be regarded as an investment not a cost. Improving population health can drive higher levels of economic growth across the country.

f) **The Work Health Index by the CBI**

A CBI analysis in November 2022 highlighted out that UK economic inactivity is at a 20-year high and that ill-health accounts for nearly a third of it. It is currently asking the government to support firms to reverse this trend – see Improve workforce health, boost productivity, help our NHS. In its report a Work Health Index the CBI make the following points:

From larger businesses to SMEs, firms across the country have a role to play in creating a healthier, more productive workforce, through the prioritisation of employee health. Working days lost to ill-health cost the UK economy £300bn a year. Business playing a greater role in supporting workforce health can reduce this by 10-20%, saving £60bn per year. But that's not all. Prioritising employee health also supports recruitment, job satisfaction and retention - all key to establishing a competitive advantage.

When it comes to health of your workforce, the CBI says it's hard to argue with the numbers:

- Businesses that invest in the health and wellbeing of their staff are more likely to experience decrease in sick days, increased retention and productivity gains.
- HSE has reported that since 2019 there has been a 40% increase in working days lost due to poor ill-health due to work-related stress.
- Mental health alone costs UK employers up to £45bn each year. Mental and musculoskeletal health are the biggest health issues and cost faced by employers.
- Health interventions taken by business can account for 10-20% reduction in the workforce disease burden by 2030, generating £60bn for the UK economy.

It concludes with advice and suggestions regarding what businesses can do. This includes accessing the CBI's practical tools with recommendations for organisations across the Work Health Index's four chapters, including actions to take, case studies from other businesses, and readily available support.

g) **The economic case for investing in the prevention of mental health conditions, Mental Health Foundation and the Care Policy & Evaluation Centre, Department of Health Policy, LSE**

Key Facts:

- 1 in 6.8 people experience mental health problems in the workplace (14.7%).
- Women in full-time employment are nearly twice as likely to have a common mental health problem as full-time employed men (19.8% vs 10.9%)
- Evidence suggests that 12.7% of all sickness absence days in the UK can be attributed to mental health conditions
- The annual costs of mental health conditions in the UK are almost £118 billion - £125 billion if include impacts associated with self-harm and suicide - with the majority of costs falling outside the health care sector, most notably through lost employment and informal care costs
- Better mental health support in the workplace can save UK businesses up to £8 billion annually.

Introducing a workplace intervention in the form of an employee screening and care management for those living with (or at risk of) depression was estimated to cost £30.90 per employee for assessment and a further £240.00 for the use of CBT to manage the problem in 2009. According to an economic model, in a company of 500 employees where two-thirds are offered and accept the treatment, an investment of £20,676 will result in a net profit of approximately £83,278 over two years.

Promoting wellbeing at work through personalised information and advice, a risk-assessment questionnaire, seminars, workshops, and web-based materials will cost approximately £80 per employee per year. For a company with 500 employees, where all employees undergo the intervention, it is estimated that an initial investment of £40,000 will result in a net return of £347,722 in savings, mainly due to reduced presenteeism (lost productivity that occurs due to an employee working while ill) and absenteeism (missing work due to ill health).

The detailed and comprehensive report makes a number of key arguments:

- **Investing in mental health is highly cost-effective**: There are substantial costs associated with mental health conditions, most of which do not fall on health care systems. Investment in preventing mental health conditions therefore has the potential to be highly cost-effective; the challenge is to facilitate more investment in prevention across the UK, within and beyond public health and health care systems. These arguments for investing in measures to protect and support mental health may take on even more significance at a time when there may be long term effects of the COVID pandemic, with implications for the public policy response on population mental health.

- **Monitoring investment and impact:** It is important not only to continue to develop national and local level mental health strategies that take a cross-departmental, integrated approach to preventing mental health problems and promoting good mental health, but also to monitor how well these strategies are being translated into actions on the ground, with measurable impact. There is therefore a need to better map out the current level of investment in mental health prevention across the UK, at both national and local levels.

- **A strong evidence-base:** Although the evidence base on cost-effectiveness of preventive actions is growing, UK and devolved administrations should support research to increase knowledge about cost-effective interventions. Specific knowledge gaps that can be explored include the impacts of structural interventions such as action on child poverty, as well as measures to reduce inequalities in access and uptake of cost-effective prevention initiatives. Where there is evidence of cost-effective actions it is also important to look at the economic case for combinations of interventions rather than just interventions in isolation. It should also look at a graduated or 'stepped care' approach to prevention combining one or more interventions as necessary.

- **Fill the knowledge gaps:** There is scope for further work to address some gaps in existing knowledge, for example addressing the risk of problematic gambling, protecting the mental health of carers, and gaps in knowledge of interventions at different times in the life course, such as the transition from adolescence to adulthood. UK and devolved administrations could also support more research that looks at the long-term costs and benefits of prevention and not just short-term impacts; one way of doing this would be through more use of existing longitudinal datasets as well as registry data across the four nations, including data on physical health conditions known to increase the risk of poor mental health.

Specific recommendations are made in the report to help facilitate an increased focus on actions to prevent the onset of mental health conditions, recognising that the organisation and funding of public health varies considerably between the four jurisdictions of the UK:

Increased investment: The evidence is clear that it is the places and circumstances in which people are born, grow, study, live and work that have a powerful influence on their mental health. As part of their public health and mental health strategies UK and devolved governments should increase investment in evidenced interventions for public health and prevention of health problems, including the prevention of mental health problems.

A public health lens: Governments and the health service should use a public health lens to identify this increased funding for prevention, recognising that it can alleviate pressures on secondary-care services. Improved and sustained investment in public health should match the rate of budget increase of the NHS, with a proportion earmarked for public mental health.

National reporting: There should be national reporting not only on levels of funding allocated to public health and prevention within and beyond the NHS and local government, but also on how funding is spent, so that the level of funding allocated locally to public mental health is more transparent and can be better estimated.

Cross-departmental action: Funding and action in many areas of government not formally termed either 'public health' or 'mental health', such as economic and benefits policies, can have some of the greatest impacts on mental health. Development of national and local mental health strategies should take a cross-departmental approach that incorporates action beyond health and public health systems that can prevent mental health problems and promote good mental health, recognising the benefits of improved preventive work in mental health for other life outcomes.

Mapping mental health interventions: It is important to better understand the extent to which prevention actions are being delivered across the UK. As part of their mental health strategies, UK and devolved governments should carry out a mapping exercise to identify the extent, levels of funding and geographical availability of effective mental health prevention interventions, delivered across the UK. In England, for example, there may be ways to capture more information on resources invested in prevention in the mental health dashboard and through progress made by signatories to the Prevention Concordat for Better Mental Health.

Increasing access to services: Each devolved government should build on existing prevention initiatives to plan how they can help to scale up access to cost-effective interventions to prevent mental ill-health through local government (including social care), the NHS, the Voluntary, Community and Social Enterprise Sectors and other potential funders. This could build on cross-sectoral plans that have been developed for mental health recovery during and after the pandemic, such as Scotland's Transition and Recovery Plan and the Community Mental Health and Wellbeing Fund, the new mental health strategy that succeeds Together for Mental Health in Wales, and experience from existing initiatives in England to develop prevention work at the local level, such as through the Prevention Concordat for Better Mental Health and the Better Mental Health Prevention and the Promotion Fund.

Mental health recovery plans: National mental health COVID recovery plans should include sustained implementation of cost-effective interventions to prevent mental health problems, recognising that the mental health impacts of the pandemic are extensive, and will persist for many years to come.

Research: UK and devolved governments should support research to increase knowledge about cost-effective interventions and fill specific knowledge gaps including the impacts of structural interventions such as action on child poverty; measures to reduce inequalities in access to and uptake of cost-effective prevention initiatives; the cost-effectiveness of multiple versus individual interventions and a 'stepped care' approach to prevention.

h) **The value of social care in England Skills for Care Report:**

This October 2021 report describes that the value of social care to the economy and more widely:

Economic value

- The Gross Value Added (GVA)[1] of adult social care was £25.6 billion in 2020/21. This is 1.6% of total England GVA. It is a bigger sector than electricity and power, water and waste management and twice as big as agriculture.
- Adding in the indirect and induced 'multiplier effects' to adult social care GVA means that it generates £50.3 billion of economic activity.
- Adult social care is an important sector across the whole country, but is a relatively bigger share of regional GVA in the North and Midlands. It is a very large employer everywhere, accounting for 5% of all jobs.
- Sustained investment in adult social care would benefit the North in particular, and act as an automatic stabiliser to the business cycle.
- Market failures hold back demand and under value and under provide quality. We have estimated a shortfall in investment of £6.1 billion from these market failures.

The wellbeing created by adult social care

- The improvements to Social Care Related Quality of Life (SCRQoL) attributable to adult social care average 43% on a scale where 1 is the best possible state of wellbeing and 0 is the worst possible state.
- Assigning two values for a SCRQoL taken from the health based equivalent Quality Adjusted Life Year (QALY) measure, of £25,000 and £60,000, the total wellbeing benefit has a 'value' of £9.2 billion and £23.3 billion respectively.

Additional benefits

- In addition to the economic value arising from GVA and improvement in wellbeing, we have estimated additional benefits of £7.9 billion from increased employment opportunities to carers and working age adults, plus wellbeing benefits to carers and family members and some savings to the NHS.

The adult social care labour market

- The market failures in adult social care manifest themselves most strongly in the adult social care labour market, where vacancies of front line staff have been 7% for the last five years.
- There is strong evidence emerging that the level of vacancies is reducing capacity to take on new commissions from local authorities, with growing numbers of providers handing back contracts.
- Investment in higher pay, more training for staff and a career and progression structure that rewards the most skilled workers is now essential.
- Provider level analysis and local authority level analysis suggested a more skilled and more highly-trained workforce will deliver higher quality care.

The benefits of additional investment

- It is estimated that a £6.1 billion additional investment in adult social care would address the current structural imbalances caused by the market failure and also provide full economic benefits of £10.7 billion - a return on investment of 175%.

i) **The value of investing in social care The Health Foundation**

This October 2021 report analysed to benefits of investing in social care and arrived at the following conclusions and recommendations:

- Improving access to publicly funded social care through investment and additional reform would help prevent more frail older people from deteriorating and help them maintain their independence. It would also support more disabled people to improve their wellbeing and live the lives they want to lead.

- A well-funded and effective care market could address these failings and could strengthen communities by creating more jobs in care and related sectors. Increased spending and reform to the way local authorities commission care would make social care more financially sustainable. The government's recent proposals to encourage councils to pay fair fees and to enable self-funders to access council rates has the potential to balance costs more evenly between local authorities and self-funders. But they must be fully funded and carefully implemented to ensure the care market is not destabilised.

- Funding and reform to improve salaries, employment conditions, and training and progression opportunities would help attract and retain more social care staff with the skills and confidence to provide good care.

- Increased investment could help local authorities support more unpaid carers, enabling them to live healthy, rewarding lives, to balance caring with other responsibilities and to access much-needed breaks.

- The high quality of many social care services despite current funding pressures demonstrates that, given the right resources, the sector is well placed to address the variability in quality and provide better care for people.

- More investment in staffing and resources is needed to spread innovation and ensure people who use services benefit from more personalised approaches to care.

- Social care must be properly funded to enable efforts to join up health and care services, including through the current legislation on integrated care systems (ICSs). It is essential that social care representatives are equal partners in ICSs, working alongside other local services. There is also potential to strengthen the relationship between social care and housing services, with scope for much wider usage of extra care housing (or 'retirement communities').

III. Some Key Questions

- What are the top five actions ICSs – ICBs and ICPs - could take to deliver *at place* on their wider role in social and economic development? What specific skillsets are required?

- What should NHSE and the Government do to support ICSs to understand and deliver their wider role in social and economic development *at place*?

- What are the top five actions an ICS could take to maximise its own economic footprint in order to deliver health benefits *at place* for its local population?

- What should NHSE and the Government do to support ICSs to maximise their own economic footprint in order to deliver health benefits *at place* for its local population?

- What is the role of the private sector in delivering healthier communities and how can ICSs work with them to do so?

- What should be the role of Mayoral Combined Authorities in delivering on this agenda and how should ICSs work with them?

- Given current pressures on NHS & social care, what will help ICSs to give priority to their 4th main purpose of ensuring the NHS contributes to broader social & economic development?

- Given the overwhelming evidence of the mutual relationship between health and wealth, who still needs to be convinced of the case for change and how will we persuade them?

The partners of the Health Devolution Commission are NHS Confederation, Local Government Association, London Councils, British Association for Counselling and Psychotherapy, Greater Manchester Health & Social Care Partnership, West Yorkshire Health and Care Partnership, Mencap and Barnardo's.