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# Cordis Briefing

## November 2014

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# Today's Briefing

- Election Update
- Health and social care
- Low Wages

## BREAK

- Safeguarding and DoLS
- Social Care Budgets

# The Barker Review and NHS 5YFV





# Proposals on the future of health and social care in England

Barker Review	NHS 5 Year Forward View
Main recommendation is <b>integration of health and social care</b> with a single ring-fenced budget	Main recommendation is a <b>radical upgrade in prevention and public health</b> , including greater powers for councils
<b>Care for people with 'critical' needs to be free</b> immediately, followed by 'substantial' and 'moderate' as economy grows	<b>Greater integration</b> between primary and secondary care, physical and mental health and health and social care, with <b>more care delivered locally</b>
Projected additional costs of <b>£3bn - £8bn</b> per year	Projected <b>additional funding requirement</b> of £30bn p.a., with £22 bn to be funded through efficiency savings + <b>£8bn extra</b>
Proposals on <b>how the new system might be funded</b>	Proposals on <b>new models of care delivery</b>
<b>Cash payments</b> for people with lower levels of need; <b>personal budgets</b> for those with more complex needs	<b>Personal budgets</b> controlled by patients, including <b>shared budgets for health and social care</b>

# Barker Review recommendations on funding

- Improved productivity through having a single commissioner and personal budgets
- Diverting some existing expenditure – for example Winter Fuel Payments – into health and social care
- Tax increases, particularly changes to National Insurance (an additional 1% NI for those aged 40-65 is suggested)
- Raising more funds from existing NHS charges, e.g. increasing prescription charges
- Reducing the number of people exempt from paying charges
- Means testing free TV licences for over 75s and Winter Fuel Payments
- Review wealth and property taxation

# 5YFV proposals on new models of care delivery

*Our approach will be to identify the characteristics of similar health communities across England, and then jointly work with them to consider which of the new options signalled by this Forward View constitute viable ways forward for their local health and care services over the next five years and beyond.*

- Expand and strengthen primary and ‘out of hospital’ care
- Primary and acute care systems
- Urgent and emergency care networks
- Viable smaller hospitals
- Specialised care – e.g. consolidating stroke centres
- Enhanced health in care homes – new models of in-reach support
- Multi-speciality community providers



# Multispeciality Community Providers

- Focal point for a far wider range of care for registered patients
- Could employ consultants, senior nurses, consultant physicians, geriatricians, paediatricians and psychiatrists to work alongside community staff
- Would ensure the majority of outpatient consultations and ambulatory care happened out of hospital settings
- Could take over the running of local community hospitals
- GPs and specialists in the group could directly admit their patients into acute hospitals
- They could in time take on delegated responsibility for managing the health service budget for their registered patients
- Where funding is pooled with local authorities, a combined health and social care budget could be delegated to MCPs
- Could lead on self-management and changing health behaviours

# 5YFV proposals for mental health

*Over the next five years the NHS must drive towards an equal response to mental and physical health, and towards the two being treated together.*

- Continuing to increase the number of people benefiting from the Improving Access to Psychological Therapies Programme
- Waiting time standards for mental health from 2015
- Investment in new beds for young people with the most intensive needs (already under way)
- More money for better case management and early intervention
- Expand access standards to cover a comprehensive range of mental health services, including children's services, eating disorders, and those with bipolar conditions
- Call for further investment to enable these plans to happen

# Observations

- The case for additional funding is clear, but will there be the political will to provide it?
- Many of the recommendations are not new. Integration and greater emphasis on prevention have been championed for a long time, but progress has been slow.
- Where is the 5 Year Forward View for Social Care?
- The NHS 5 year strategy is silent on the role of independent providers and the extent to which competition will be allowed or encouraged, or even required (impact of TTIP?)
- 5YFV makes only passing reference to the Better Care Fund
- The emphasis of both reports on personal budgets points to a future in which people increasingly choose and buy their own services, or organisations support them to do so.



**Low Pay**

## Our research

- We wanted to understand the extent to which compliance with the living wage is likely to give providers a competitive edge.
- We asked local authorities to tell us about their commitment to the principles of living wage.
- 109 replied
- Living wage: £7.65 or £8.80 in London (now revised to £7.85 and £9.15)
- National Minimum Wage: £6.50

# Quick Quiz!

Question	Yes	No	It's complicated
Has your council committed to being a living wage employer?			
Does your council require social care sub-contractors to be living wage employers?			
Over the last 12 months, have your tendering processes favoured organisations which are living wage employers?			

Pay the living wage, but don't want to commit themselves for the future by "signing up"

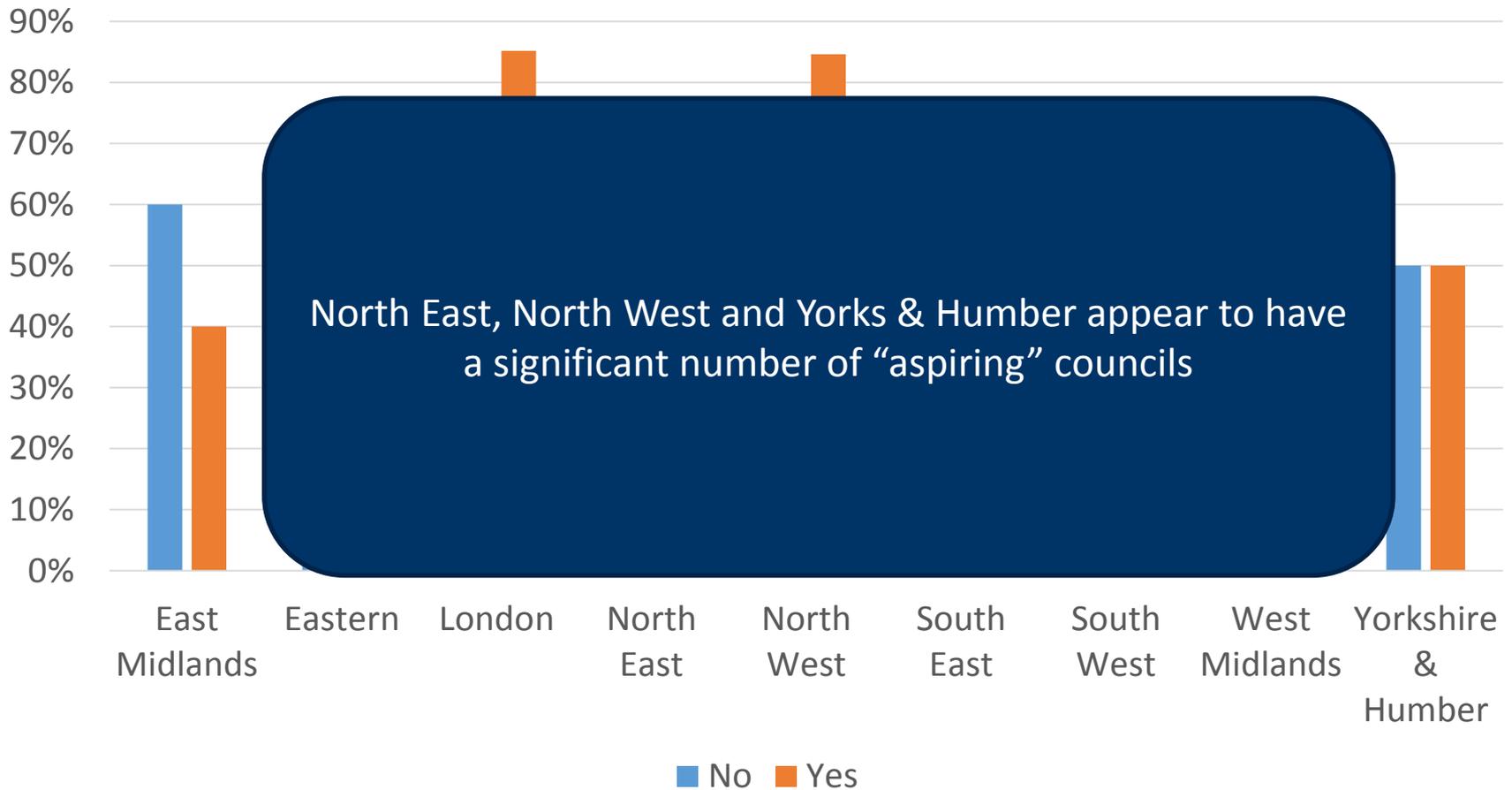
# Confirmed as a living wage council



# Aspiring to be a living wage council

- Some councils have not committed to the living wage, but are committed to reducing low pay.
- They have made commitments to better the NMW, and / or move towards living wage in the near future.

# Aspiring to be a living wage council





# Required to be a living wage employer

- 7.4% of councils require subcontractors to be living wage employers.
- They are:
  - Birmingham
  - City of London
  - Croydon
  - Ealing
  - Lewisham
  - N E Lincolnshire
  - Plymouth
  - Slough

# Favouring living wage in tendering processes

- Being a living wage employer will only you gain you extra points with 3% of councils.
- Some (5%) of councils will stipulate that you need to be a living wage employer at the contract stage.
- Two respondents fudged the issue by referring to the points awarded for social value.
- However, even taking all these elements together, there are very few councils which will favour providers which offer living wage.

## Here they are:

- Favours Living Wage in the tendering process:
  - Lambeth
  - Oldham
  - Sandwell
  
- Stipulating at contract stage that living wage must be paid:
  - Enfield
  - Plymouth
  - Tower Hamlets
  - Brent
  - Croydon

# Conclusions

- Councils are focused on the living wage, especially in London.
- There is a recognition that it's a “good thing” and there is an aspiration to achieve living wage status.
- However, the position for providers is complex.
- In some key authorities, being a living wage employer will help you stand out.
- However, at present, there is limited commercial advantage to being a living wage employer in the rest of the country.
- In theory (JRF research) living wage is only a moderately effective tool in the fight against poverty.



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