HEALTH COMMITTEE PRE-BUDGET SCRUTINY: IPPR SCOTLAND FOLLOW UP NOTE

1. WORKFORCE

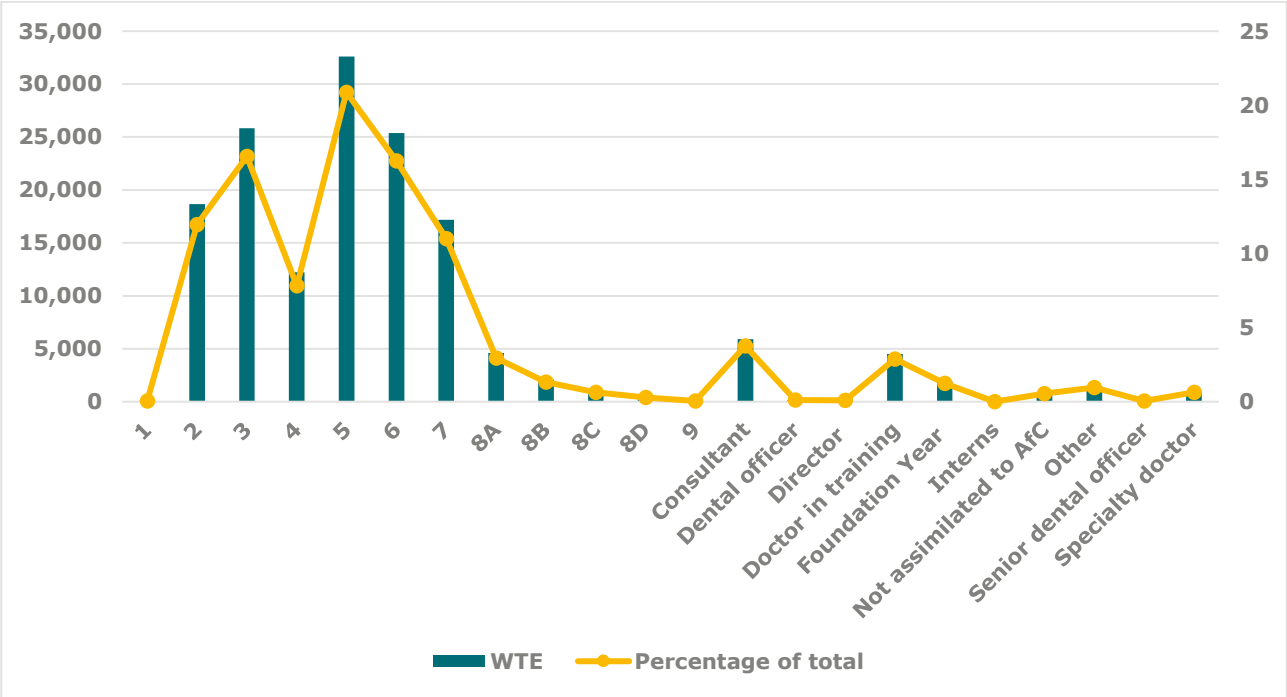
Staffing numbers

- Between 2019 and 2023 (using the June census point, the most recent data available) the overall NHS Scotland workforce grew by 11.3% - from 140,327.05 to 156,215.93 whole-time equivalent (WTE).
- Within this overall increase, 'administrative services' staffing increased by 16.08%, from 25,448.03 to 29,540.82 – the latter figure equating to 18.9% of the overall workforce as of the June 2023 census point.
- However, of this administrative services total, there was a decrease in non-Agenda for Change 'management grades' of 9.3% (from 556.40 to 504.80).
- In comparison, over the period 2019 to 2022 (the most recently available data), General Practice WTE fell by 3% (from 3,613 to 3,493.90).

Staff operating costs

- Staff costs in the hospital sector were £5.7 billion in 2021-22 (the latest year of official data), representing 68.4% of all hospital running costs.
- Of this, medical, nursing, and AHP/other direct care staff costs accounts for 80%. Admin staff costs account for 11%.
- Similarly, staff costs in the community sector constitute the largest expenditure at £1.9 billion in 2021/22, representing 54.1% of all operating costs in this sector.
- Of this, 77% is accounted for through medical, nursing, and AHP/other direct care staff costs, and admin staff costs 16%.
- It is not possible to disaggregate staff costs further based on official data – however, it may be possible to derive a rough estimate of spend on administrative/management using overall staff costs and numbers.
- The figure below does, however, show the total WTE within each pay band/grade (bar chart, left hand axis) and the percentage of the total workforce this represents (line graph, right hand axis) – showing that just under three quarters of staff sit within bands 2 to 6.

info@ippr.org
www.ippr.org/scotland
@IPPRScotland



2. PREVENTATIVE CARE

Better integrating care and ensuring holistic services

- Effective integrated care requires bodies to work together to provide holistic, personalised care with a central focus on the service user's experience and outcomes.
- Improving the Cancer Journey – a Macmillan supported scheme in Glasgow (and some other parts of the UK) – is a best practice approach to a multi-agency, navigation led approach to care, identifying that cancer doesn't just affect physical health, but rather all aspects of people's lives: from emotions to finances.
- People using the service received a visit from a link worker to talk about all their needs, health or otherwise. Working from a care plan, the link worker then helps each individual access services, activities, local businesses, and charities that are right for them.
- The pilot has had significant success – with most users coming from the most deprived parts of the city, and people's overall self-reported need reducing significantly.

Better, real-time, transparent data

The progressive policy think tank

+44 (0)131 281 0886
info@ippr.org
www.ippr.org /scotland
@ippr

IPPR Scotland
Hayweight House, 23 Lauriston St, Edinburgh EH3 9DQ

- Without access to good quality and timely data and information it is not possible to effectively track system performance, particularly on healthcare outcomes and how health services are doing in addressing health inequalities.
- While a different context, the pandemic has clearly shown us the importance of having accurate and up to date real time healthcare data – enabling identification of how the virus was spreading and risks to particularly vulnerable populations; proactively increasing health and care resources in emerging hot spots; and, diverting patients and service users to the facilities that are best able to care for them based on demand, resources, and staffing capacity, among other areas.
- Such a use of data should not be confined to national emergencies and could yield similar benefits for health inequalities.

Prevention in the age of information

- Health education has long been an essential component of action to promote health and prevent disease; however, it has changed markedly in terms of scope and ambition leading to the advent of new approaches.
- **Health literacy** incorporates all of the required competencies of people to meet the complex demands of health in modern society. The key features of this approach – including information appraisal, understanding the social determinants of health and collective action – have been shown to potentially support improved health outcomes.
- However, while knowledge and skills are crucial, there remains a question of whether this is enough to push people into making serious lifestyle changes which has given rise to the concept of **patient activation** – focussing not just on the ability of people to understand health information but their willingness and confidence to act on that information.
- It also recognises the role of empowerment: of giving people the tools to communicate what they need and want, in terms of their health rather than the more paternalistic concept of 'promotion', and has been found to be the best predictor of healthy behaviour over a wider range of outcomes.

Unlocking personalised prevention through long-term relationships between GPs and patients

- Continuity of care – trusted, long-term relationships with primary care professionals – are recognised as a precondition for effective, personalised prevention and can help make services more preventative.
- The evidence behind continuity unlocking better outcomes is strong, including association with demonstrably lower mortality rates.

+44 (0)131 281 0886
info@ippr.org
www.ippr.org /scotland
@ippr

IPPR Scotland
Hayweight House, 23 Lauriston St, Edinburgh EH3 9DQ

- A consistent GP is also better able to assess clinical risks and prevent acute hospital admissions. Furthermore, continuity of care can help patients manage their conditions more independently.
- Older patients, those with multiple comorbidities or mental health difficulties, and patients receiving terminal care derive particular benefit.

Tackling health inequalities at their root

- Health inequalities are ultimately born out of social inequalities and ultimately require a social policy response. Previous IPPR Scotland research found that investment in the wider social safety net can have positive outcomes for many households and play a leading role in tackling poverty.
- Well managed public provision of essential services doesn't add real costs in Scotland but shifts how the cost of basic needs are covered – and could deliver even greater outcomes with increased scale and investment.
- Our findings included:
  - (i) social housing tenants draw at least £250 million less per year in benefits than they would renting privately and are still better off, while more than 50,000 people are kept out of poverty by the low housing costs they see through social housing
  - (ii) funded childcare frees up families to boost their earnings, which in turn boost the public finances – 600 free hours lifted over 10,000 adults and children out of poverty, and the expansion to 1,140 hours will have an even bigger impact
  - (iii) (iii) simply ensuring people who we model to be eligible for universal credit, take up all of their entitlement would contribute around £1.9 billion to household budgets.

Focussing on the early years

- Evidence suggests the first 1,000 days from conception is the most crucial for development and that active intervention can improve children's health, development and life chances.
- Supporting parents and families is one of the most effective ways of improving child health and a number of interventions have proven effective.
- Parental support programmes such as Families and Schools Together and the Family Nurse Partnership, which reach out to vulnerable parents and offer sessions on how to manage stress and more actively support healthy behaviours have been found to have a strong impact on improving social skills, reducing anxiety and generating cost efficiencies through improving health and development.

+44 (0)131 281 0886
info@ippr.org
www.ippr.org /scotland
@ippr

IPPR Scotland
Hayweight House, 23 Lauriston St, Edinburgh EH3 9DQ

Shifting to 'empathise and assist' models of support

- Social problems can often give rise to health problems – and so addressing the former can often have a significant impact.
- In that vein, there has been particular attention given to 'social prescribing' in Scotland which allows care professionals to refer patients to community-based services for 'holistic' support that engages them with various activities aimed at meeting social emotional or practical needs.
- Emerging evidence suggests its use can help with personal and mental wellbeing, while also reducing use of hospital resources.
- This is also closely linked with the expansion of Community Link Workers in Scotland – however, the scale and impact of these remains potentially limited, particularly given funding pressures in the areas where they are used most/could have the greatest impact.

3. THE ECONOMIC IMPACT OF A DECLINE IN HEALTH

A failure to take a preventative approach to tackling inequalities - including health – holds back our collective prosperity, adds a significant cost to public services, and limits economic contributions.

- We refer to these aggregate costs – lost output and increased real costs – as 'the cost of poverty' and the scale of harm is significant. Estimating just some of the collective impacts on Scotland's prosperity, previous IPPR Scotland research has found:
- Around £2.3 billion of health boards' budgets is directed at responding to the impacts of poverty, with hundreds of millions more diverted through primary care and addressing health inequalities – particularly high rates of drug and alcohol misuse, and mental ill-health in our most deprived communities.
- People over the age of 30 who had experienced poverty during their childhood had around 25 per cent lower income in 2018-2020.
- At a conservative estimate, the lost income due to historic child poverty in Scotland is between £1.6 and £2.4 billion per year – up to 1.5 per cent of Scottish GDP.

While the relationship between good health and economic prosperity goes beyond the pandemic – with illness a barrier to work for millions before Covid-19 – the pandemic provides a useful case study on the impact worse health can have on the labour market.

+44 (0)131 281 0886
info@ippr.org
www.ippr.org /scotland
@ippr

IPPR Scotland
Hayweight House, 23 Lauriston St, Edinburgh EH3 9DQ

- Previous IPPR research found that, had the UK-wide trend of economic inactivity improvement between 2015 and the end of 2019 continued, an estimated one million less people would be economically inactive.
- Of those, 400,000 were excluded due to health-related factors.
- Unresolved, we estimated this would drag down economic activity by an estimated £8 billion in 2022.
- While this analysis applies across the whole UK, Scotland has a specific health-related inactivity problem: a greater proportion of Scottish inactivity is attributable to health problems than in rUK.

More worrying trends also start to emerge for the future: our analysis shows that, whether employed, unemployed or economically inactive, the odds of having either a health condition, or multiple health conditions, has gone up in every labour market category.

- The biggest decline in health is observed among unemployed people: including a 20% increase in the number with a health condition and a 40% increase in the number of people with multiple health conditions.
- Also significant is the rise of poor health among the employed population. They have experienced a 13% rise in the number with a health condition and a 20% rise in the number with multiple conditions.
- Labour Force Survey data also shows that people who are economically inactive because of their health tend to have complicated health needs. Around three quarters have multiple conditions, and nearly 60 per cent report three or more conditions.
- This is in line with long term trends towards more complex, chronic, and multiple conditions in the last century.

Correcting our failures on population health could help alleviate key economic challenges facing the UK, including low growth, low productivity, labour market losses and wide inequality.

- IPPR modelling (done on a UK-wide basis) estimates that the earnings loss associated with the onset of long-term health conditions at £43 billion in 2021 – or the equivalent of around two per cent of GDP.
- The GDP cost is greater for physical than for mental health conditions (though both are substantial) and comes at a time when the UK is one of only two G7 economies predicted to shrink in 2023.