Greater Manchester
Integrated Care Partnership Board

Date: 28 October 2022

Subject: The NHS Contribution to the GM Response to the Cost-of-Living Crisis

Report of: Sarah Price, Chief Officer for Population Health & Inequalities and Deputy Chief Executive – NHS Greater Manchester

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SUMMARY OF REPORT:

- The cost-of-living crisis has the potential to exacerbate existing poverty in Greater Manchester and to adversely impact upon health outcomes, health inequalities and health and care services, particularly if the impact is sustained, inflation persists, and real term income reduces.

- The cost-of-living crisis will have a direct and indirect impact upon the health and care sector through multiple channels (consumption patterns / healthcare staff / affordability / public service sustainability / provider stability / policy interactions.

- The economy and health go hand in hand, as evidenced by the recent refresh of the GM Independent Prosperity Review, which found that "*tackling health inequalities is fundamental to achieving growth*". The likely differential health and wellbeing impacts of the cost-of-living crisis will adversely impact upon productivity, prosperity and growth.

- Whilst the underlying causes are complex and largely beyond the control of the health and care system, there are opportunities for the health and care system, as part of a coordinated whole system response, to take significant steps to mitigate the potential level of harm.

- This paper sets out the context to the issue, the system-level actions which are already taking place, and a series of proposed additional actions.

- This paper is also intended to serve as a catalyst for generating additional ideas of how the health and care system can mitigate harm, protect the health of GM residents, and maintain the financial and operational sustainability of our health and care services.

- This report does not consider the full range of long-term actions in relation to tackling poverty as a cause of ill health in Greater Manchester.

RECOMMENDATIONS:

The Greater Manchester Integrated Care Partnership Board is asked to:

- Note the content of this report and discuss the implications of the content for health and care in Greater Manchester.
- Agree the proposed actions set out in 5.4 and 5.5.
- Identify other opportunity for action to mitigate the impact of the cost-of-living crisis on health outcomes and health and care services in GM.

CONTACT OFFICERS:

Paul Lynch – Deputy Director: Strategy and Innovation, NHS GM, paul.lynch@nhs.net
Jane Pilkington – Director of Population Heath, NHS GM, jane.pilkington1@nhs.net
David Boulger - Head of Population Health, NHS GM, david.boulger@nhs.net

1. INTRODUCTION

1.1 This paper updates the GM Integrated Care Partnership Board on actions underway within GM to respond to the cost-of-living crisis, mitigate the adverse impact on the health of local citizens and minimise the impact on health and care services.

1.2 It recognises that a range of actions are already underway across localities and sectors including local government, NHS providers, the Voluntary, Community and Social Enterprise (VCSE) sector and in the GM Combined Authority.

1.3 The paper makes a series of additional recommendations where further action could be taken in the short and medium term.

1.4 This paper has been produced in collaboration with clinicians from within the GM system, colleagues from NHS GM (particularly those working within the medical directorate and strategic clinical network), and colleagues from within the wider GM system including localities and GMCA.

2. THE COST-OF-LIVING CRISIS AND IT'S IMPACT

2.1 What do we know about Poverty in Greater Manchester?

- Greater Manchester is a disproportionately deprived area within England and poverty is not a new challenge. The reasons for this are structural, and longstanding across multiple generations.

- According to the Indices of Multiple Deprivation (IMD), a quarter of GM residents (c.700,000 people) live in neighbourhoods that are amongst the 10% most deprived in England.

- According to the GM Poverty Monitor, GM Poverty Action estimate that at least 620,000 people are already living in relative poverty in GM and that almost 150,000 of these are children.

2.2 What do we know about the impact of poverty in health?

- Poverty is widely accepted as the single biggest driver of ill health and the relationship is bi-directional: Poverty causes ill health and ill health causes poverty.

- The impact of poverty on health is significant and wide-ranging and some illustrative examples include:

    - Chronic pain, heart and lung disease, alcohol problems, anxiety and depression, and diabetes are all 50% more prevalent in the most deprived 10% of neighbourhoods (within which 25% of GM residents live) than in the 10% least deprived neighbourhoods.

    - People between 45 and 64 who earn below-average income are twice as likely to have

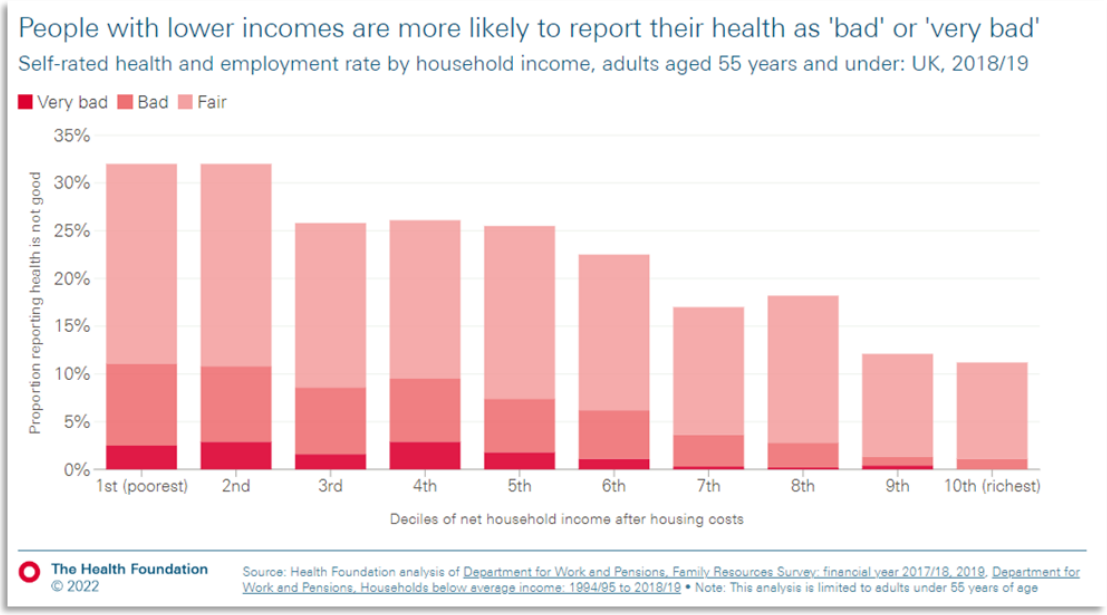
a work-limiting disability.

- Children living in low-income households are more than three times as likely to have a mental health condition than those in high-income households.

- Recent research by the Health Foundation has indicated that ill health is the primary reason for economic inactivity in the UK.

- According to the Joseph Rowntree Foundation, the Public Service costs linked to dealing with poverty and its consequences are around £78billion a year in the UK.

- According to DWP data, analysed by the Health Foundation, people with lower incomes are more likely to report their health as being “bad” or “very bad”.



- An average 60-year-old in the most deprived tenth of the country (within which 25% of GM residents live) is about as unhealthy as a 76-year-old in the least deprived tenth.

2.3 What is the Cost-of-Living Crisis?

- Annual price inflation (CPI) in the UK is at a 40 year high. This is driven by rising costs, as opposed to demand pressures. This form of inflation places a greater burden on standards of living as it is the result of supply difficulties, not higher incomes.

- The IMF expects UK inflation to be more persistent than elsewhere, partly due to labour market tightness and domestic wage pressures, meaning that the current pressures are unlikely to be a short-term issue.

- On a day-to-day basis this means that the prices of goods and services that are fundamental to good health (such as energy, food, transport / fuel, and housing) are increasing at a level that is significantly higher than any increases in income.

- The impact of this is greatest on those with the lowest income, whose routine expenditure on these core cost areas already represents a greater proportion of their overall income.

2.4 How is the Cost-of-Living crisis impacting upon the residents of Greater Manchester?

- There is currently a lack of quantitative data around the impact of cost-of-living crisis on the residents of Greater Manchester, although the iterative development of a GM Cost of Living dashboard, may address this gap over time.

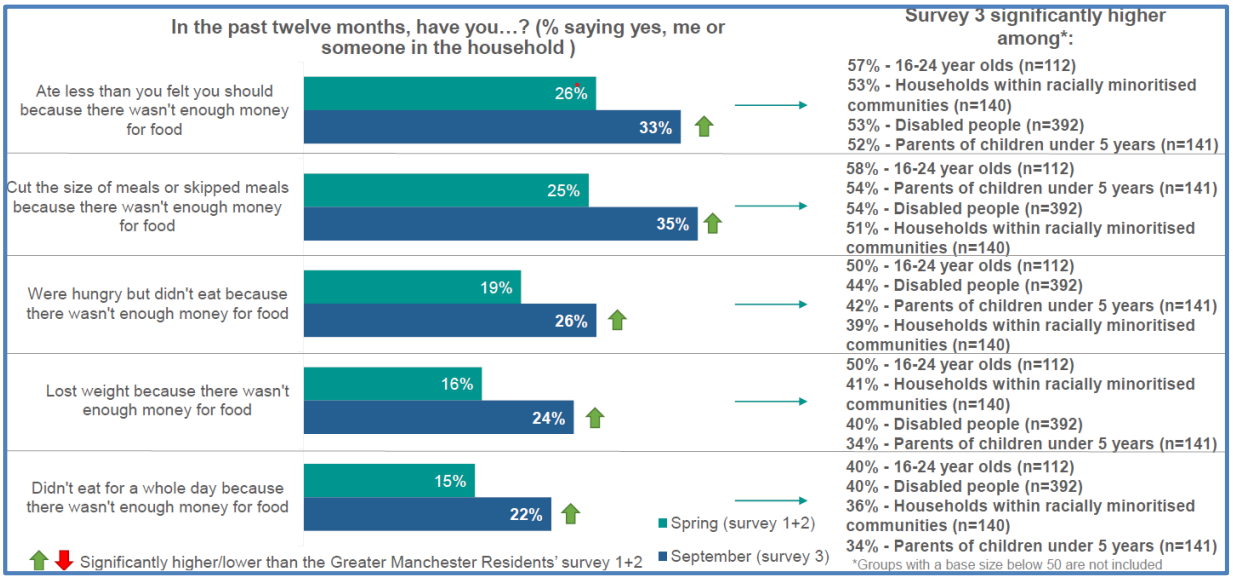
- However, the wide-ranging **GM Residents Survey** has been expanding to include a section on Cost of Living (alongside existing sections on Food Security and Digital Inclusion) which provides a window into the perceptions and lived experiences of residents of GM and offers up 2 headline findings from the fieldwork completed during September 2022:

  (1) There is a perception amongst local people that the situation is getting worse
  (2) The experiences and perceptions of GM residents are often worse than those held nationally.

- Some specific examples from the September survey are as follows:

  - 42% of GM residents were assessed as having low or very low food security compared to 35% in April 2022, with the figure increasing to 56% for households with children.

  - A deterioration of all key measures in relation to eating habits, which was disproportionately felt by 16–24-year-olds, households within racially minoritized communities, people with a disability, and parents of children aged under 5:



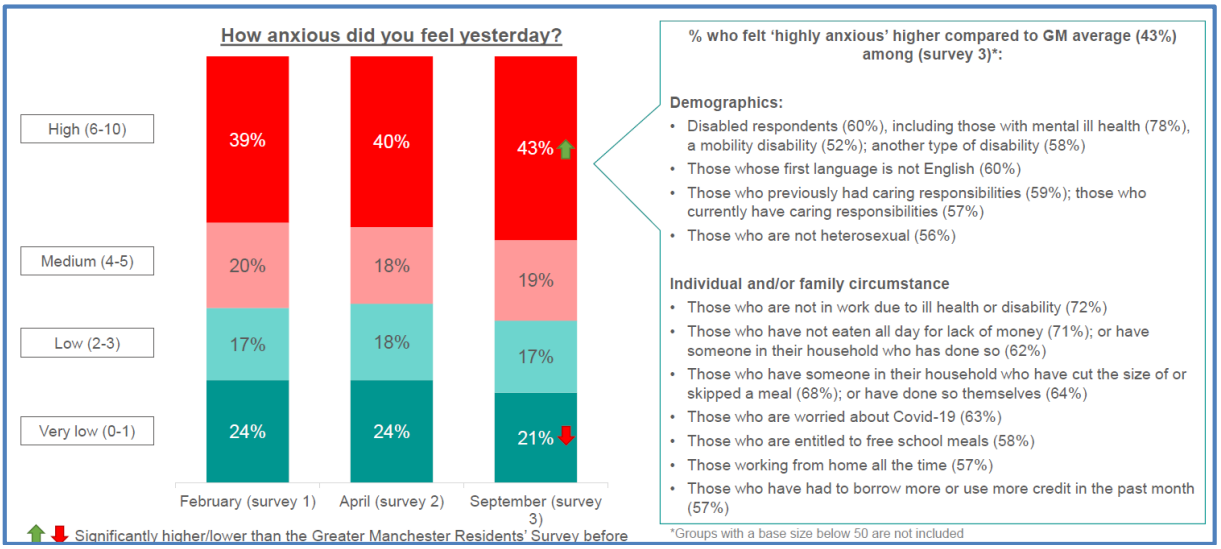
  - 84% of GM residents say their cost of living has increased over the past month and

81% are worried about the rising cost of living, suggesting that the impact is being felt beyond the 'disadvantaged' part of the population. Parents of children under 5 and people with a disability have the highest level of worry (88%)

- 35% of residents say they have had to borrow more money or use more credit than usual in the last month, compared to a national equivalent figure of 35%

- Only 17% of GM residents say that have very high life satisfaction, compared to 19% in April 2022, and 22% in February 2022.

- The cost-of-living crisis appear to be impacting on people's overall mental wellbeing with 43% of residents reporting high levels of anxiety, compared to 40% in April and a national equivalent figure of 36%. This figure increases significantly for some specific groups:



2.5 What are the potential impacts of the Cost-of-Living crisis on the health of citizens and the Health and Care System in GM?

- The potential impacts of the Cost-of-Living crisis on the health of citizens and the Health and Care system in GM are significant and wide-ranging and can be summarised as follows:

a) **Inflationary impact on health and social care** including:

- Increased costs of accessing care and support
- Increased costs associated with providing services, and an increasing risk of the collapse of independent providers
- Impact on the financial wellbeing of staff employed within the health and care workforce
- Increased demand for health and care services driven by preventable ill health that is attributable to factors such as food, heat, and housing.
- Affordability of co-payment services driving increased inequalities of access and

outcomes.

- Increased energy costs for vulnerable people with medical equipment within their home.

b) **Pressure on real incomes poses a risk to public health** including:

- Exacerbating the existing link between poverty and health outcomes.
- Fuel poverty and food poverty driving poor health.
- Impact on Mental Health and Wellbeing
- Increase in adverse childhood experience and childhood trauma because of increased disruption to living environment, poor parental mental health, and the impact of fuel and food poverty.
- Reduction in people accessing healthcare as a consequence of cost pressures – i.e. inability to pay for prescriptions; inability to pay for transport costs to attend appointments.

c) Long term impact on health and inequalities:

- There is a considerable risk that the impact of the cost-of-living crisis, and the exacerbation of pre-existing poverty, will have a long-term impact on health and health inequalities. This will adversely impact on health outcomes in GM, and on the future financial and operational sustainability of health and care services.

- The impact will not be equal and those already in or near poverty are likely to experience a greater impact, as are those who are already in relatively poor health.

3. THE ROLE OF THE NHS IN TACKLING POVERTY

3.1 "*One of the main drivers behind the creation of the NHS was to protect the poorest in society from being bankrupted by the need to pay for care. But the NHS can do more to mitigate, prevent and reduce poverty*." – Kings Fund (2021)

3.2 The role of the health and care system in tackling poverty is higher on the national agenda than it has ever been.

3.3 The NHS Confederation has published a new report (NHS Confederation Safety Net to Springboard Report) quantifying the positive relationship between increasing NHS spending and improved health outcomes, labour productivity and economic activity. The analysis suggests that every pound invested in the NHS gives £4 back to the economy through productivity gains and workforce participation, showing that the NHS both supports economic growth and is a security net for our local communities.

3.4 At national level, NHS GM is engaging with NHS England and the NHS Confederation to define how ICSs can deliver on their fourth core purpose: help the NHS support broader social and economic development. This includes setting out how ICSs can contribute to tackling poverty and deprivation.

3.5 In their 2021 publication – The NHS's Role in Tackling Poverty - the King's Fund set out a series of ways in which the NHS, as the largest economic institution in the country, can maximise its contribution to tackling poverty, within its resources and with its partners. A

summary of their proposals is set out below:

The NHS's role in tackling Poverty – The Kings Fund (2021)

NHS Greater Manchester Integrated Care

Awareness	Action
Build a stronger narrative about the NHS's role in tackling poverty	'Poverty proof' service pathways.
Enhance engagement with people who experience poverty and build upon models of care which are person-centred and draw upon the assets within local communities	Increase the number of NHS institutions recognising and using their anchor status, make better use of the Social Value Act, and the indirect economic effect of NHS spending in a place.
Ensure that NHS staff have access to training about poverty to influence their relationship with those at risk of or currently experiencing poverty	Ensure accessibility of universal services for all and develop targeted services for those experiencing poverty and use a personalised approach to providing access to care for different individuals.
Develop better ways to identify people experiencing poverty or at risk of poverty	Use digital innovation to widen access (whilst being mindful of the potential to further entrench inequalities)
Advocacy	Strengthen integration between health and social welfare services
Advocate for ICS's and NHSE/I to use their organisational power to speak out on a range of issues that impact upon poverty.	Develop metrics that are appropriate for identifying meaningful outcomes from work aiming to address poverty
Amplify the voice of the NHS workforce as advocates for anti-poverty action	Recognise and maximise the role of the NHS as a 'good' employer
Partnership and Leadership across Wider Systems	
Cross –sector partnerships for tackling poverty	

4. ACTION IN GM TO DATE

4.1 A great deal of action has already taken place within the GM Health and Care system. The health and care system is also providing support to a range of partners in tackling poverty and mitigating the impacts of the cost-of-living crisis.

4.2 Localities and VCSE colleagues have worked extensively on developing joined up responses at a locality level and are already providing support to individuals adversely impacted by the cost-of-living crisis.

4.3 This has then been supported by activity that is taking place at a system level.

4.4 The following list is not exhaustive but provides examples of some of the activity that has taken place to date at system level, recognising that all localities are also deeply engaged on this agenda.

a) The **GM Population Health Board** carried out a deep dive into health, poverty and cost-of-living at its September meeting. The Board agreed a priority set of actions covering the short, medium, and long term. These included:

- Advocate for cost of living and poverty to be included as key considerations within the health and care winter planning process for 2022/23. With a key focus on maximising signposting opportunities to benefits and debt advice, improving uptake of free prescriptions, patient transport and action to address cold homes.

- Ensure that poverty and cost of living is a prominent feature of the emergent GM Integrated Care Partnership Strategy and the GM Build Back Fairer Framework

- Agree and disseminate a single shared narrative around the impact of poverty and health in Greater Manchester

- Assess the feasibility and desirability of voluntarily adopting the socio-economic duty across NHS GM, GMCA and Local Authorities in GM (including engaging with colleagues from Wales and Scotland who have already made this a statutory requirement, and with localities who have already adopted the duty on a voluntary basis)

- Systematically review the GM health and care approach to poverty through the lens of the recommendations made by the Kings Fund in their publication – '*The NHS's Role in Tackling Poverty*' - and explore the feasibility and desirability of NHS GM developing an anti-poverty strategy

- Continue to advocate for NHS GM becoming a Real Living Wage employer, and for the NHS to require this of its supply chain

- Strengthen the way in which health and care organisation work together to optimize and expand their role as anchor organisations, and to maximise the social value that can be elicited from the health and care sector

- Continue to engage with central government on opportunities to tackling the structural causes of poverty and inequality in Greater Manchester

- Explore the feasibility of implementing policies approaches which will deliver significant population level impact on health outcomes, such as water fluoridation

b) NHS GM is represented in the **GM Cost of Living Group** through the Population Health and Strategy / Innovation function, alongside localities, VCSE partners, and the Growth Company. The primary purpose of the group for stakeholders to come together to share good practice, consider trends and escalate common issues related to the cost-of-living crisis. The Group has developed a **GM Cost of Living Dashboard** although this does not currently contain any Health and Care measures. Cost of Living is now a standing item at the monthly GM Combined Authority meeting.

c) A single point of information – **Helping Hand** - has been established to support residents and professionals to access accurate and timely advice and guidance. There is an opportunity to expand NHS GM representation at this group, particularly in relation to the clinical voice, equality / diversity / inclusion, people and culture, and social care transformation.

d) The **GM System Operational Response Taskforce (SORT)** group has coordinated a mapping exercise with localities on responses to the cost-of-living crisis. As part of this process, localities requested a GM level analysis of medical devices used at home that may be impacted by rising energy prices along with the average costs of running these.

Localities described a range of work underway to enable residents to access all direct financial support available to support their health and well-being.

e) The **PFB Directors of Strategy Group** is drawing on research and analysis from the King's Fund (see framework above) and Health Foundation on poverty and the cost of living to develop a framework to capture the contribution of trusts to this agenda. **The PFB Chief Operating Officers Group** is working on the impact of energy costs on patients and medical devices in people's homes and PFB is also looking at patient transport costs for elective care.

f) The **GM Directors of Adult Social Care** are focusing on ensuring a sustainable workforce and care market as well as supporting carers, and actions are being taken forward as part of integrated locality plans. In addition, significant action at GM level is underway as part of the Adult Social Care Transformation programme.

g) The **GM People Board for Health and Care** has key commitments in its upcoming strategy on good employment, attraction and retention of a health and care workforce, workforce wellbeing and paying the minimum of a real living wage. NHS GM's People and Culture team have representatives who sit on the GM Good Employment Charter Board and the Real Living Wage Board and funding has been secured to establish a Community of Practice of health and care employers to support them to become members of the Charter and pay the real living wage, as well as other employment standards such as secure and flexible work with a commitment to looking after staff health and wellbeing.

h) **The GM Workforce Wellbeing Programme** delivers a programme of workshops and masterclass sessions to support individual financial wellbeing, as well as promoting financial wellbeing resources which collates practical support and links to support colleagues with the cost of living, by focusing on financial housekeeping: food use, debt management and fuel costs. Individual organisations also have their own support packages available and are promoting local provisions. The GM People Board will continue to look at supporting best practice in this area.

i) The **GM Ageing Hub**, in partnership with GM Housing Providers, have been leading a proactive campaign to ensure that as many older adults as possible are applying for **Pension Credit**, as it is estimated that 36,000 eligible households are not currently claiming this in GM (a third of those who are eligible), equating to £70million per year of unclaimed credit across the city-region.

j) The NHS GM Population Team is supporting a GMCA-led piece of work which is using **modelled postcode level income and expenditure data** to highlight geographic areas that are at greatest risk from the predicted increases in household expenditure. This will enable the effective targeting of enhanced support to the areas that are likely to need it the most.

k) The NHS GM Population Health Team has also collaborated with GM Poverty Action on the refresh and enhancement of the **GM Poverty Monitor**

l) NHS GM has co-invested in the production of a GM "**Winter Wise**" guide aimed at providing advice and guidance to older adults and those who support them around staying

well, staying warm and staying safe. This includes a significant amount of advice and guidance around the cost-of-living impacts. 50,000 copies have been earmarked for NWAS to distribute via patient transport service, but there are opportunities to consider additional health and care distribution opportunities.

m) Local systems have sought to identify and establish community **"Warm Spaces"** to provide support to vulnerable people living within deprived neighbourhoods, but it is not clear whether any of these are within the health and care system estate.

5. OPPORTUNITIES FOR FURTHER ACTION

5.1 The ongoing actions described in (4) will all contribute to easing the pressures faced by our residents. However, given the severity of the crisis, there will be additional actions that we need to pursue.

5.2 Some potential options, based upon engagement within the Health and Care system (including senior clinicians), and with key stakeholders who sit outside it, are outlined below, and are separated into steps that can and should be taken immediately and steps which can be commenced immediately, but will take longer to realise and which require wider system change.

5.3 This report does not consider the full range of long-term actions in relation to tackling poverty as a cause of ill health in Greater Manchester.

5.4 Immediate Actions:

a) NHS GM to broaden representation (including from clinicians) at the GM Cost of Living response Group as part of ensuring a whole system response to the Cost-of-Living crisis.

b) NHS GM and the wider health and care system to contribute to the monthly Cost of Living update that is being produced for the GM Combined Authority, to bring the same monthly update to ICP Board and ICB, and to ensure it is cascaded through other significant parts of the GM health and care system such as place based leads and provider collaboratives.

c) NHS GM and the wider health care system to work with the GMCA to strengthen the current Helping Hand online platform and to increase awareness if it across to entire health and care system.

d) NHS GM to work with GMCA to incorporate appropriate health and care measures into the GM Cost of Living Dashboard.

e) NHS GM Place Based leads to engage with provider trusts to explore whether any further action can be taken to increase awareness of, and utilisation of, hospital transport offers to ensure people do not miss appointments because of travel costs.

f) NHS GM to write to NHS England to advocate for a monthly payment plan to be introduced for the pre-payment prescription scheme to increase affordability. This will support the "*squeezed middle*" who pay for prescriptions and where the only option at present is a 3

month or 12month pre-payment certificate for which payment is due as a single lump sum.

g) NHS GM to assess the feasibility of 'topping up' electricity payments for vulnerable people who have medical devices in their homes.

h) NHS GM Place Based leads to continue to engage with local partners in relation to patients at increased risk of deterioration, or hospital admission / readmission due to a cold home or the inability to afford to maintain a healthy diet.

i) NHS GM to utilise its channels and networks to amplify ongoing work aimed at connecting people to additional support that they are eligible for with a particular focus on Pension Top Up and Healthy Start vouchers and ensuring that practitioners working with the eligible cohorts are systematically seeking to support people to maximise their income.

j) As part of ongoing winter planning at GM and locality level, NHS GM to explore options for non-recurrently bolstering VCSE capacity and capability to support vulnerable people during Q3 and Q4 2022/23.

k) Once the data is available, health and care colleagues should seek to develop enhanced or targeted approaches in those geographic areas that are at greatest risk from the predicted increases in household expenditure.

l) GM health and care stakeholders to consider opportunities for distribute the GM Winter Wise guide for older adults and advise the GM Ageing Hub of requirements.

m) NHS GM Place Based leads to review the opportunities for local health and care facilities to be used as designated "warm spaces".

5.5 Ambitions for wider system change:

a) NHS GM to self-assess the extent to which it is a 'good employer' as set out in the GM Good Employment Charter, including progressing ongoing work around becoming a Real Living Wage employer and applying this standard to its supply chain.

b) NHS GM to consistently consider Social Value within procurement and contracting in order to maximise the potentially positive impact of health and care spend within local communities, and in a way which is aligned to the ambitions of the GM Social Value Framework.

c) "*Poverty proof*" health and care in Greater Manchester including:

- Reviewing health and care pathways to consider the extent to which they disadvantage people living in poverty, and/or the extent to which they seek to alleviate poverty, and/or the extent to which they take an approach which mirrors to principle of "proportionate universalism".

- Build a 'cost of living enquiry' into each long-term condition review

d) Ensure that VCSE investment and development is a consideration within the NHS GM

Functional Review and budget planning for 2023/24.

5.6 Board members should also use their experience and expertise to identify additional actions and ambitions.

6. NEXT STEPS AND RECOMMENDATIONS

6.1 The Greater Manchester Integrated Care Partnership Board is asked to:

- Note the content of this report and discuss the implications of the content for health and care in Greater Manchester.

- Agree the proposed actions set out in 5.4 and 5.5.

- Identify other opportunity for action to mitigate the impact of the cost-of-living crisis on health outcomes and health and care services in GM.