

## **Preface**

### **Lesley Curtis**

Undoubtedly, this year has been one of the most challenging in history for the NHS and local authorities and the impact of COVID-19 is immense, affecting many organisations and businesses throughout the world (University of Oxford, 2020). The Department of Health and Social Care (2020) has worked continuously to support an already stretched social care service as 'delivery of every aspect of care by all clinical and non-clinical departments in the UK's NHS is being reassessed and fundamentally reorganised' (Wilan et al., 2020). Although the long-term effects of the pandemic are not yet fully realised, it is evident that providers of health and social care will face challenges for some time to come. Many are hopeful that this may create an impetus to rethink policies, particularly in relation to the provision of Long Term Care where outbreaks of the virus have threatened to overwhelm the health care system (Gardner, States & Bagley, 2020)) and above-inflation pay rises for some health and social care staff have already been agreed (Walker, 2020).

In this volume, our costs reflect 2019/20 prices and therefore do not capture the full effects of any changes. Our particular challenge this year in terms of publishing our annual Unit Costs report has been collecting routine information from organisations to update our unit costs given that many staff involved in collating this information have been furloughed. Of course, this is a small consideration in the grand scheme of things and we have only had to make a few minor changes in order to publish on time. For example, our Agenda for Change salaries run from April to March instead of May to April. It is, however, inevitable that we will find it more difficult to obtain some data this year. Please be advised that where we have had to uprate costs due to new ones being delayed, this will be clearly shown in our notes.

Even though any limited seasonality has been averaged out over the year, we have noticed that there has been a larger increase than usual this year; for example nursing salaries have increased on average by 4.75 per cent compared with less than 1 per cent in 2018/19. This is not a result of the changed salary dates and neither is it COVID-19 related, but is due to the NHS pay structure reform (The NHS Staff Council, 2018). The aim of the reform, which covers a three-year period (April 2018 to March 2021) has been 'to reduce the complexity of the previous pay structure by removing overlaps between pay bands and inconsistent variation in the gaps between pay points.' This year (2019/20), some staff at the top of their pay band have had their pay point deleted and received annual pay uplifts and pay progression (incremental) on 1 April 2020. No further increase will be awarded on their pay step (incremental) date, because they will have received their pay progression early.

Our working group were able to give us some really useful ideas on how to improve our web presence and promotion of our material and as a result we have made improvements to our signposting and introduced a new infographic directing readers to our increasing amount of web-based material. We intend to circulate this in the new year as an alternative to the hard copy report. We have also been able to commission a highly topical guest editorial and a further three excellent articles as follows.

### **Guest editorials and articles**

#### **Guest Editorial**

This guest editorial, written by Lina Maria Ellegard from Lund University, focuses on her research carried out on the use of telemedicine in Sweden. Now more than ever before, in England and elsewhere, there is a strong emphasis on developing digital services and even before the COVID-19 outbreak, new guidelines were published for online and video consultations in primary care (NHS, 2019). Of course in recent months, coronavirus has shone a light on this form of GP consultation with a vastly increased number of patients being treated in the safety of their own homes. As the Swedish system shares features with our system, this editorial provides some interesting insights.

Our colleagues at the Care Policy and Evaluation Centre, London (Michela Tinelli et al.) have written our first article which focusses on the EconomicS-of-Social-carE-CompEndium (ESSENCE) project ([www.essenceproject.uk](http://www.essenceproject.uk); 2017-2019) and their new project – ESSENCE-2 which builds on previous work. The ESSENCE database aims to make it easier for decision-makers to access and understand the economic consequences of different ways to meet care needs. The new project continues to help decision-makers and this article shares the different ways readers can get involved. It is envisaged that ESSENCE will be very helpful to the Unit Costs programme.

Helen Weatherly is the author of the third article which has been drawn from a longer paper discussing the methods of evaluating social care interventions. The paper draws upon the results of a NICE commissioned scoping review and summarises the methods used in published economic evaluations of social care interventions. It highlights recent developments in this area and points out some gaps where further work may be of benefit.

## **New work**

### **Dementia Care Mapping (DCM)**

Dementia Care Mapping (1.6), one way of offering person-centred care, is an observational tool that is only used in ‘public’ areas of care environments. In this schema, we have drawn on work carried out by Meads and colleagues (2020) to present the cost per care home using DCM and the cost per resident.

### **Re-ablement**

In 2017, our costs for the re-ablement service drawn from the Glendinning et al. (2010) study reached their ten year shelf life and were listed in section V in case readers still wanted to refer to them. Now, in chapter 11.9, you will find costs drawn from a more recent study carried out by Bryony Beresford & colleagues (2019).

### **Reference costs**

We have updated our reference costs this year in the usual way using the National Cost Collection: National Schedule of NHS Costs produced by NHS Improvement. In addition, this year we have referred to the early collection of Patient Level Information and Costing System (PLICS) information being collated by NHS Digital. This information is still in its early stages so the information is limited.

We have included some new mental health costs this year for gender identity disorder, together with those for those for specialised services for Asperger Syndrome and Autistic Spectrum Disorder. We have also replaced some of the costs in this schema as some of those reported in earlier volumes are no longer listed in the national schedule.

Our schema on the reference costs of Abortion services has changed to reflect the different reporting in the National Schedule this year. The schedule incorporates the cost of surgery relating to abortions and miscarriages.

### **Ratios of direct to indirect time and new ratio for a clinical psychologist.**

In response to questions we have had about how these ratios are created and how we use them in the Unit Costs report, I have published a blog (<https://www.pssru.ac.uk/blog/unit-costs-and-ratios-of-direct-to-indirect-time/>). In addition, thanks to a study by James Shearer and colleagues (2019) on Radically Open Dialectical Behaviour Therapy (RO DBT), in chapter 9, we have been able to include a new ratio for a clinical psychologist which can be used to calculate the cost of a face-to-face contact.

## Routine activities

### Inflators

This year we have altered our source data for our Personal Social Services (PSS) pay and prices inflation indices following discussion with our colleagues at DHSC. This data is normally derived from information taken from the Annual Survey of Hours and Earnings but this year it was not possible to extract this data. We have therefore decided in conjunction with advice from our colleagues at DHSC to switch to Skills for Care indices. More information can be found in chapter 15.4 of Section V.

### NHS superannuation

Every year we verify and update where necessary the employers' superannuation contribution rate for local authorities and the NHS, which is then reflected in our unit cost estimates. You will see that on 1 April 2019 the NHS Pension Scheme employer contribution rate increased from 14.38 per cent to 20.68 per cent (this includes an admin levy of 0.08%) <https://www.nhsbsa.nhs.uk/employer-contribution-rate-arrangements-remain-202021>). A transitional arrangement is operating this reporting year (2019/20) where employers in the Scheme are continuing to pay 14.38 per cent and the outstanding 6.3 per cent will continue to be paid centrally by NHS England. This arrangement will also remain in place in 2020/21.

### Local Government superannuation

We have also searched the actuarial valuations produced by the administrators of the Local Government Pension Scheme (LGPS) to establish the rate employers contribute to superannuation for local government employees. Based on 43 valuations, the average contribution rate for employers (the primary rate) is 18 per cent and will remain at this rate until March 2023, when the administrators of the fund carry out the next valuation. Employee contributions have been excluded.

## Other useful information

### Internet Interventions

Icare provides a comprehensive range of care services to assist adults to live as independently as possible whilst remaining in their home. The service's care planning is driven by the person who needs care by way of a person-centred care plan. In 2019, Jennifer Beecham and colleagues' (2019) paper 'Assessing the costs and cost-effectiveness of Icare internet-based interventions', was published. This is particularly helpful to readers looking for information to support economic evaluation of home-based interventions.

### Children's services

In February of this year, the National Centre for Excellence in Residential Child Care (NCERCC) and Revolution Consulting published a report which provided new insight and reference for anyone involved in children's social care (Rome, 2020). The research for this report is based on three extensive Freedom of Information disclosures by local authorities in England and reports average prices for 9,535 private and voluntary sector children's homes. This research found that average prices are in keeping with PSSRU costs drawn from section 251.

### Blogs

Christmas blog: <https://www.pssru.ac.uk/blog/Who's ready for the end of 2020 – and a new volume of the Unit Costs of Health & Social Care?>

Children's blog: <https://www.pssru.ac.uk/blog/Children's social care unit costs – keeping costs current />

Adult Social Care: <https://www.pssru.ac.uk/blog/The Office for Statistics Regulation and the Unit Costs of adult social care>

Direct/Indirect cost blog: <https://www.pssru.ac.uk/blog/Unit Costs and ratios of direct to indirect time>

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