

Preface

Nearly two years on from the beginning of the pandemic in the UK and things are gradually beginning to return to normal. While the effects will be widespread across lives and communities, in our Guest Editorial we have focused on the cost of the pandemic to health and social care provision in England, as well as any lessons that have been and are still being learnt. From our own perspective, we are happy to report that with the exception of some delay to data availability we have been able to update our core data in this volume as well as to provide some new information as detailed below. Obviously the effects of the pandemic will be reflected in some fluctuation to costs. We have not adjusted our costs but have reported them to reflect any variation. To address some of the wider health economic issues arising from the pandemic, we commissioned a review from an independent health economics consultant of the early evaluation carried out within UK government. We also include another article from Lisa Holmes, Deputy Director of Oxford University's Rees Centre, where she discusses her study on cost pressures in children's social care (further information on both articles can be found below).

This will be PSSRU's 29th volume of the report and the last involving Lesley and Amanda. We therefore thought it might be interesting to reflect on some of the things the report has included and the impact it has had. We were recently included in the University of Kent's REF submission in recognition of the high level of engagement with wider society and resulting impact. Examples of this are:

- Recommendation for use by the National Institute for Health and Care Excellence (NICE), Social Care Institute for Excellence (SCIE), the Office for Statistics Regulation and the Cabinet Office
- At least 67% citation rate in economic studies in England
- Informing central government in their policy making and legislation; e.g. the Models of Dementia Assessment and Diagnosis: Indicative Cost Review (2015) and the Liberty Protection Safeguards Impact Assessment (2017)
- Activities to fill in gaps in evidence required to develop policy. Examples include, surveys in to the costs of aids and adaptations allowing people to live in their homes longer and a dental survey which informed the DHSC in setting remuneration rates for the dentists' contract.

We have worked with contacts in Canada, Vienna and Ireland to support them in their efforts to produce a "Unit Costs Volume" applicable in their own country. In addition to the above, in 2015, Lesley acted as an advisor to the Channel 4 programme, £2 Billion a Week and Counting, which set out to show the British public how difficult it is for the NHS to decide how to allocate funds and that clinical choices are heavily influenced by cost.

To keep costs current we have always paid close attention to changes in policy and liaised with our Advisory Group to include topical information. In 2016, we began to include carbon costs. In 2017, we included sexual health costs. In 2018 we included costs of the governments Innovation programme. We introduced costs relating to Public Health initiatives in 2011.

Social care is obviously a major part of our report and as the effects of the Social Care White paper emerge and the future funding of social care becomes clearer we hope to include more information on this.

Guest editorials and articles

Guest Editorial: Costing COVID-19 a year later: retrospective thoughts on an early economic evaluation of UK government policy

Our guest editorial this year is a timely piece giving an economic evaluation of the UK government policy on Covid-19 and reflecting on early estimations of costs. The article has been written by Darshan Zala, an independent health economics consultant and author of "Costing the COVID-19 pandemic: an exploratory economic evaluation of hypothetical suppression policy in the United Kingdom." It provides a clear and informative review of some of the projections produced at the beginning of the pandemic and how they have held up against reality.

Second article: How has cost benefit analysis developed in children's social care?

Our second article is by Lisa Holmes, Director of the prestigious Rees Centre at Oxford University. Lisa has provided some insight in to the development of costing processes in childrens' social care since the publication of PSSRU's Professor Jennifer Beecham's Unit Cost's: Not Exactly Child's play (Beecham, 2000). In doing so she also reflects upon the findings of previous articles in Unit Costs volumes by Professor Tracey Sach (Sach et al, 2018) and Helen Weatherley (Weatherley et al, 2020).

New work**NHS costs**

We have drawn our costs from the NHS England National Schedule of NHS costs (NHS England, 2020). This year, however, there is some cross over between the move to patient level costings which has meant that some of the costs we usually access are unavailable and some costs were so different we felt that were too unreliable to include. We have therefore removed our costs relating to abortion costs until some more robust figures can be sourced. We are pleased however to have been able to include some additional costs for vaccination and immunisation in our children's section. You will see that some of the costs in the Mental Health chapter (2.1) have been derived from Patient Level Information and Costing (PLICS).

Routine activities**Inflators**

We have been able to include our usual inflators after help from colleagues in DHSC, however they have asked us to point out that the figures used in the NHS Cost inflation index for 2020/2021 are provisional. Further work will be done on these so we recommend checking with colleagues in DHSC prior to their use.

Overheads

As previously we have used figures derived from the financial accounts of community trusts to estimate overheads of NHS community-based services. This year these have been updated to use data from the 2018/2019 accounts. Unit costs for hospital-based services include an overhead percentage calculated from the NHS Foundation Trusts: Consolidated Accounts.

Building and land costs

Some new land costs have been identified this year and these have been updated throughout.

BCIS information

We have been able to access the information in the BCIS database to update our costs and reflect an up to date picture of building costs in the report this year.

Other useful information**Blogs**

Children's social care blog <https://www.pssru.ac.uk/blog/category/unit-costs/>

Unit costs – a time for reflection

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