**CIPFA response to NHS consultation: Integrating care: Next steps to building strong and effective integrated care systems across England, January 2021.**

**Do you agree that giving ICSs a statutory footing from 2022, alongside other legislative proposals, provides the right foundation for the NHS over the next decade?**

The policy paper reflects some of the ambitions of the NHS long-term plan (LTP) around reducing health inequalities, focussing on population health and considering the wider determinants of health and wellbeing in a place-based manner, with a greater focus on prevention. These ambitions, together with the contribution that local health economies can make to wider economic development and ensuring that taxpayer's investment is maximised are to be welcomed. CIPFA shares these ambitions and have long been proponents of taking a place-based approach to public services (1)[1] and of a greater focus on more upstream, preventative approaches, (2)[2] and so welcomes these reflections as steps in the right direction, particularly in light of the lessons learned from the recent pandemic.

While the policy paper sets out clearly the intention for commissioning and greater provider collaboration, it lacks detail and clarity on the wider ambitions. The forthcoming legislation is an opportunity for a 'reset moment' with which these could come one step closer to being achieved. However, to do so effectively requires a more tangible expression of what the legislation is intended to achieve, in order to allow clearer definition of the outcomes, where relevant statutory functions currently lie, the partners that need to be involved– and how this relates to/interacts with their existing statutory roles and functions. Without this clarity, it is impossible to determine the appropriate governance and accountability arrangements.

While CIPFA agrees that putting integrated care systems (ICSs) on a statutory basis would provide a stronger footing on which to achieve the aims of integration, it is essential that the legislation doing so is clear in its intention and provides a common framework for governance and accountability – which are essential components of strong public financial management, (3)[3] whilst being enabling enough to provide flexibility to allow for local circumstances.

**Do you agree that option 2 offers a model that provides greater incentive for collaboration alongside clarity of accountability across systems, to Parliament and most importantly, to patients?**

Appropriate accountability is dependent on, and should be determined by, clarity on the intended ambition and functions. As it stands the policy paper lacks detail on many important issues, which seem to be considered as 'technical' considerations around finance, governance and accountability. Many of these issues are those which have been previously identified as acting as barriers to integration.(4)[4] However, without further

[1] *CIPFA, Aligning Public Services*
[2] *CIPFA and PHE, Evaluating preventative investments in public health in England*
[3] *IFAC and CIPFA, International framework: good governance in the public sector*
[4] *CIPFA, The Practicalities of Integration and CIPFA submission to HoC HSC Committee: NHS long-term plan legislative proposals*

consideration and clarity, there is a risk of unintended consequences, continuation of these barriers and significant variations in approach.

Both the options presented currently lack a tangible picture of incentives for collaboration or clarity of accountability, as there appears to be little recognition of where existing statutory functions, accountability arrangements and democratic process currently lie, and therefore how the proposed options would interact or replace them. For example, nowhere in the policy paper is there clarity on how proposals for ICSs relate to Health and Wellbeing Boards.

We greatly welcome the fact that the paper does recognise the importance and value of including local government, not just in terms of social care, but also public health. However, if the ambition is to meet the wider ambitions of the LTP in terms of population health and prevention, we would encourage this to be considered further and extended to the wider local government services which act as levers with which to impact on the health and wellbeing of the local population.

From the proposals, it is not apparent that there has been much consultation or engagement with either local government itself or MHCLG. For example, the policy paper refers to local government as a generic whole. It does not appear to consider or understand the different tiers of local government, and the different roles these play. Upper tier authorities with social care and public health responsibilities may welcome more involvement at the ICS level in terms of accountability for decision making. Whereas, some district councils may see their role as being more about oversight and scrutiny of the local health economy. However, many district councils will hold powers in relation to services which will impact on population health (e.g. housing). There are likely to be a range of views from the different tiers of local government regarding their role and involvement and accountability, but the role they are expected to play requires clarification.

The policy paper states that both options for legislation would allow for the delegation of functions and speaks of 'pooling money and funds' yet lacks detail of how this is intended to be achieved. As stated previously, determining appropriate accountability will require clarity on the intention and functions involved, identification of where statutory functions currently lie, and therefore consideration of the cross-agency links required in order to properly discharge those functions to maximum benefit.

This will be impossible to achieve in isolation and we would encourage cross-departmental collaboration with DHSC and MHCLG as a starting point. We are aware that in some areas, such cross-linkages are already being conducted, therefore such examples could be used as best practice to inform the forthcoming legislation. This would not only help to clarify the starting point for legislation but would also demonstrate leadership from central government in terms of collaboration and co-production. CIPFA would be happy to support and assist in this regard, and in facilitating wider engagement.

**Do you agree that, other than mandatory participation of NHS bodies and Local Authorities, membership should be sufficiently permissive to allow systems to shape their own governance arrangements to best suit their populations needs?**

Some degree of local variation and permissiveness is desirable – after all one size does not fit all. Thus, the legislation does need to be enabling and involve some element of subsidiarity and permissiveness. But there is also a need to ensure that the basic

parameters are clear, that there is an underlying framework to ensure outcomes are clear, achievable and comparable and to ensure good public financial management and value for taxpayers' money. Therefore, the governance and accountability arrangements need to be considered and expanded on.

Without these basic parameters, then permissiveness risks unintended consequences, differing views and incomparable, outcomes and results. It may also mean that in those areas where resources and manpower are scarce, there is limited capacity or capability, meaning that such areas may fall through the cracks. Therefore, we believe that the legislation needs to be more definitive in terms of what it intends to achieve.

For example, the policy paper makes much reference to 'place', without clearly defining what it means. Given that existing STPs/ICSs are already fundamentally different in nature, in terms of population and geography, there is likely to be difficulty in determining the footprint of 'place' – different areas may define this on the basis of the current ICSs, places or neighbourhoods, resulting in wide variation across the nation.

Determining the appropriate, and proportionate, levels of governance is essential to determining accountability and good public financial management, (5)[5] - to ensure that taxpayer's money in invested to greater benefit for the local population. Therefore, we agree that there should be an element of subsidiarity and flexibility to adapt to local circumstances. However, this needs to be underpinned by a common framework. Without a tangible picture of the intention, function and partners involved, determining the appropriate and proportionate levels of governance, and where it should lie, will be impossible and risks either insufficient safeguards or, more likely, significant duplication and confusion. We raised similar concerns in response to the earlier legislative proposals.(6)[6]

The proposals around governance and finance as they stand are unclear and appear to be treated as technical aspects to be determined at a later date. The wide-ranging proposals to delegate functions and budgets and 'pool functions and funds' leave much to the imagination. We believe that rather than technicalities, these issues are central to sound public financial management and ensuring that integration can achieve the aim of using the public pound more wisely in place, to the benefit of local populations. Therefore, clarity is required on not only the governance and accountability but also the financial framework beyond NHS partners – how resources can be moved across sectoral boundaries to be used to greatest impact.

**Do you agree, subject to appropriate safeguards and where appropriate, that services currently commissioned by NHSE should be either transferred or delegated to ICS bodies?**

The policy paper sets a clear intention to have a greater focus on place and prevention, which we welcome. However, as stated previously it lacks clarity on how place will be defined and how resources beyond the boundaries of the NHS will be operate in practice. Therefore, further clarity is required on the definition and intention of 'place' and how this sits alongside the intention for commissioning and provider collaboration within the wider partnership arrangements or statutory organisation. Before any transfer of commissioning from NHS England to a more local level, there is a need to better understand the overall ICS approach. From a population health spend perspective, it

[5] *IFAC and CIPFA, International framework: good governance in the public sector*
[6] CIPFA submission to HoC Health and Social Care Committee: NHS long-term plan legislative proposals

would be better to see all commissioning of services sitting at ICS level, (and understand total service costs at this level) there are still be some tertiary and regional services where it would make sense to continue to hold some of these budgets regionally or nationally.