

**The Scottish Government:  
Consultation on Integration of Adult  
Health & Social Care in Scotland**

**A Submission by:**

**The Chartered Institute of Public  
Finance and Accountancy**

**September 2012**

**CIPFA, the Chartered Institute of Public Finance and Accountancy**, is the professional body for people in public finance. CIPFA shows the way in public finance globally, standing up for sound public financial management and good governance around the world as the leading commentator on managing and accounting for public money.

CIPFA has recognised that technical matters will be addressed by both local government and NHS directors of finance in their separate submission. This submission specifically addresses the evidence base for the policy proposals. CIPFA will provide technical and financial management support and commentary as the proposals are developed.

Further information about CIPFA can be obtained at [www.cipfa.org](http://www.cipfa.org) .

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## **EXECUTIVE SUMMARY**

There are a series of tests which should be applied and passed before any new legislation is brought forward:

1. the impact of existing legislation is clear and has been tested;
2. the case for new legislation has been made;
3. the cost and consequences of the new legislation are transparent: and that
4. there is a clear timescale for post-legislative impact assessment to determine whether the legislation is having the impact claimed in the original case for legislation

In submitting comments to the current proposals for integration of adult health and social care in Scotland, we have assessed and considered the extent to which new and revised primary legislation is in fact required. It is our view that the case for new legislation has not been made within the current consultation document.

The absence of any significant post-legislation scrutiny has meant that Parliament and government have not reviewed the impact of existing legislation in the area of health and social care integration.

All evidence points to leadership as the key ingredient to improving outcomes and the consultation document fails to address leadership capability and capacity and instead focuses on matters which would be cornerstones for structural reform.

## 1 THE CASE FOR NEW LEGISLATION

- 1.1 The current proposals for the integration of health and social care are being presented against the background of an existing and established legislative framework. That framework which has been in existence since 1999<sup>1</sup> was formalised by primary legislation with the introduction of the Community Care and Health (Scotland) Act 2002<sup>2</sup>. This was later followed by further primary legislation, the NHS Reform (Scotland) Act 2004<sup>3</sup>.
- 1.2 This existing legislation was designed as the statutory basis as part of the then emerging joint future agenda which built on earlier local health care cooperatives (LHCC's) to encourage a more formal framework for joint planning and joint resourcing. The 2004 legislation established Community Health Partnerships (CHP's). The existing legislation which enables integration of health and social care is less than ten years old. We have therefore sought evidence that the Scottish Parliament could demonstrate that it had received clear evidence of the impact of the existing legislation and that the legislation had in fact been tested.
- 1.3 We found that no such tests had in fact been carried out other than the recent Health and Sport Committee inquiry into integration of health and social care<sup>4</sup>. This enquiry was held in 2012 following the Scottish Government announcement of (then) forthcoming proposals for integration. The scope of that inquiry was limited to two questions only<sup>5</sup>. These questions focused upon the challenges of integration and the barriers to be addressed. The intention of the inquiry was to use the findings to scrutinise "...any future legislation". The inquiry did not review the effectiveness (or otherwise) of existing legislation.
- 1.4 In examination of the final inquiry report and of the quoted witness statements we observed that no adverse comments were made or conclusions reached on the existing legislation.
- 1.5 Consequently, we undertook further investigation to identify what evidence there was available to support the introduction of further legislation. The Scottish Government undertook a study and published a paper which assessed progress, evidence and options on integration<sup>6</sup>. The study reflected on integration based on the Clyde Valley study undertaken by Sir John Arbutnott<sup>7</sup>. The Scottish Government document in considering the potential for further integration in Scotland noted that<sup>8</sup>:

*"The benefits of integration can be realised in Scotland using the flexibilities already permitted by existing legislation..."*

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<sup>1</sup> Introduction of GP led Local Health Care Cooperatives. April 1999.

<sup>2</sup> Community Care and Health (Scotland) Act 2002. March 2002.

<sup>3</sup> NHS Reform (Scotland) Act 2004. June 2004.

<sup>4</sup> Health and Sport Committee 5<sup>th</sup> Report, 2012 (Session 4) Inquiry into Integration of Health and Social Care. 4 May 2012

<sup>5</sup> Page 3, paragraph 14, Health and Sport Committee 5<sup>th</sup> Report, 2012 (Session 4) Inquiry into Integration of Health and Social Care. 4 May 2012

<sup>6</sup> Integration Across Health and Social Care Services in Scotland – Progress Evidence and Options. The Scottish government, March 2010.

<sup>7</sup> The Clyde Valley Review. Sir John Arbutnott, 2009.

<sup>8</sup> Page 7, paragraph 6.1, Integration Across Health and Social Care Services in Scotland – Progress Evidence and Options. The Scottish government, March 2010.

- 1.6 Although this is only one extract from a lengthy document, the meaning is not in doubt. Unsurprisingly, given this phrase, the Scottish Government paper, in referring to the existing enabling legislative framework did not indicate any deficiency in legislation.
- 1.7 We then reviewed Audit Scotland's report on their review of community health partnerships<sup>9</sup>. Audit Scotland's key messages did not conclude on any deficiency of existing legislation but, included references to the need to streamline partnerships, , a more systematic joined up approach to planning and resourcing and the need for strong leadership<sup>10</sup>. We will return to leadership later in this paper
- 1.8 We have seen no evidence which would indicate that the existing legislative framework is in any way deficient. Any perceived failure to integrate is not as a result of a failure of legislation.
- 1.9 We conclude therefore that, the case for new legislation has not been made and we recommend that before there is any further legislative development, that robust post-legislative scrutiny is undertaken of the existing legislation.

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<sup>9</sup> Review of Community Health Partnerships. Audit Scotland, June 2011.

<sup>10</sup> Pages 4-5, Review of Community Health Partnerships. Audit Scotland, June 2011.

## **2. THE CASE FOR INTEGRATED HEALTH AND SOCIAL CARE DELIVERY**

### ***Leadership***

- 2.1 In our review of the evidence base for integrated service delivery, there was one recognisable and recurring theme. That theme was consistently identifiable as a key ingredient for success and which was summed up in one single word. Leadership. There is a body of evidence which indicates that the need for strong leadership is greater than the need for a further legislative solution and is greater than any focus on any particular model of delivery<sup>11</sup>.
- 2.2 The Scottish Government 2010 paper sets out key lessons from all available evidence on integration. It specifically refers to Leutz's sixth law that all integration is local and success will hinge on strong local leadership which identifies solutions to specific local problems<sup>12</sup>.
- 2.3 Audit Scotland's review of CHP's in 2011 identified that partnership working for health and social care is a challenge and that it required "...strong, shared leadership by both NHS boards and councils"<sup>13</sup>.
- 2.4 The 2012 Health and Sport Committee inquiry identified leadership and culture as a key theme concluding that there must be a development of<sup>14</sup>:
- "strong and collaborative leadership...at a local level"*
- 2.5 Finally, the Institute for Research and Innovation in Social Services identified the need for leadership as one of the factors which enhanced integrated working.
- 2.6 We have found the evidence for the case for leadership to be convincing and we consider that efforts to empower local leadership will be a stronger instrument of change than the development of further legislation will be.

### ***Structural Integration***

- 2.7 The consultation paper does not propose either structural reform or integration of a structural nature. The Scottish Government funded research in 2010 entitled 'Financial Integration Across Health and Social Care: Evidence Review' stated that<sup>15</sup>

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<sup>11</sup> Review of Community Health Partnerships. Audit Scotland, June 2011; Page 3 paragraph 3.3 i), Integration Across Health and Social Care Services in Scotland – Progress Evidence and Options. The Scottish Government, March 2010; Page 5, Integration of Health and Social Care, Insights, Institute for Research and Innovation in social Services. March 2012.

<sup>12</sup> Page 3 paragraph 3.3 i), Integration Across Health and Social Care Services in Scotland – Progress Evidence and Options. The Scottish Government, March 2010

<sup>13</sup> Page 10, Key messages, Review of Community Health Partnerships. Audit Scotland, June 2011

<sup>14</sup> Page 13, paragraph 68, Health and Sport Committee 5<sup>th</sup> Report, 2012 (Session 4) Inquiry into Integration of Health and Social Care. 4 May 2012

<sup>15</sup> Page 17, paragraph 4.14, Financial Integration Across Health and Social Care: Evidence Review, 2010. Undertaken by the Centre for Health Economics and the Centre for Reviews and Dissemination, University of York for the Scottish Government.

*"There is little evidence that structural integration is either necessary or sufficient for achieving integration of care and partnership working'.*

- 2.8 Surprisingly, given this statement, the consultation paper does address a range of issues which relate to external and internal governance frameworks. For example, the paper considers the issue of joint accountability, a feature of a bodies external governance framework and the detail of committee structure, generally regarded to be a feature of a bodies internal governance framework<sup>16</sup>. External and internal governance framework issues would generally be regarded as key issues when considering structural reform of an organisation.
- 2.9 The consultation document therefore feels contradictory. It does not set out to achieve structural reform of NHS and Local authority social services and yet many of the issues under consideration (and therefore being considered for legislation) are the cornerstones of structural reform.

### ***Financial Integration***

- 2.10 A full chapter of the consultation paper is dedicated to integrated budgets and resourcing. The paper describes that a key priority is to "put an end to cost shunting between the NHS and local authorities"<sup>17</sup>. The proposed solution, as well as stated cornerstone of the consultation paper, is that there should be an integrated budget.
- 2.11 The proposal is for the integrated budget to include health, social care and some acute hospital services. The paper goes on to make the case that a fully integrated budget will result in a shift in the balance of care and ultimately ensure "..the best ..outcome for the individual"<sup>18</sup>.
- 2.12 A Scottish Government Social Research paper in 2010 explicitly stated however that<sup>19</sup>:
- "there was no evidence that the use of joint financing was associated with improved health outcomes".*
- 2.13 The institute for Research and Innovation in Social Services reflected on "tentative evidence that financial integration can be beneficial" while concluding that evidence for improved outcomes or cost savings was lacking<sup>20</sup>.

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<sup>16</sup> Chapters 4 and 5, Integration of Adult Health and Social Care in Scotland, Consultation on Proposals. May 2012.

<sup>17</sup> Paragraph 5.1, Chapter 5, Integration of Adult Health and Social Care in Scotland, Consultation on Proposals. May 2012.

<sup>18</sup> Paragraph 5.9, Chapter 5, Integration of Adult Health and Social Care in Scotland, Consultation on Proposals. May 2012

<sup>19</sup> Page 17, paragraph 4.14 Financial Integration Across Health and Social Care: Evidence Review, 2010.

<sup>20</sup> Page 7, Integration of Health and Social Care, Insights, Institute for Research and Innovation in social Services. March 2012.

- 2.14 The Audit Commission noted difficulty in being able to quantify the extent to which joint financing arrangements have directly achieved better value for money or has demonstrated improved outcomes for users<sup>21</sup>.
- 2.15 Despite this evidence the Scottish Parliament's, Health and Sport Committee in its inquiry concluded that being unable to establish genuinely integrated budgets has acted as a barrier to efforts to integrate health and social care.
- 2.16 Audit Scotland's 2011 review found that there was limited progress in joint funding in Scotland and considered it unlikely that local authorities and NHS boards would move quickly towards more integrated budgets.
- 2.17 Overall, the evidence base does not support the significant focus which is applied to budget integration within the consultation document. Evidence would suggest that financial integration does not result in better outcomes. Limited progress to date in Scotland with financial integration is not because of an absence of legislative power to integrate financially. Effective post-legislative scrutiny of the impact of the existing powers for financial integration would identify some of the issues underlying a perceived failure to integrate. Consequently, we remain unconvinced that financial integration is the key driver to achieving improved outcomes.

### ***Achieving Outcomes with Integration***

- 2.18 The base premise for the consultation and for the existing legislative framework is that essentially that integration will result in an improved service and in better outcomes. This is the essence of the proposed new legislation – that the revised arrangements will in fact make a difference to the service user.
- 2.19 The Institute for Research and Innovation in Social Services reviewed the evidence base for partnership and integrated working. It concluded that there was<sup>22</sup>:
- "a dearth of research evidence to support the notion that joint working between health and social services is effective"*
- 2.20 It further concluded that most of the research had focused upon the process of partnership working rather than the consequences of that joint working. The Scottish Government in its summary of available evidence on effective integration stated that any integration should be for the right reasons and that<sup>23</sup>:
- "attempts to impose integrated care in a top down manner have been less successful"*

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<sup>21</sup> Page 10 Joint Financing Across Health and Social Care: Money Matters, But Outcomes Matter More. Charlotte Goldman, Audit Commission, Journal of Integrated Care , Vol 18, Issue 1, February 2010

<sup>22</sup> Page 6, Integration of Health and Social Care, Insights, Institute for Research and Innovation in social Services. March 2012.

<sup>23</sup> Page 3, paragraph 3.3 a) Integration Across Health and Social Care Services in Scotland – Progress Evidence and Options. The Scottish Government, March 2010

2.21 Of most significance however is the finding again from the IRISS which stated that<sup>24</sup>:

*" The journey towards integration needs to start from a focus on service users and from different agencies agreeing a shared vision for the future rather than from a structures and organisational standpoint"*

2.22 Although the consultation paper states that the focus is on "what matters most to people who use services"<sup>25</sup> no evidence is provided that service users wish to see changes to governance, accountability and to integrated budgets or indeed that these are cornerstone issues for securing better outcomes. We do support the vision of the Scottish government and its commitment to improved outcomes. We do however doubt, based on available evidence, that further legislation is the solution to achieving better outcomes.

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<sup>24</sup> Page 10, Integration of Health and Social Care, Insights, Institute for Research and Innovation in social Services. March 2012.

<sup>25</sup> Page 3 Integration of Adult Health and Social Care in Scotland, Consultation on Proposals. May 2012.