

Written evidence submitted by the Chartered Institute of Public Finance and Accountancy (PHS0297)

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 welcome the committee's inquiry into prevention and have long advocated for a change in the mindset around prevention – for it to be considered as a true investment, yielding benefits across place and time, rather than as a way to generate savings. Thus, we invite the Committee to consider:

- the need for a twin track approach to include long-term preventative investment as well as addressing immediate pressures;
- the ability to identify and evaluate levels of preventative investment; and
- a broader view across public services beyond healthcare.

The need for a twin track approach

Prevention has widely been identified as a national policy priority and in the strategies of most integrated care systems (ICSs). However, in the face of scarce resources and challenges facing both the NHS and local government, investing in such long-term initiatives is often seen as an easy tap to turn off.

There is a disconnect between addressing short-term pressures and the need for such long-term investment. For example, despite there being a focus on prevention running through national policy, when it became apparent that that NHS England would need to cut core funding in 2022/23, this came with the suggestion of 'slowing down' transformation programmes, including that for prevention.¹

A lack of medium-to-long term funding certainty means that the emphasis is on short-term fixes for immediate problems, and this is amplified in the current climate. However, such disinvestment has an associated opportunity cost, both in terms of future sustainability of services and population health outcomes.

As highlighted in our recent report,² there is a need to take a twin track approach to ensure that public services are adequately funded to deal with existing pressures, as well as making these long-term preventative investments to ensure public services are cost effective and financially sustainable. This requires not only clarity and coherence of policy priorities, but also certainty of funding.

The ability to identify and evaluate preventative investment

Given that prevention is identified as being a priority at both national and local levels, identifying the level of spending on preventative interventions remains highly problematic.

¹ HSJ, *Tech spend under pressure as NHSE told to 'cut core funding'*, March 2022

² CIPFA, *Integrating Care: policy, principles and practice for places*, December 2022

This was recognised by the former Secretary of State in March 2022,³ alongside the commitment to baseline, report on and assess the extent of preventative investment.

In 2019, CIPFA and Public Health England (PHE) sought to address this challenge and to improve evaluation of preventative investment and make a stronger case for a greater shift to preventative approaches.⁴ This proposed a framework to improve the evaluation of preventative investment to:

- support better decision making on the use of resources in a whole system across different organisations.
- bring longer-term costs and benefits to light.
- increase transparency and accountability for how resources are currently invested.
- improve incentives to invest in prevention relative to acute interventions, including where costs/benefits fall on different agencies.

Robust and consistent evaluation could enable more systematic prioritisation and make any short-termism transparent. It could enable a view of the overall extent of preventative investment and the future liability that could amass if such investment were not made. Ultimately providing better information upon which decisions can be based. Given the context of devolution and integration, there is a need to adopt a whole system view, unrestricted by organisational focus.

The broader view of prevention

As highlighted in our recent publication,⁵ taking a truly place-based and preventative approach could make a huge contribution to achieving the core purposes of ICSs and the triple aim duty set out in the *Health and Care Act 2022*.

But population health and wellbeing are influenced by more than just healthcare. Evidence shows that wider social determinants such as education, employment, social inclusion, housing and the built environment have a greater impact on health and wellbeing outcomes than health services.⁶

In considering preventative interventions, a broader whole systems view is required. Closer integration, bringing together NHS, local government and wider partners, presents the opportunity for a more strategic approach to preventative programmes. Greater focus on these wider determinants to improve population health outcomes, could provide better value for money and support public sector financial sustainability.

³ Department of Health and Social Care and The Rt Hon Sajid Javid MP, [Health and Social Care Secretary speech on Health Reform](#), March 2022

⁴ CIPFA and Public Health England, [Evaluating preventative investments in public health in England](#), 2019

⁵ CIPFA, [Integrating Care: policy, principles and practice for places](#), December 2022

⁶ World Health Organisation, [Social determinants of health](#)