Rt Hon Andrew Lansley MP
Secretary of State for Health
Richmond House
79 Whitehall
London
SW1A

National Quality Board

1st November 2010

Dear Secretary of State,

**LIBERATING THE NHS: NATIONAL QUALITY BOARD'S ADVICE ON IMPLEMENTING THE WHITE PAPER**

I am writing as Chair of the National Quality Board (NQB) to offer you the Board's collective advice and ongoing support in implementing the reforms set out in the White Paper and its supporting consultation documents.

As you know, the NQB brings together all those involved in running the NHS system at a national level with a number of independently appointed expert and lay members. As such, the Board is uniquely placed to offer you a national, system level view on the proposed White Paper reforms and their implementation.

The Department will have received separately the detailed and formal independent responses from the various organisations represented on the Board.

***The overall vision***

The vision outlined in the White Paper of a patient-centred NHS in which clinicians are given greater autonomy to lead the drive for better health outcomes is clear. Successful implementation of the vision will depend on it being understood and owned at every level of the system.

The formal period of consultation has allowed people to contribute to the detailed policy that will need to underpin the White Paper vision; for example, about how the new architecture will work in practice, what the responsibilities of new organisations will be, how they will work together and the accountability mechanisms that will be put in place. With this more detailed understanding, ownership of the vision is beginning to be achieved.

The Board believes that it is critical to see the formal period of consultation as just the beginning of the engagement process. Ongoing communication, engagement and co-design of the new system will be essential throughout the transition period.

At a local level, the emerging GP leaders and consortia will clearly have a critical role to play in this. The Board is clear that significant time and effort will need to be invested in supporting GPs to take on their new leadership role which will extend well beyond their new commissioning responsibilities. For example, they too will need to be able to articulate a clear vision for their local populations and be able to explain how they will collaborate with other local service commissioners and providers to ensure the provision of integrated, high quality services for patients. Securing wide spread ownership of local visions will be as important as securing ownership of the overall national vision.

Implementing the White Paper will require us to strike the right balance between developing early momentum for change and allowing enough time to properly test the new arrangements. Getting this balance right will be critical to maintaining quality and safety in the short term. Building on many years of practice-based commissioning, this current year can be seen as one of consultation and design. Next year we will be looking at pushing, within the constraints of the existing legislative framework, the commissioning model set out in the White Paper in a number of "pathfinder" areas in order to learn lessons prior to full rollout. Only in the third year, and subject to the passage of legislation, will the new organisations proposed begin to formally be established. It will of course be important to make sure that the formal transfers of power between old and new organisations are guided by a clear assessment of a new organisation's readiness to take on new responsibilities.

The concerns some people may have are often more about missing pieces of detail around how the whole system will work in practice than the actual timetable itself. The Government's response to the various consultations will provide a valuable opportunity to set out some of this further policy detail. Much of the practical detail will, of course, be for local health economies to flesh out themselves in line with your vision of a liberated NHS. This is the point at which it will be critical for them to look out, not just up.

***The focus on outcomes***

The Board welcomes the focus the White Paper places on outcomes and is highly supportive of the direction the proposals for the NHS Outcomes Framework are taking. Related to this, there are two important points the Board is keen to make.

Firstly, if we are to really focus on the outcomes that matter most to patients then it would seem difficult to isolate the contribution that the NHS can make from that of public health and social care. In some cases it can be done and make sense to do so but in other areas, for example older people with multiple long term conditions and complex health and social care needs, it doesn't. When finalising the first version of the NHS Outcomes Framework, the Board would therefore recommend that you remain open to setting outcome goals that are not entirely within the gift of the NHS to control as an important way of encouraging partnership working and integrated service provision. Similarly, thought needs to be given as to how the three proposed

outcomes frameworks, one for the NHS, one for public health and one for adult social care will work in concert.

Secondly, the Board feels it important to emphasise the need for there to be a sophisticated accountability model between the Secretary of State and the new NHS Commissioning Board. Unlike process measures where it is much easier to make black and white judgements (however narrow) about performance, the interpretation and understanding of outcome indicators is far more complex. There will, therefore, need to be an open dialogue between the Secretary of State and the NHS Commissioning Board in relation to the progress being made around any of the outcomes set in the NHS Outcomes Framework.

One way of thinking through how this accountability between the Secretary of State and NHS Commissioning Board might work in practice is to look at the Bank of England model in relation to the inflation target it is set. Here, the Bank is set an inflation target, currently 2%, and the Governor is required to write an open letter to the Chancellor if the target is missed by more than 1 percentage point on either side explaining the reasons why inflation has increased or fallen to such an extent and what the Bank proposes to do to ensure inflation comes back to the target.. This model acknowledges that the Bank of England can significantly influence inflation at the same time as recognising that it does not have absolute control over how it performs.

***The continuing importance of the structures and processes of care***

As the NHS moves towards a focus on outcomes, improvements should be driven within the new system as organisations become more responsive to their patients and in pursuing quality goals. In order to support this it is also important that improvements achieved over the last few years within the service are retained and not simply lost as performance managed process targets are phased out. A number of process targets have been successful in the past in driving up patient experience in specific areas and improving the effectiveness and safety of care. It is important that the service is aware that there will continue to be a need for the NHS to deliver certain levels of compliance in relation to certain processes. In future, this compliance should be driven by healthcare professionals themselves as a result of strong evidence linking certain process with improved outcomes, and by patients making informed choices about their care, rather than by a central system of performance management.

Going forward, it will be important to be much more explicit about the links between processes and outcomes. Here, we see NICE Quality Standards as playing a vital role and acting as a bridge between the outcomes we are striving to achieve and the structures and processes the evidence shows are most likely to deliver those outcomes. The Board has already advised on how NICE should be much more explicit when developing quality standards as to the different outcomes across the pathway that the standards are meant to deliver.

***Making commissioning work***

As the first point of contact for many patients and the starting point of many clinical pathways, GPs are well placed to take on a new commissioning role. In order to ensure a high quality service, sufficiently robust levels of accountability must be in place to protect patients and guarantee high quality care throughout the commissioning process.

Although there will have been significant variation in practice, a theoretical strength of the PCT system was their duty to involve patients and the public in the commissioning process as well as their accountability to their local populations through bodies such as LINks. A similar accountability mechanism should be considered for the new system with the new commissioners (both GP Consortia and the NHS Commissioning Board itself) coming under a similar duty to involve patients and the public in the commissioning process.

The Board recognises that the White Paper seeks to put patients in the lead in terms of holding the system to account. It also recognises that even with the proposed information revolution there will often be an asymmetry of information and understanding on the part of patients compared with others who work in or with the system. It is therefore important that the new NHS Commissioning Board has sufficient powers and influence over any GP consortia that may be failing to secure good outcomes for patients. The accountability arrangements between GP consortia and the NHS Commissioning Board will need to provide patients and the public with reassurance that something can and will be done to address poor commissioning decisions or commissioning failure at a local level.

The capacity and capability of GP consortia to take on this new commissioning function will be critical and PCTs will have a key role to play in the transition. A challenge, of course, will be ensuring that they remain engaged and have the capacity themselves to do this during the transition period. Most importantly, the precise timing of the transfer of responsibility to the new consortia should in the end be determined by the NHS Commissioning Board being satisfied that consortia have the necessary capacity and capability to successfully fulfil their commissioning responsibilities.

Finally, in terms of building this commissioning capability, the Board is particularly keen to highlight the important role that clinicians working on the provider side can play. The Board is firmly of the view that the new system must continue to encourage collaborative working between GP commissioners and clinicians working in provider organisations where appropriate.

***A relentless focus on improving quality and safety during the transition***

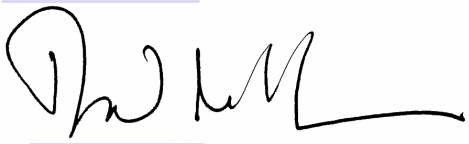
The transition to the new system will undoubtedly be a very challenging period for all those working in the NHS. The necessary changes will require significant energy and the adoption of new mindsets at a time when it will also be critical to keep a tight grip on the finances despite the relative protection afforded by the Spending Review settlement. The Board is confident that the

NHS can and will rise to this challenge. In doing so, the NHS must remain focussed on the present and not allow transition issues or financial pressures to divert attention from maintaining a relentless focus on quality and safety.

The Board feel that this is likely to require an even stronger grip by the national, regional and local systems of management and regulation during the transition period. A failure to maintain a tight grip on quality and safety in the transition period would put at risk implementation of the overall vision and the greater improvements to quality and outcomes the reforms are designed to bring about.

To support this, the Board has reflected on the piece of work it did earlier this year looking at the roles and responsibilities in the system for safeguarding quality of care to patients and service users. Given that managing the risks to quality and safety is even more important during any time of change, we have collectively decided to re-open our *Review of Early Warning Systems in the NHS* to explore both roles and responsibilities during the transition, and once the new architecture is in place.

I hope that you find this letter useful. On behalf of the National Quality Board, I would like to extend an invitation to you to join us at a future meeting.



**DAVID NICHOLSON**
**CHAIR, NATIONAL QUALITY BOARD**