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To: CCG clinical and managerial leads

Dear colleagues

The Health and Social Care Act has now passed into law. In less than a year's time, all the new structures will be in place, and patients and staff will start to see the improvements the new system will bring.

At the heart of the reforms are two simple principles. First, patients should have more control over the care they receive. Second, those responsible for patient care – the doctors, nurses and others who work in our NHS – should have the freedom and power to lead an NHS that delivers continually improving care for its patients.

The Health and Social Care Act explicitly supports the core principles of the NHS - care provided free at the point of use, funded from general taxation, and based on need and not ability to pay. But the Act is only the beginning of a journey. My ambition is for a clinically-led NHS that delivers the best possible care for patients. Politicians should not be able to tell clinicians how to do their jobs. I hope you and your colleagues in the NHS will take advantage of the new freedoms the Act has put in place.

I am writing to you today to set out what the Act means for you.

- As a clinical commissioning group (CCG), you will have the freedom to use
 the NHS budget in the best interests of your patients. You will have the
 freedom to structure your CCG in the way that ensures all of your
 constituent practices and through them, their patients have a direct
 influence on the way the NHS budget is spent. You will also have the
 freedom to pursue innovative ways of delivering care that delivers better
 results for your patients.
- I am pleased to be able to write today that well over half of the future commissioning budgets have already been delegated (within existing legislation) to CCGs, and the number is rising all the time. Of course, in 2012/13, the statutory NHS budget holders remain primary care trusts, but from 1 April 2013 under the Act, you will become statutory NHS budget holders in your own right. This means you will have the freedom to prioritise resources in ways that best suit the needs of your population without being second-guessed and to reinvest all efficiency savings you make directly back into frontline patient care.

 You will also have the freedom to determine where you commission services. I want to reassure you that the breadth and scope of competition in the NHS is something that you will determine, in the interests of your patients. It will not be imposed upon you from Whitehall.

The Act also establishes an independent NHS Commissioning Board (the Board), to which you will be accountable, both for the results you deliver and for the use of the public money for which you are responsible. From 1 April 2013, the independent Board will exist as a statutory independent organisation, tasked with improving the outcomes the NHS delivers but insulating the NHS from political micro-management. You, too, as CCGs, will be statutory independent organisations in your own right – and, once authorised, your own powers and freedoms will be protected from unwarranted interference by law.

I know many of you are eager to take advantage of your new powers and responsibilities as soon as possible and – to this end – will have been thinking about the CCG authorisation process. I know the NHS Commissioning Board Authority is working with pathfinder CCGs to ensure this process does not replicate the burdensome and bureaucratic processes of the past, and that CCGs feel ready and willing to take up their full responsibilities before they are authorised. I hope to hear from many of you over the coming weeks and months your positive experiences of this process.

The Health and Social Care Act represents an important step, that will put patients at the heart of the NHS and deliver a clinically-led NHS. I hope you will take maximum advantage of your new powers and freedoms. I look forward to hearing from you in the future about how you are using them to deliver better services for your patients.

Yours,

ANDREW LANSLEY CBE