

To: NHS foundation trust chief executives

Copied to: Monitor chief executive

3 April 2012

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.

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

At the heart of the reforms are two very 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.

- As an NHS foundation trust, the Act gives you far greater operational freedom to organise services in the ways you know will deliver better care for your patients. You will have greater opportunity to develop more innovative services – taking advantage of greater flexibility around private income so it best supports your NHS activity. You will also be able to merge with, or acquire, other NHS foundation trusts and NHS trusts without the explicit approval of Monitor, and without a burdensome legislative process.
- The Act gives you – as an NHS foundation trust – genuine operational independence to determine how best to meet the needs of your commissioners. Monitor will cease to have a role focused solely on the performance of foundation trusts, and instead will regulate all healthcare providers to ensure they remain financially sound and well governed. Monitor, working with the NHS Commissioning Board, instead of ministers, will set the national tariff from 2014/15, giving you the long-term stability in planning your income to maximise the operational independence given to you by the Act.

- The Act prevents the Government – or anyone else in the NHS – from discriminating against you in favour of the private sector. I know from my discussions with some of you in the past just how frustrated you have felt about this practice. The Act prevents this in future, by law.

The Government's ambition is to ensure all providers of NHS-funded care – both within the NHS and outside it – are genuinely free from political interference to focus on how best to treat their patients, free to design their services according to what their commissioners want and free to continuously improve the quality of their services.

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

Yours,

A handwritten signature in black ink, appearing to read 'Andrew Lansley'. The signature is fluid and cursive, with a long horizontal stroke at the end.

ANDREW LANSLEY CBE