

18 January 2012

Medical Directors of NHS Trusts and NHS Foundation Trusts
Finance Directors of NHS Trusts and NHS Foundation Trusts

Our Ref: Gateway Reference Number: 17046

Dear Colleague

Subject: Driving Quality and Evidence through National Clinical Audits

This letter is to alert you to a change in the way that some national clinical audits (NCAs) will be funded from April 2012.

The NHS standard contracts for acute hospital, mental health, community and ambulance services set a requirement that provider organisations shall participate in appropriate NCAs that are part of the National Clinical Audit and Patient Outcome Programme (NCAPOP).

The Operating Framework for the NHS in England 2012/13 made clear that preparatory work is under way to transfer the cost of established audits within NCAPOP to providers of relevant and tariffed services from 2012/13.

The intention is to do this on a subscription basis, with the aim of providing:

- i) stability in funding for the national audit programme and
- ii) financial headroom in the central programme budget to support the development and commissioning of new audits, as set out *in Equity and Excellence: Liberating the NHS*, so that the national programme covers a wider range of treatments and conditions.

From 2012/13, NHS and Foundation Trusts will be required, where they are providing the services, to contribute towards the cost of nine audits (see Annex). Subscription costs for each NCA will be in the range of £1,700 to £4,600 per year, with a maximum cost per Trust of £23,500 per year, where all nine services listed in the annex are provided.

The clinical audit subscription will be recognised in an adjustment to the tariff for the services associated with the subscription. The Healthcare Quality Improvement

Partnership (HQIP) will collect annual subscriptions from NHS providers during the second quarter and they will write to organisations with further information about how this process will work in due course.

For 2012/13, relevant tariffs have been adjusted by a total of £2.7m to specific HRGs, which cover eight of the nine audits. Further information on this will be issued in PbR guidance. Neonatal intensive care services do not currently have a mandated national tariff and the additional costs associated with subscriptions will need to be reflected in local prices.

Although NHS provider organisations are the primary beneficiaries of NCA, the largest share of the cost of national clinical audit will continue to be borne centrally.

We should be grateful if Medical Directors, Finance Directors and clinical audit teams would work together to ensure that payment arrangements are in place in all NHS provider organisations providing services covered by these nine NCAs.

Sir BRUCE KEOGH
NHS Medical Director

DAVID FLORY
Deputy NHS Chief Executive

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NCAAG Chair

ANNEX

National Clinical Audit	Subscription cost per NHS provider organisation
Bowel Cancer	£ 2,100
Head & Neck Cancer	£ 2,500
Lung Cancer	£ 2,100
Oesophageal Cancer	£ 2,700
Angioplasty audit	£ 4,600
Myocardial Infarction	£ 2,300
Heart Failure	£ 2,100
Neonatal Intensive care	£ 1,700
Carotid Interventions	£ 3,400
Maximum subscription charges	£ 23,500