



12 March 2009

**SHA Chief Executives
PCT Chief Executives**

Gateway Reference Number: 11101

NHS Constitution: Local Decision-Making about Funding of Medicines and other Treatments

I am writing to follow-up my letter of 7 August about local decision-making on medicines and the right in the NHS Constitution to expect rational decisions. This highlighted the need to address perceptions that variations in the availability of important treatments can sometimes occur at random, rather than as the result of a clear and conscious commissioning process.

To help with this, I asked the Department of Health-funded National Prescribing Centre (NPC) to:

- undertake a detailed baseline survey of existing PCT decision-making arrangements;
- refine a set of public-facing “headline principles” that PCTs might be expected to use or reflect in these processes; and
- develop and issue a handbook of “good practice” guidance for PCTs, to support local work on the assessment of new drugs.

The headline principles were published on 21 January and we have now issued statutory directions which will come into force on 1 April http://www.dh.gov.uk/en/Managingyourorganisation/Commissioning/DH_093414 Results of the baseline survey and the handbook of good practice were published together on 3 March <http://www.npc.co.uk/policy/local/local.htm>

The Directions are intended to make explicit PCTs’s existing legal duties. They require PCTs to:

- have arrangements in place for making decisions and adopting policies on health care interventions, including arrangements for dealing with individual funding requests (IFRs);
- take account of guidance and principles published by SofS;
- give reasons in writing for policies and for IFR refusals;
- publish clear information about local arrangements on the PCT website.

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PCTs may of course decide to collaborate in discharging some of their responsibilities in this area, and I asked SHAs to lead work to review such arrangements by April 2009. I place great importance on the successful implementation of this package of measures and look to SHAs to co-ordinate action and provide their PCTs with support as required.

The NPC has arranged a number of events to discuss the handbook and associated documents, details of which are available at regional seminar programme http://www.npc.co.uk/policy/local/supporting_events.htm. These events will also provide an opportunity to hear more about our plans to put in place a programme of practical implementation support, again working through the NPC. I would urge you to review the resources that have now been published, and to nominate representatives to attend one of the NPC's events.

A handwritten signature in black ink, appearing to read 'D Nicholson', with a long horizontal flourish extending to the right.

David Nicholson

NHS Chief Executive