

*Richmond House
79 Whitehall
London
SW1A 2NS
Tel: 020 7210 5334
Switchboard: 020 7210 3000*

To: SHA Chief Executives
cc: David Nicholson, Gill Morgan, Bill Moyes, Anna Walker, National Clinical Directors

Gateway: 7842

12 February 2007

Dear everyone

Better Care Better Value Indicators

We are writing to invite you to comment on how we should improve and extend the reach of the Better Care Better Value Indicators, which were launched by the NHS Institute for Innovation and Improvement, supported by the Department of Health, in October 2006. Thirteen indicators are currently published every quarter at a national level covering both PCTs and acute hospital Trusts and Foundation Trusts at www.nhs.productivity.uk.

From our experience so far there are three generic uses for the indicators – judgement, improvement and research. There is now a body of evidence that efficient healthcare is of higher quality than inefficient healthcare. Ideally we would want to be able to calculate a productivity opportunity for each indicator that would represent a potential level of resource available for re-investment and alternative use.

It is proposed that up to thirty indicators will be published every quarter and we want to consult widely on which should be included. Following this we will prioritise publishing the first of the additional indicators so they cover Quarter 1 in 2007-08.

We are consulting on two questions:

- 1) should we stop publishing any of the initial list of thirteen indicators? We would like to know whether any of the current indicators add little value to local work on improving productivity; and
- 2) what additional indicators should be included? Attached is a paper that sets out some initial ideas on both expanding the current indicators and possible new indicators. The paper aims to stimulate debate and you are likely to have further suggestions. We have provided a short commentary on each indicator that sets out a rationale for its inclusion and a commentary on the availability of data. Please can you use the same format for any indicators you suggest.

When thinking about and commenting on the potential indicators it may be helpful to think in terms of the *Aim* of any proposed indicator (the change being promoted), the *Concept* (the specific area that the indicator measures) and then the technical definition of the Indicator itself (exactly what will be measured and the source).

The factors affecting the indicators finally chosen must:

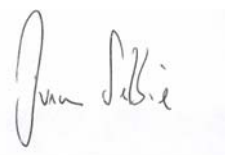
- a) Lead to action – the indicators should help clinicians and managers in taking decisions about ways to improve services to patients. We currently provide advice on interventions that organisations may want to take to improve performance and we would continue this for all new indicators;
- b) Maximise the productivity opportunity – the goal of these indicators is to support the NHS in improving productivity;
- c) Support the principles and priorities set out in the Operating Framework, especially delivery of the 18 week promise, the NHS being in financial surplus and the move towards primary and community-led models of care;
- d) Support local systems of performance improvement and organisational “dashboards”;
- e) Availability of data – the data required to construct the indicator needs to be either currently collected and reasonably reliable or be introduced as part of a new national data collection. The data is currently published every quarter and we would want to continue with this frequency; and
- f) Scope of the indicators – previous feedback has suggested that the indicator set should cover the range of services provided by the NHS. The most obvious additional areas are mental health and learning disabilities and primary and community care services.

There is a parallel debate about a single aggregate measure of productivity and efficiency and you may be aware that the UK Centre for the Measurement of Government Activity (which is a branch of the Office of National Statistics) is running a consultation until 3 April on the Atkinson Review about the measurement of health performance. The web link for their consultation exercise is: www.statistics.gov.uk/about/data/methodology/specific/publicsector/output/health_consultation.asp.

Please can you send comments on the suggested Better Care Better Value Indicators using the attached form to **Productivity@institute.nhs.uk** by **9 March 2007**.

Best wishes

Yours sincerely



Duncan Selbie
Commissioning Director
Department of Health



Bernard Crump
Chief Executive
NHS Institute for Innovation and
Improvement

Feedback to consultation on Better Care Better Value Indicators

Name and Post:

Contact E-mail Address:

Contact Phone Number:

Organisation:

Question 1: Should any of the current indicators be ceased?	
Comments:	
Question 2: What are your comments on the indicators that are suggested in the attached paper? (Please specify indicator number against comments)	
Indicator No:	Comments:
Question 3: Do you have any indicators that you would like to suggest?	
Comments: (please include rationale, construction and source of the data)	
Question 4: Do you have suggestions about how the design of the PDF files available on the website and NHS Indicator Explorer could be improved?	
Comments:	
Question 5: We plan to publish some new indicators for Q1 in Sept 07. Please indicate which indicators you would prioritise for this first step.	
Question 6 : Do you have any other comments?	
Comments:	

Please send to Productivity@institute.nhs.uk by 9 March 2007