30 August, 2011

Dear Sir Ian,

Re: Innovation in the NHS – Call for Evidence

NHS Innovations London was set up five years ago to manage innovations coming from London Trusts. In that time we have worked with 70 NHS Trusts on over 1400 healthcare innovations. We have also worked with pharmaceutical, medical device, diagnostic and healthcare IT companies and governments worldwide on innovation process management, increasing R&D efficiency/productivity, health outcomes, market access and innovation dissemination and adoption.

In fact this exposure to so many aspects of innovation in the healthcare system has provided us with a broad spectrum of domain expertise and a knowledge base which is internationally recognized in the field of innovation management. In London, Paul Corrigan stated that NHSIL has had a profound impact on the innovation culture of the NHS.

Over five years of managing healthcare innovation in the NHS in our opinion there are some fundamentals that must be addressed in order to make further progress. These include:

1. The facilitation of the efficient and productive use of time and resources on innovations that add value to patients or in reducing costs.
2. The utilization of business expertise which is not always found within the NHS.
3. The further provision of innovation development funds to organizations like NHSIL that have an objective process for the allocation, use and management of the funds.
**Time and Resources:** In stimulating, capturing and assessing over 1400 innovations from NHS Trusts, it is clear that NHS staff can be very innovative; however, time and money can be spent on innovations that have little benefit if not objectively assessed quickly. The majority of innovative ideas generated are me too or do not have significant patient or economic benefit. In 2006 NHSIL developed a best practice innovation management process – Xpedite, which after continuous improvement now facilitates the objective removal of >90% of innovation disclosures in 5-7 days.

The 10% that remain are validated further and many are funded, developed and taken through to market. In providing the Trust with an objective assessment of the innovations, NHSIL has saved London Trusts millions of pounds by not wasting time and resources on low value projects. NHSIL not only provides the expertise for the evaluations but provides professional project management to implement the projects to budget in a timely manner and identifies appropriate best of breed partners to develop the products/services.

NHS Innovations London’s Xpedite process is the only expert system that we are aware of for systematically identifying, evaluating and spreading healthcare innovations not just in the UK but internationally.

The implementation of innovations within Trusts is difficult particularly as clinicians have little free time for innovation. While NHSIL assists by providing the R&D and commercial resources necessary to make an innovation happen, a mechanism for releasing some clinician time and other resource for the development and implementation of innovations is essential.

**Business Expertise:** The team members at NHS Innovations London were selected to fill skill gaps needed in the NHS to provide effective innovation management. In addition to Ph.D. level expertise in a particular field, all members have functional expertise in areas of importance in innovations management gained in industry including: project management, consulting skills, paralegal/contractual, intellectual property, international business, negotiations, financial, marketing and training.

NHSIL has done an outstanding job in encouraging and nurturing innovation through its Trust Partner Liaison Managers and Innovation Managers who have built innovation management awareness across London and trained over 12,000 staff in the last five years. This educational process has increased the quality of the innovations that we receive and has significantly reduced the number of non-innovations. In addition, we have carried out targeted in-marketing to the Trust including many Trust specific innovation stimulation and capture activities that have identified high impact technologies and devices particularly in interventional cardiology and immunology.

NHSIL has developed a significant IP portfolio for London Trusts with a significant market potential in therapeutics, diagnostics, medical devices and healthcare IT. NHSIL has also supported the whole ethical and regulatory approval process and has several products at the preclinical and clinical stage and on the market. NHSIL’s team has used its networks, marketing capability and skills to establish partnerships and licensees with international companies.

NHSIL has a team of professional project managers that outsource many of the Trusts’ development projects to best of breed partners around the world. This has been a highly successful way of making innovations happen in a timely and cost effective manner.

NHSIL’s close proximity to both healthcare organizations and to industry worldwide provides a unique knowledge base and capability for the specification, development and brokering of innovations in, out and throughout the NHS. NHSIL’s Xcelerate Health Outcomes unit is already providing significant value to industry and patients.

Also, because NHSIL’s commercial capabilities have become recognized in the Trusts, NHSIL has also become a troubleshooter for many of the business issues arising in the Trusts and associated organisations.

**Innovation Development Funds:** The NHS Innovations London proof-of-concept fund has allowed the development of innovations which would otherwise have been impossible. The fund bridges the market failure gap where projects need to be de-risked before NHS Trusts will adopt the projects or an industry partner will finance further development. Already from the results of clinical trials involving medical device and diagnostics from NHS Innovations London, the benefits to patients are clear. Also, NHSIL’s healthcare software developments are delivering operational savings in Trusts across the UK. The importance of continuous investment is important as significant programs in therapeutic R&D for transplantation immunology, regenerative medicine, Parkinson’s and liver disease will have dramatic healthcare benefits and also generate substantive royalties for the Trusts.
The unique Xpedite healthcare innovations model which NHS Innovations London has developed is beginning to demonstrate significant healthcare benefits and cost savings out of innovations from the NHS. However, the funding was stopped in 2010 and new funds are urgently required to progress current and future projects.

If you would like to discuss any aspect of this further please do not hesitate to contact me at david.chilvers@nhsinnovationslondon.com or call me on 07920 582 982 (mobile).

Yours sincerely,

David C. Chilvers
Chief Executive