Response to NHS Chief Executive’s Open Call for Evidence and Ideas

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NHS Chief Executive’s Innovation Review

Dear Sir Ian

Thank you for inviting us to contribute to this review.

In 2007 we produced a ‘think piece’ for the Department of Health that explored the issues around innovation in the NHS. I have enclosed a copy of the report as the centre-piece of our submission here.

We have reviewed this report and believe that its conclusions remain relevant today. Our thinking has been reinforced and developed in some areas as a result of further work and I have set this out briefly below, referring back to the ‘key ideas’ that we identified in the original report.

**Remember that leadership and culture are both key**

There is a growing recognition that successful innovation does not solely depend on getting the technology right. It also depends on enabling organisational structures and leaders to support the complex eco-system of relationships that maximise the benefits of innovation. Our experience suggests that structures allowing diverse responses to research implementation needs can enhance diffusion.

Our on-going evaluation of nine **Collaborations for Leadership in Applied Health Research and Care (CLAHRCs)**, for example, provided an insight into how co-operative models for translating research into practice can operate. The CLAHRCs aim to encourage and strengthen collaboration between universities and local NHS organisations so that patient outcomes are improved through the conduct of applied health research and its implementation. We found that the intended outputs, outcomes and impacts evolved and became clearer over time as the projects were running. CLAHRCs are each seeking to change the way research is done and the way the NHS uses research in commissioning, managing and delivering services. However, the diversity of approaches is significant: the differences include how stakeholders relate one to another, how cultures and values are changed, and how infrastructures are developed to support the CLAHRC.

Effective monitoring of projects can also help leaders and teams to identify and break down barriers to effective innovation. Our work on the **Engaging with Quality Initiative** for the Health Foundation, for example, sought to understand how to engage clinicians in different disciplines.
in improving the quality of the healthcare they provide. We identified a rich picture of the factors involved in shaping success.

Further work for the Health Foundation developed these findings as has work for charity and private sector clients. This work has not yet been published but we would be delighted to have the opportunity to brief you with the emerging findings.

**Increase the price elasticity of health and use information to increase competition**

This is not an area where we have had the opportunity to do further work and we recognise the political sensitivities associated with co-payments. However, we stand by our conclusions in *Issues and Ideas on Innovation*.

**Use prizes to incentivise competition**

RAND Europe has explored the use of prizes in the allocation of health research funding and we have recently published *A Prize Worth Paying* which concludes that they have a potentially useful role to playing in incentivising innovation. We would not argue that they replace existing systems to support high-quality research and development but they should play a more significant role in the UK health R&D system.

**Use procurement to stimulate innovation**

In 2009 we published a report on *Innovation Procurement* for the DH Health System Research Observatory. We interpret innovation procurement as a special type of prize mechanism, and find that it should be part of a menu of prize mechanisms including first-past-the-post, best-in-simultaneous submissions and simple contests.

**Concluding comments and next steps**

If you would like to explore any of these issues further, please do let me know. The publications listed below are all available to download or read for free on our website. Hard copies of most reports can be provided on request.

**RAND Europe and our insight into innovation in the NHS**

RAND Europe has an extensive – possibly unique – range of experience in the evaluation and analysis of health research, the interaction of research with practice in the NHS and the diffusion of innovations across the spectrum in health. We are part of the RAND Corporation, a not-for-profit institution that helps improve policy decision making through research and analysis. Based in Cambridge and Brussels, RAND Europe has been established for almost twenty years and employs around seventy full-time research staff across a number of disciplines.

Yours sincerely

Dr Jonathan Grant
Appendix: RAND Europe publications referred to


Delivering the aims of the CLAHRCs: evaluating CLAHRCs’ strategies and contributions, [http://www.rand.org/pubs/working_papers/WR820.html](http://www.rand.org/pubs/working_papers/WR820.html)

Innovation Procurement – Part of the solution

Issues and Ideas on Innovation –informing the NHS Next Stage Review
[http://www.rand.org/pubs/documented_briefings/DB554.html](http://www.rand.org/pubs/documented_briefings/DB554.html)