

to me and sit alongside the Regional Directors on the NHS Executive Board. The Board has no statutory responsibility but is a means of co-ordinating intelligence and advice for Ministers and ensuring that systematic progress is made in delivering the Government's objectives and targets for the NHS. The current structure of the NHS Executive is at Annex 6.

### **Accountability of the NHS to the NHS Executive**

25. As Accounting Officer I am directly accountable to the Secretary of State for Health for the management and overall performance of the NHS in England. I account to Parliament for expenditure of some £40bn on hospital and community health services, family health services, some central services, the drugs bill and NHS Trusts' external financing.
26. However, although I am ultimately accountable, the vast majority of decisions that commit resources are taken on a day to day basis by clinicians working at a local level. In recognition of this, all Chief Executives of NHS Trusts and Health Authorities have, since 1995, been designated as "accountable officers". This will be extended to Chief Executives of Primary Care Trusts. This means that they are answerable to Parliament through me for the efficient and proper use of the resources in their charge. In case of serious management failure they would be expected to accompany me to answer personally before the Parliamentary Public Accounts Committee. To support me in my role of Accounting Officer, the NHS Executive has ensured that detailed procedures are in place in the NHS to ensure that expenditure is

properly accounted for, that value for money is achieved and that performance objectives are met.

27. Financial control is primarily achieved through the requirement for NHS bodies to keep and submit audited accounts, supported by systems of internal and external audit. In addition since 1997/98, NHS bodies have been required to confirm annually that they meet defined standards of internal financial control.
28. Explicit procedures for monitoring and reviewing the performance of NHS Trusts and Health Authorities are in place and are being developed for Primary Care Trusts. The key steps include:
  - setting direction and clear standards of performance in National Priorities Guidance. This defines the national priorities to be implemented over the next three years to support the delivery of the Government's policies and strategies.
  - requiring Health Authorities to lead the development of a locally-agreed strategy for improving health and health care in a formal Health Improvement Programme.
  - holding Health Authorities to account for ensuring that the NHS contribution to the Health Improvement Programme is delivered. Progress is monitored by the NHS Executive's Regional Offices through a well established system of performance management.