

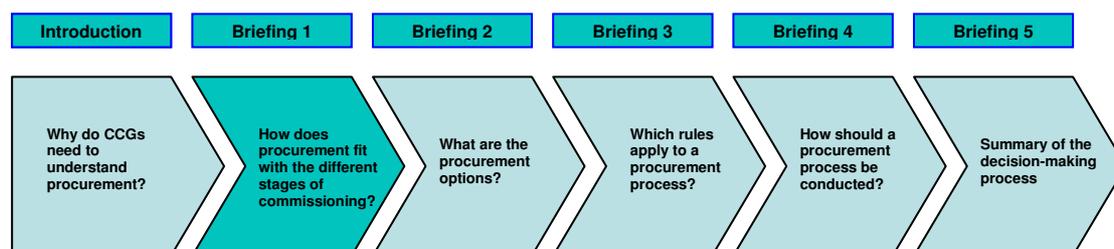
Procurement of healthcare (clinical) services

*Briefing 1: How does procurement
fit with the different stages of
commissioning?*

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Briefing 1: How does procurement fit with the different stages of commissioning?



Commissioning is the process of putting in place healthcare services that effectively meet the needs of the population. It is a complex process with responsibilities that include assessing population needs, prioritising health outcomes, specifying requirements, securing services and monitoring quality of services.

Procurement is the process of securing, or purchasing, those services.

When public sector bodies, such as CCGs, procure services, they are not simply allowed to award contracts to, or otherwise enter into arrangements with, providers of those services. Public sector bodies are subject to various rules and regulations governing procurement. You must ensure that your CCG complies with these rules and regulations. These are described further in **Briefing 3**.

When will you need to decide whether to conduct a procurement process?

A decision to conduct a procurement process for healthcare services will be made, if at all, after you have been through a number of the different stages of commissioning.

Needs assessment and determining priorities: through both the Joint Strategic Needs Assessment and more detailed underpinning analysis, this will involve an assessment of patient and population needs and how well existing services are meeting these needs. This stage will also include agreeing strategic priorities, as part of Joint Health and Wellbeing Strategies, for improving health outcomes and developing commissioning plans that reflect these agreed strategic priorities. This will involve determining where new service models or additional capacity are required.

Service specification: describing the patient/population need to be addressed, outcomes to be achieved, quality standards, key performance indicators (KPIs), access requirements, contractual terms and conditions etc.

Provider engagement: engaging with a range of current and potential providers to develop and refine service specifications, explore resource implications, consider whether services can be integrated to form new pathways and identify the likely number of prospective providers.

Procurement

(a) Evaluating procurement options: the previous, iterative, stages will identify whether new service models or significant additional capacity are needed, how services might be configured and whether there is more than one potential provider able to deliver the service(s). This will inform a decision on whether to use an existing contract or a procurement process to secure the provision of the services. Where you decide to conduct a procurement, you will also need to decide whether to conduct a competitive tender (or, in some cases, single tender) to determine the most suitable provider, or whether to allow patients to choose from any qualified provider. See **Briefing 2** for more detail.

(b) Advertising of procurement and notifying contract award: once a decision to procure services has been made, it is important to signal to providers that there will be an opportunity open to them. Accordingly, the relevant information should be notified to providers via NHS Supply2Health and (where appropriate) the Official Journal of the European Union (OJEU) as a minimum. See **Briefing 3** for more detail.