

Commercial capabilities for the NHS

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CONTEXT



- ***'Equity and Excellence: Liberating the NHS'*** – the Government's vision for health services
- **New commissioning architecture to drive improvements in healthcare**
- **Liberated provider market**
- **New Public Health service**
- **Responsibility for most commissioning with GP commissioning consortia, supported and supplemented by the NHS Commissioning Board**
- **The new architecture will take on many of the roles and responsibilities currently discharged by the Department of Health, Strategic Health Authorities and Primary Care Trusts.**

KEY PRINCIPLES

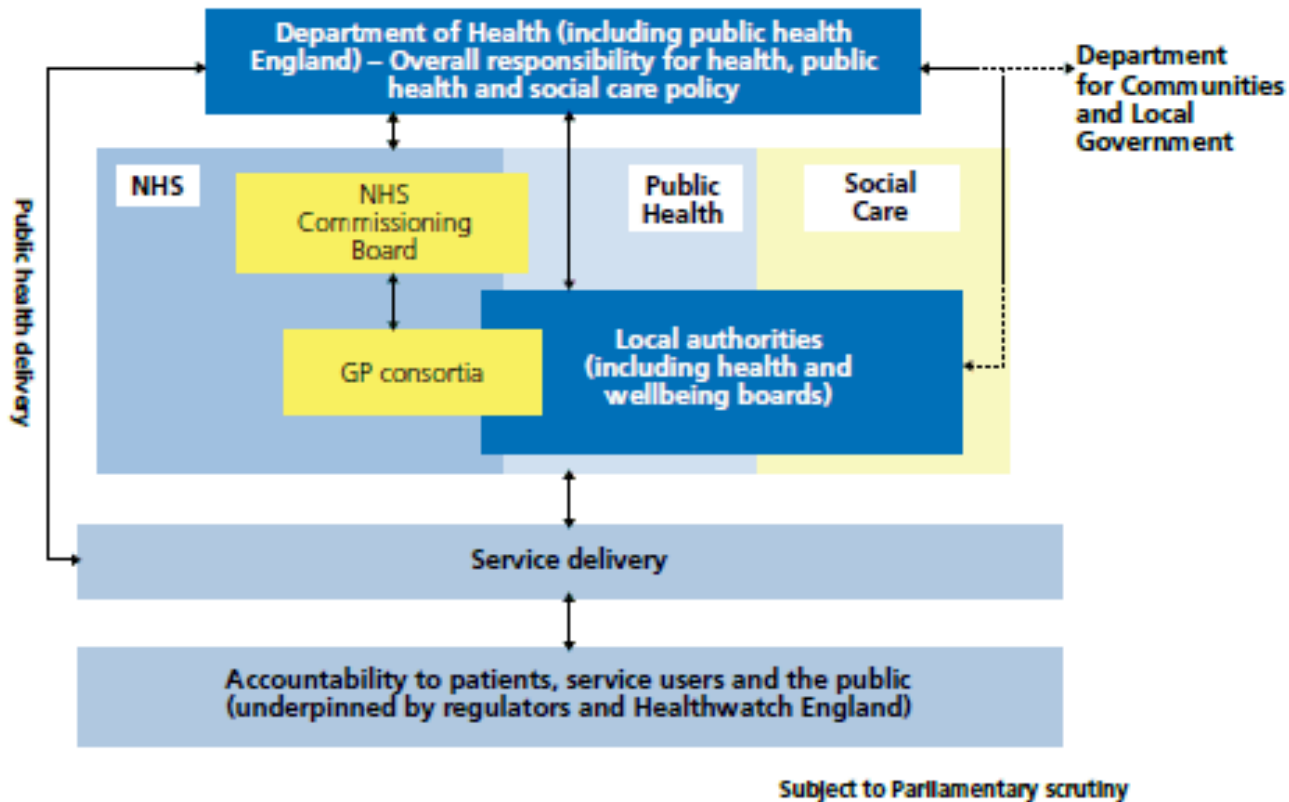


- **Quality and outcomes are central**
- **Clinicians at the heart of decision**
- **Patient empowerment through choice and information**
- **Local freedoms and bottom-up decisions**
- **Maximise value**
- **Prevention and early Intervention**
- **Equality for patients and staff**
- **The right capability and leadership**
- **Integration and joint working**

Commissioning reforms within the wider system architecture changes

New roles for new and existing organisations

Fig 1: The *Equity and Excellence* system



The NHS Commissioning Board



- **Supporting continuous improvements in quality and outcomes of NHS funded services**
- **Promoting choice and patient engagement**
- **Establishing, supporting and holding to account GP consortia**
- **Directly commissioning certain services including primary medical care, other family health services, specialised commissioning, offender and some military health**
- **Allocation of and accounting for NHS resources**
- **Reducing inequalities in access to health care**

GP Consortia



- Will build on the role GPs already play, acting as the patient advocate and co-ordinating care on their behalf.
- Will have greater opportunities to drive up the quality of care, with the incentives and responsibilities to deliver this in the most effective way.
- GP Consortia will determine the commissioning activities they will carry out themselves; which they will jointly commission; and which support they will look to secure from external organisations.
- The NHS Commissioning Board will hold consortia to account, drawing on the Commissioning Outcomes Framework.

Why Commercial capability is needed



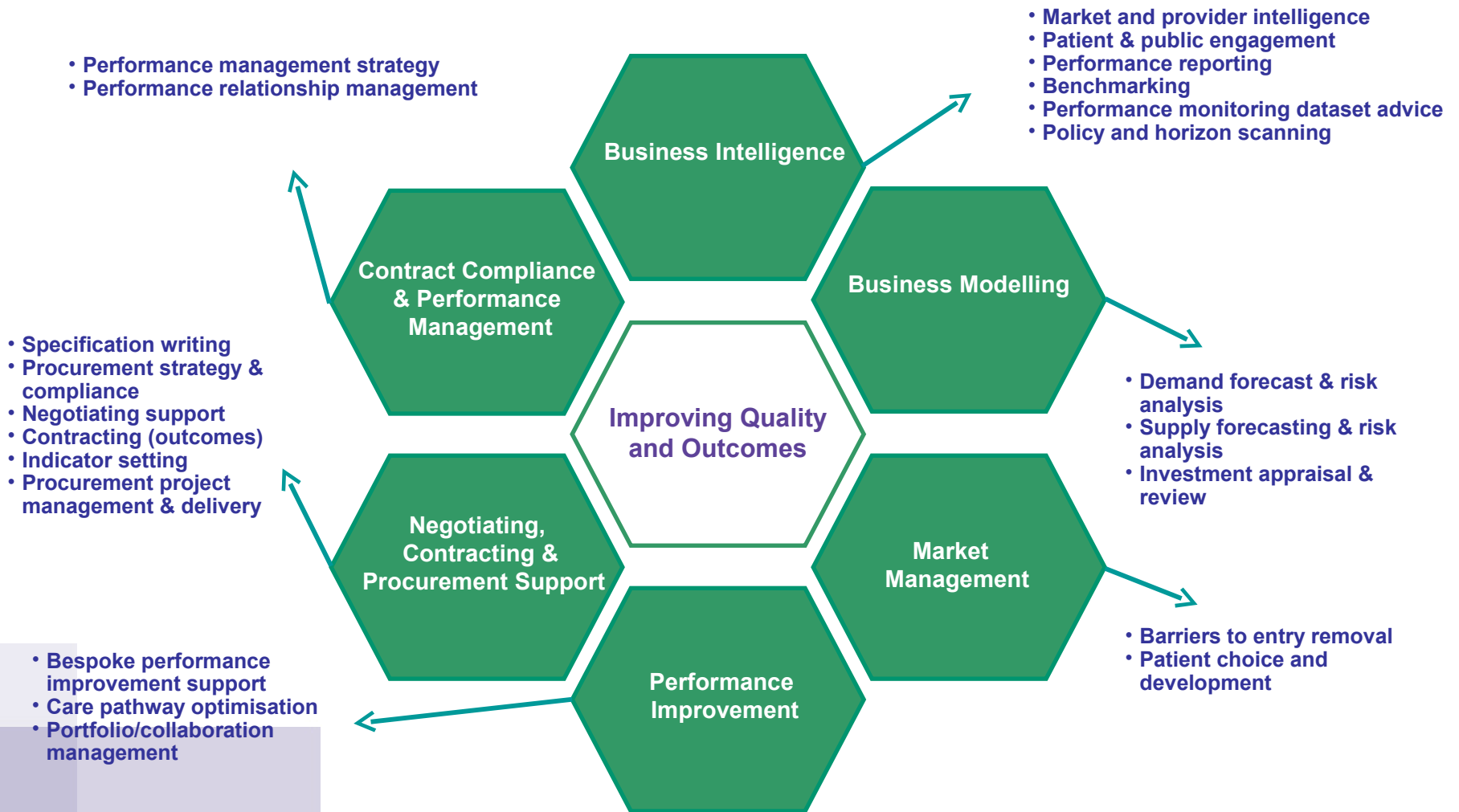
A successful business will routinely

- **Understand customer requirements**
- **Look for innovation and technology to be ahead of the market**
- **Look to drive costs down**
- **Utilise business information**
- **Employ procurement and contract experts**

Applying these to an NHS setting could help

- **Develop effective patient and public engagement to inform decision making**
- **Ensure information is used effectively to make investment decisions**
- **Identify innovation to improve quality and reduce cost**
- **Manage and develop suppliers effectively**
- **Actively manage contractual performance**
- **Procure services and utilise contractual levers to drive quality and productivity**
- **Ensure due process is in place for procurement activities**

Commercial capabilities for Commissioners



The challenges for transition



While the transition period will herald a significant change in how NHS services are commissioned and provided, it's important to remember three things:

- In the context of the challenging financial situation we're in, reform is not optional, if we are to sustain and improve the NHS.
- Much of the reform builds on valuable work already underway, from the three dimensions of quality, to the drive for clinical innovation, productivity and prevention.
- These reforms are designed to bring out the best in all players – and a belief that if we harness the skills of clinicians and give patients the information and support to become equal players, then we will deliver the improved patient outcomes that we seek.

New capabilities will help in a new world