



The HFMA's response to the NHS provider selection regime consultation

About the HFMA

The Healthcare Financial Management Association (HFMA) is the professional body for finance staff in healthcare. For over 70 years, it has provided independent and objective advice to its members and the wider healthcare community. It is a charitable organisation that promotes best practice and innovation in financial management and governance across the UK health economy through its local and national networks.

The association also analyses and responds to national policy and aims to exert influence in shaping the wider healthcare agenda. It has particular interest in promoting the highest professional standards in financial management and governance and is keen to work with other organisations to promote approaches that really are 'fit for purpose' and effective.

The HFMA offers a range of qualifications in healthcare business and finance at undergraduate and postgraduate level and can provide a route to an MBA in healthcare finance. The qualifications are delivered through HFMA's Academy which was launched in 2017 and has already established strong learner and alumni networks.

Application

Should it be possible for decision-making bodies (eg the clinical commissioning group (CCG), or, subject to legislation, statutory ICS) to decide to continue with an existing provider (eg an NHS community trust) without having to go through a competitive procurement process?

Agree

Our members are supportive of the reduction of unnecessary bureaucracy. However, it will be important that there are internal controls to ensure that the continuation of service offers value for money and is in the best interests of patients.

Should it be possible for the decision-making bodies (eg the CCG or, subject to legislation, the statutory ICS) to be able to make arrangements where there is a single most suitable provider (eg an NHS trust) without having to go through a competitive procurement process?

Agree

Our members are supportive of the reduction in the use of competitive procurement processes, which can be wasteful and cause fragmentation within a local system. However, it is important to ensure that the lack of competitive tendering in some cases, does not stifle innovation in the wider health and care sector and that new providers are encouraged, where there is benefit to the population,

particularly around enabling choice. Awarding a contract to an identified single most suitable provider may mean that other options are left unexplored.

Do you think there are situations where the regime should not apply/should apply differently, and for which we may need to create specific exemptions?

The proposed regime appears to be flexible enough to be applied on a case-by-case basis.

Do you agree with our proposals for a notice period?

Overall, our members agree that it is appropriate to have a notice period before awarding a contract as it could help to identify any unintended consequences of the chosen approach. However, some concerns have been raised about the level of enquiries that this could create, as an increase in freedom of information requests will require resource to respond to them. Defending decisions that have been made, may also create a new workload.

It will be important that trade deals made in future by the UK with other countries support and reinforce this regime, so we propose to work with government to ensure that the arranging of healthcare services by public bodies in England is not in scope of any future trade agreements. Do you agree?

Our members strongly agree.

Key criteria

Should the criteria for selecting providers cover: quality (safety effectiveness and experience of care) and innovation; integration and collaboration; value; inequalities, access and choice; service sustainability and social value?

Our members strongly agree with all the proposed criteria.

Do you have any additional suggestions on what the criteria should cover/how they could be improved?

Covid-19 has demonstrated how sharing workforce across a system can benefit the care being delivered and adapt to changing demand. There may be a need to include a criteria around workforce flexibility to support system working.

Transparency and scrutiny

Should all arrangements under this regime be made transparent on the basis that we propose:

- publication of intended approach to award, in advance
- publication of a list of contracts awarded by the decision-making body
- keeping records of decisions made and evidence considered
- review of compliance through the decision-making body's annual audit process
- including a summary of contracting activity in the decision-making body's annual report?

Agree

It is important that any contract award is made fairly and transparently. Our members support the suggested methods of ensuring this, acknowledging the concern expressed earlier about the potential for increased freedom of information requests creating a new resource intensive demand on staff.