

# Covid-19 Impact on NHS Commissioning and Procurement



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Disclaimer: The views expressed are personal and do not bind any NHS organisation

## (Pre) Covid-19 Context

- National Health Service (NHS) in England
- Brexit and procurement regulations
- NHS Long Term Plan 2019
- NHS Bill (2019) – changes to procurement regime 'on hold'
- Covid-19 impact on commissioning and procurement

## Working definitions

- Needs, plans, resources, service strategies (commissioning)
- Routes to market strategy, process design, compliance (procurement)

## Distinction drawn by Prof. Sanchez-Graells

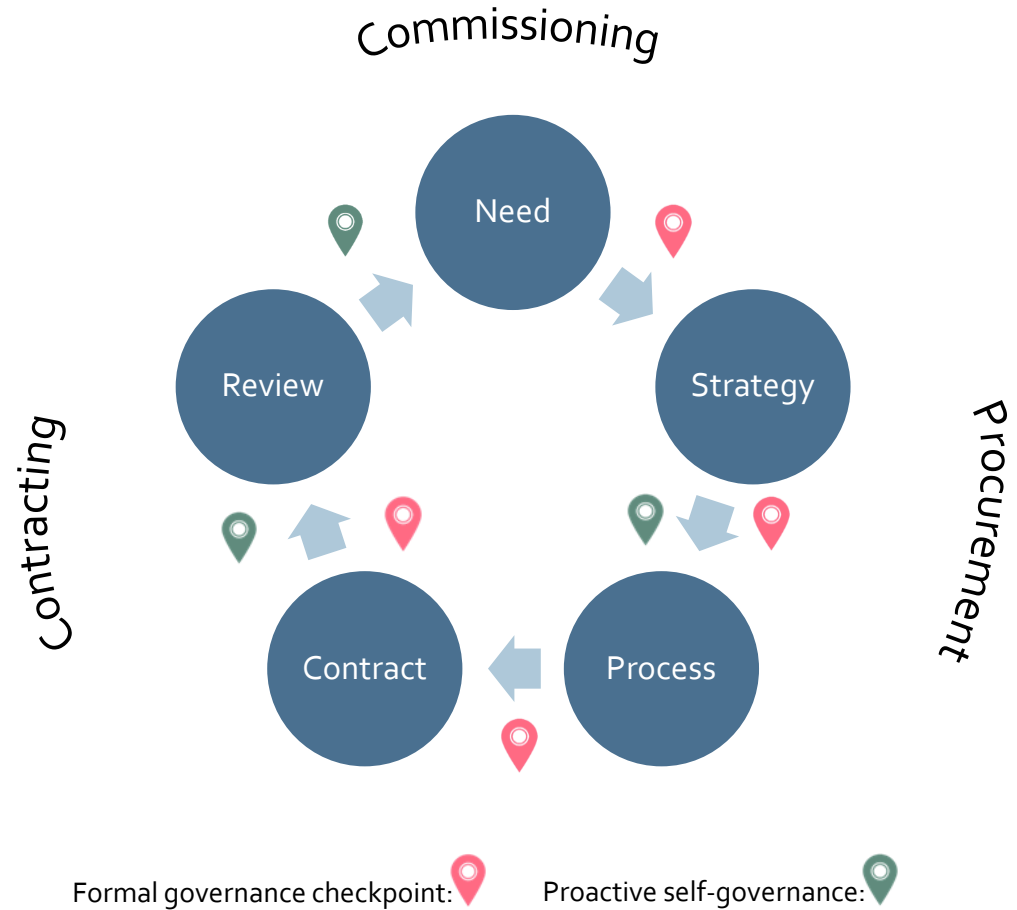
- Purchasing of care (commissioning)
- Purchasing for care (procurement)

## The Chartered Institute of Purchasing and Supply (CIPS)

- Needs, policy, services to meet needs effectively (commissioning)
- From sourcing to managing contracts/relationships (procurement)

# How should the model adapt in times of crisis (Covid-19)?

## A Sustainable Cycle Model



# Heterogeneous Covid-19 and non-Covid-19 needs



## Covid-19 Impact: Need

Jan-Mar 2020	Apr-Aug 2020	Now	Immediate	Long term
Sudden	Operational approach	Tactical approach	Strategic approach	Strategic/Contingency approach
Unknown	Better known	Better known	Well-known	Fully-known
Constantly changing	Still changing	Changing in a familiar pattern	Changing in a known pattern	Changing in a well-known pattern
<b>Covid-19</b>	<b>Covid-19</b>	<b>Covid-19</b>	<b>Covid-19</b>	<b>Covid-19</b>
Available service/capacity	Service re-design/building capacity/winter planning	Additional service/capacity/stockpiling	Interaction between services/streamline Covid-19 and other need	Business as usual (or new normal)
Equipment and capacity as matter of urgency (speed v quality)	Equipment and capacity of appropriate quality	Monitor contracts and quality assess/adjust	Holistic commissioning intentions for equipment/capacity	As standard commissioning process (consultation, specification)
Spread risk, buy quickly; joint schemes	Prioritise and consult on PPE, testing, capacity, vaccines	Manage PPE, testing; capacity; vaccines	Re-asses needs, consult, plan, prioritise	Regular supply of PPE, testing and vaccination
<b>Non-Covid-19</b>	<b>Non-Covid-19</b>	<b>Non-Covid-19</b>	<b>Non-Covid-19</b>	<b>Non-Covid-19</b>
Capacity	Waiting times/diagnoses	Cancer/organ transplantations	Wider impact - mental health	Mental, physical health - obesity



## Covid-19 Impact: Strategy

- **Commissioning Strategy - NHS national/DHSC/ NHS regional**
  - Use existing capacity/services - flu/Brexit resources
  - Build/re-purpose Covid-19 capacity and re-adjust service pathways
  - Pause decision-making for non-Covid-19 services (elective cancer care)
  - Strengthening NHS national and regional relationships and planning
- **Procurement strategy - NHS national /DHSC/ NHS regional**
  - Centralised buying (e.g. PPE) by DHSC/NHS Supply Chain
  - Urgent deals on PPE, ventilators, vaccines, testing
  - Message from centre - no regional procurement for PPE but...



## Covid-19 Impact: Process

- **Covid-19 procurement process**

- Use of negotiated procedure without prior publication - extreme urgency
- Options such as modifications, FA, DPS, accelerated procedures (PPN)
- Conflicts of interests - may go unaddressed (PPE)

- **Processes related to non-Covid-19 NHS**

- Delayed or suspended procurements due to capacity
- Impact on ongoing procurement processes - technology, evaluation
- Shrunken market pool as providers address Covid-19 needs
- Brexit and transition period



## Covid-19 Impact: Contract

- **Impact on existing contracts and provider management**
  - Covid-19 related contract modification and publication
  - Management of newly awarded (urgent) & modified contracts
  - Provider management - virtual, inspections, force majeure
- **Changed NHS contracting and payment regime for 20/21**
  - 'Contracts and payment guidance October 2020 - March 2021'
  - Impact on contracting approach for on-going procurements





## Covid-19 Impact: Review

- **Covid-19 and non-Covid-19 learning and feedback**
  - On-going and as part of a formal review process
  - Service and contract review and reporting on non-Covid-19
  - Expected internal and external (NAO) due to high interest
  - National infectious disease strategy



## Covid-19 Impact:

### Governance Communication Coordination

- **Governance layers and checkpoints**

- NHS England/Improvement, DHSC, Trust level - e.g. SFIs 📍
- NHS coordination and collaboration - national and regional 📍

- **Communication and coordination**

- DHSC and NHS Trusts - PPE local distribution issues
- Idle procurement expertise and uncoordinated efforts
- Local collaborations and resource sharing



A healthy dose of transparency

## Conclusions

### How should the model adapt in times of crisis?

- **Needs** can demand quick (risky) decisions/**process** but within limits
- Stronger national and regional **communication and coordination**
- **Contract** management, modifications and **review** require scrutiny

### Watch this space...

- Fit for purpose **governance**, responsibility, accountability
- Less direct awards due to urgency - Covid-19 example?
- Future UK and NHS procurement in Brexit/trade deals context

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