Partnerships for healthy outcomes

Modernising health sector procurement: making partnerships work between the public, private and third sectors

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QUALITY OF LIFE SERVICES

contents

"The current procurement processes are unhelpful, bordering on obstructive"

For many years I have been an advocate of greater joint working between the public sector and the private and third sectors. Past initiatives, however, usually led by a top-down approach from the Department of Health, have failed to act as a catalyst for this to happen. Consider private finance initiatives, and the framework for procuring external support for commissioners, for example. As a consequence, it seemed to me to be an ideal time in the evolution of the public sector to convene a group of leading figures to discuss how joint working might be better organised. My reasons were:

- Pooled skills and ideas will improve patient outcomes.
- Partnerships and greater cross-organisational working will create and stimulate growth that is good for the UK economy.
- The national and international economic situation is such that the NHS has, and will continue to have, significant reductions in funds for the foreseeable future.
- It is generally acknowledged that the NHS is unable to make these savings without significant changes to existing patterns of care.
- If these changes are to impact on the Nicholson Challenge[1], they will need new skills which will require the NHS and the private sector to work together for the greater benefit of the patient.
- This will require a major change to NHS culture epitomised by 'not invented here'.
- The current procurement processes are unhelpful, bordering on obstructive, in that they are over prescriptive, too lengthy, complicated, expensive, often adversarial and negative. Procurement has become an industry, the beauty of which is in the process rather than the benefits to the service being procured.

What is a partnership?

It is:

- A sharing of skills, knowledge and resources
- A sharing of risk and reward
- Transparent to both the public and the partnering parties

It is not:

- A short-term expedient to transfer all risks
- A way around the procurement rules
- Privatisation or surrendering of money, assets or resource to the private sector

The timing of this publication is deliberate. We are concerned that inertia around implementing the health bill will stop decisions being made and we want to call all sectors to action. I hope the industry finds it a helpful tool. This report is intended for all sectors concerned and the recommendations in the report apply to all parties. It is my intention that this report should be a living document subject to annual review, which will be to report on progress and supplement guidance.

I would like to thank:

- My panel and the report's reviewers for their positive and helpful contributions.
- More than 250 individuals from across the NHS, third and private sectors that responded to the survey so quickly and comprehensively.
- ZPB for writing and editing the report and organising the panel and the research.
- Sodexo for supporting this initiative, providing the resources for its compilation and publication, and of course lending us the benefit of its experience in this area.

Finally, all of you who I hope will positively embrace the concept of partnership and implement it for the benefit of all.

Sir William Wells

November 2012

[1] To take £20bn of costs out of the NHS. See, for example, http://www.institute.nhs.uk/establishing_evidence/establishing_evidence/background.html

introduction and executive summary

Partnerships are the way to change the NHS

During the summer of 2012, as the health sector underwent the biggest structural changes in its 65-year history, a panel of senior private, public and voluntary sector executives convened three times to discuss how all sectors can find better ways to work in partnership. We also consulted extensively, using a national survey and regional events. It was quickly established that there is an opportunity to radically change the way the sectors work with each other, to create a more productive and safer NHS by working in partnership.

survey finding

37% of private sector respondents think that NHS CEOs take the final decision on high value contracts

Only 6% of NHS respondents think the CEO takes this decision

Partnerships are more talked about than achieved. They can be stifled by ideological opposition and a hostile media. Despite the rhetoric in the health bill, the sectors are not coming together as we would hope to constructively form partnerships that introduce innovation, save money and improve patient care. There are also major misunderstandings about how commerce works, which leads to suspicion and disconnections between strategic decision makers and operational staff.

This report defines the why, what and how of joint working, to encourage all parties to embrace the concept of partnership positively and rapidly so that all available skills and resources are utilised to modernise the NHS.

It attempts to lay out some of the theory and thinking that advocates partnerships, and provide pointers on how to form successful ones. These apply equally to the private and public sectors. It also present the opinions and findings of the reference panel and responses to a survey distributed to the executive teams in NHS trusts and leaders from private and voluntary sectors. More than 250 people responded, two-thirds from the NHS and a third from other sectors.

Our suggested urgent action points are:

1. The Secretary of State to decide who is responsible for promoting the concept of partnerships. Is it the National Commissioning Board, for example?
2. The report to be disseminated in a series of regional meetings with commissioners and providers from the NHS, third sector and private sector.
3. To commission an evaluation of the number and scale of partnerships and their outcomes on an ongoing basis.

"Despite the rhetoric in the health bill, the sectors are not coming together as we would hope."

A procurement system in need of reform

The discussions, consultation events and survey findings led the reference panel to make a number of findings and recommendations, detailed in this section.

National findings

1. **The current procurement system is unwieldy and in need of reform.** Today's system does not allow for deeper cross-sector collaboration and is not helpful to the NHS or the private or voluntary sectors in achieving shared goals and outcomes. Clear, transparent procurement is critical in allowing partnerships to form and thrive.

2. **The Department of Health's best intentions can backfire.** National efforts to increase partnerships between the NHS and other sectors through national procurements or frameworks have demonstrated many benefits but also created local resistance to partnerships. Attempts to 'scale up' change have only rarely worked, and only when matched by local leadership.

3. **Leadership at all levels is essential to make partnerships work.** Without this, change will be slow or non-existent. Relationships with other sectors remain shallow and NHS isolated working prevails. There must be a determination to improve the clinical outcomes in the face of political and other opposition (for example, the centralisation of cardiac services in London).

4. **Perceived, and often artificial, cultural differences are an obstacle to cross-sector working.** "Cultural and/or political opposition" and "procurement problems" are the two most common barriers to partnerships, according to NHS respondents to our survey. The NHS often uses the word 'partnership' to describe relationships between different NHS and different public sector organisations. Partnership is rarely used to describe relations between the NHS and voluntary sector organisations and even less often with the private sector.

5. **Unhelpful competition between different public sector organisations hinders partnership.** This competition – in particular between NHS commissioners and providers – can result in non-NHS suppliers being caught in the crossfire. Procurement that affects commissioners, providers, local authorities and other public sector agencies is rarely discussed and properly resourced in advance. This is further evidenced by the increase in court challenges between NHS bodies.

> "There is a real opportunity to change now that the system is in flux. The NHS must be ready for partnerships. It has no choice."
> Reference panel member

Local findings

6. **There are not enough partnerships between the NHS and external parties.** Yet there is a recognition that this situation needs to change: 51% of the NHS expects to have a greater number of external contracts in the next 12 months and only 15% expects the number of contracts to decrease.

7. **The NHS and private sector rarely contract beyond transactional relationships.** This is not always the best arrangement, yet 24% of NHS respondents and 25% of private sector respondents to our survey said that they conduct all their contracting through traditional vendor or supplier relationships. Joint ventures and risk/profit share arrangements are hardly ever used, with the majority saying they use these less than 25% of the time.

8. **Procuring partnerships is not recognised by boards as one of the key processes undertaken by an NHS provider[2].** In most cases, procurement is seen as a technical process driven by relatively junior teams seeking to buy in services or products. There is a perception that procurement departments make the final decision on high value contracts by the private sector, which erodes their confidence in the process.

9. **The process of defining a partnership should be enshrined in the contract.** Legally binding agreements among the partners establish the governance and decision-making arrangements. This helps the partnership to work at a practical level, but in addition the negotiation process often highlights issues that may not have been identified during initial discussions.

10. **For commissioners specifically: low cost does not necessarily mean high value.** The private and voluntary sectors and the NHS recognise the need for more – and more ambitious – partnerships to deliver better outcomes at lower cost. A continuing focus on low-price bids – despite recent national policy to stress outcomes – has militated in favour of transactions at the expense of quality partnerships.

survey finding

51% of the NHS expects to have a greater number of external contracts in the next 12 months

Only 15% expects the number of contracts to decrease

[2] For the purposes of this report we are including GPs in our definition of NHS providers.

Promoting partnerships: support is needed at every level

A call on national leaders

1. **The Secretary of State for Health should make it clear where the responsibilities for stimulating partnership lie.** It became apparent during the deliberations of the reference panel that this is unclear: is it the Department of Health, National Commissioning Board (NCB) or Monitor? It is critical that ministers clarify which organisation(s) within the leadership of the new NHS are responsible promoting the concept of partnerships.

2. **National NHS leadership should build a strong case for improvements through partnerships.** Until the current NHS reconfiguration clarifies where the responsibility for stimulating partnerships lies, the panel believes the NCB should:
   - Urgently and radically overhaul procurement policies in light of new sectors within the NHS and local authorities (see our specific section on procurement on p26).
   - Establish objectives for the provision of services through partnerships in established market areas: facilities management, IT infrastructure, property management, back office, home care, diagnostics and informatics, with reference to national and international best practice.
   - Host an annual high-level summit to introduce accountable officers of Academic Health Science Networks (AHSNs), Clinical Commissioning Groups and non-executive directors, chief executives, finance directors and medical directors from NHS providers to senior teams from the private and voluntary sectors.
   - Stimulate regional forums to break down the barriers and myths about private sector organisations. These should be based around agendas of mutual interest and problem sharing and solving.
   - Publish an annual report of partnership activity in the NHS with reference to national and international best practice. Input from across the whole industry should be sought to ensure a balanced view on the efficacy of procurement and partnership in achieving goals.
   - Develop standard forms for partnerships that would make procurement requirements clear, and give good worked examples, helping trust boards to consider the alternatives to 'normal' procurement processes.
3. **The competitive environment should not preclude Small and Medium Enterprises (SMEs), charities and not-for-profits from forming partnerships**. We should stimulate partnerships with SMEs by removing prohibitive clauses such as unreasonable liability insurance thresholds.

4. **AHSNs should take the lead in equipping the NHS.** They should help to upskill NHS staff to support commercial partnerships and develop modern procurement strategies. AHSNs should encourage reciprocal secondment opportunities and work experience in other employer settings.

"Efficiency needs lead to contracts. Performance needs lead to partnerships."
Reference panel member

Drivers for public and private sector providers

5. **Competitive dialogue and soft market testing should be integral** to the process, particularly in areas of high complexity or in areas where such activities have not happened before.
6. **Contracts should be more outcome-focused.** There is little agreement as to what makes good outcome-based contracting between the public and private sector: over half (54%) of the NHS feels that there are enough outcome-based specifications in contracts with the private sector. In stark contrast, however, 66% of private sector respondents disagreed with this. This will require a steep learning curve for many bodies who have experience of input-based specifications not output or outcome-based specifications. This is an area where the private sector can add value. The panel believes contracts should be measured by outcomes with inputs used to monitor processes.
7. **Outcomes should be transparent and open to scrutiny**. Both parties should accept higher levels of transparency and clarity than are often required in traditional contracting environments. This fosters greater trust not just between partners, but also with the wider community.
8. **NHS boards should ensure that there is a culture of encouraging the use of external skills where appropriate.** All NHS trusts should undertake a capability audit to understand which of their functions has the capacity and immediate capability to deliver to a high quality and at an appropriate level of cost. They should seek to form partnerships in those areas where they do not meet the appropriate standard. The use of management consultants is often useful to identify problems but these exercises should include an assessment of when it is appropriate to create partnerships.
9. **The private sector must adapt to the NHS system.** Organisations should understand the NHS agenda, history and culture, and modify ways of working to accommodate the NHS and its approach to forming partnerships. The private sector needs to acknowledge that no company has a monopoly of wisdom and private sector organisations should collaborate more for the benefit of the NHS.

"Procurement is something done by a group of grey people who speak a different language to clinicians. Both parties need to understand a common language.
I am concerned that it will take too long for CCGs to establish slick working with the still emerging CSUs."
CCG chief medical officer

How commissioners can support change

10. **Clinical Commissioning Groups (CCGs) should stimulate partnerships with all sectors**. There is a serious risk that a large majority of CCGs will commission procurement services from Commissioning Support Units and have little or no in-house knowledge of the alternatives that are available or the appetite to investigate these.
11. **Commissioners should take the lead in ensuring appropriate contracts are put in place to stimulate partnerships.** These should be outcome led and incentivised in ways deliver that value for money and high quality patient care.

what is a partnership?

Defining a partnership

Partnership is an overused word, often applied out of context or coined by marketers to suggest aligned values with potential public sector customers. As a term it is frequently bandied around to suggest something more than a typical buyer/vendor relationship, belying the fact that true partnership is in fact hard to define, and even harder to achieve.

"When differentiating a partnership to a contract, trust is absolutely key."
Reference panel member

The highest priority of the NHS is to deliver safe, high quality patient outcomes and their core competencies should reflect that. If activities fall outside this highest priority, or are ancillary to it, then alternative delivery models could be considered. We present a definition to use for this report and as a benchmark for organisations to measure current arrangements against.

A partnership can be defined by the following characteristics, which fall into three categories: the technical, the behavioural and the must-haves.

Behavioural aspects:

- Commitment from the top to drive change: a true partnership effects a change in the whole organisation and is cascaded down the chain. It must not be confined to the top tiers of the organisation.
- Trust and respect; a relationship that is beyond controlling the other partner.
- Strong leadership at all levels and all relevant disciplines.
- Problem solving, together with an exchange of ideas, before any mention of contract comes into play, and continued after the contract is signed and co-working commences.
- Partnership is embedded so that it doesn't disintegrate when key individuals leave.
- A senior champion, appointed by each partner to represent them.

Technical aspects:

- Defined objectives, vision and ethics.
- The longevity and depth of the relationship.
- Mutual resource commitment; not only while the partnership is being established, but also in developing the partnership and investing in its future and expansion where appropriate.
- Mutual understanding and bearing of risk and reward which creates a 'win' for all partners.
- Underpinned, but not defined, by the contract.

survey finding

70-80% of respondents from the NHS and the private sector felt that shared objectives and senior level involvement are important elements to partnership

what is a partnership?

The must-haves:

- Trust and shared objectives (these objectives should be clearly laid out in a charter or in the SLA).
- Longer-term contracts.
- Joint resource commitments (management, accountabilities, understanding and respect of financial and personnel commitment).
- Joint collaborative design of the service, involving key stakeholders at all levels of the organisation. Partnerships are co-designed and co-owned; they are not imposed.
- Driven at board level with devolved engaged leadership and clear accountability.
- Output-driven rather than input-driven measurements.
- A relationship organised around behaviour, not technical points.
- Partners with a similar attitude to and definition of risk, with agreed rules of engagement from the outset.
- Honest recognition of success and acknowledgment of failure.
- Acknowledgement that partners' needs evolve and that a true partnership will constantly flex and change to accommodate this.
- Inputs and outputs constantly reviewed and changed, with partners having trust in each other to be honest and acknowledge this.

"Partnerships are defined by effective working relationships, a sense of shared purpose, risk appetite and successful delivery of mutual objectives."
Chief executive, NHS acute foundation trust

case study: joint provision of cancer services

Following a strategic review and gap analysis, undertaken by Deloitte, The Christie NHS Foundation Trust (The Christie) entered into a partnership with HCA International Limited (HCA) for the joint provision of leading edge private patient cancer services. To select a partner, The Christie created a comprehensive and competitive process, designed around preliminary market soundings. An optimised partnership structure was created, following tax and accounting advice provided by Deloitte. The main obstacle to the partnership was the cultural differences between the two sectors. Once this was surmounted, commercial thinking was encouraged, creating new opportunities for both parties.

Critical success factors: a successful forward thinking and robust procurement process; transparency; joint recognition of both partners' commercial and strategic ambitions, resources and skills; a culture change to minimise differences; strong support from advisory teams.

Partnerships are often more beneficial than contracts

A contractual relationship typically is defined as one with a specified set of inputs or outputs defined by 'the client', to be delivered by 'the contractor'. Contractual relationships have the clarity of a legal framework, service quality framework, KPIs and monitoring and governance processes. Often the emphasis is on process and contract governance rather than the output or outcome, with a comprehensive set of KPIs that reflect this. Process-focused KPIs are helpful when monitoring progress against pre-agreed goals and compliance with contractual obligations. However, they risk driving perverse behaviours and hindering innovation.

Partnerships go beyond this for the mutual benefit of both parties. Organisations and individuals forming successful partnerships spend time ensuring there is a shared vision and ethos.

"Board involvement keeps both partners focused on the strategic direction we are trying to achieve and avoids detailed disputes escalating beyond a point of being retrievable."

Chief executive, NHS acute foundation trust

case study: an integrated health centre

NHS Kensington and Chelsea commissioned a new health and wellbeing centre. They did so through a competitive dialogue process, requiring bidders to demonstrate the integrated delivery of GP, dental and sexual health services and social value interventions. Turning Point, Greenbrook, NHS Dentist and the Terrence Higgins Trust partnered to create an integrated health centre, providing GP, dental and sexual health services, but also seeking to add social value to local residents.

The integrated partnership model is working to deliver high quality clinical and social value services (health and wellbeing navigators, wellbeing coaches, time bank and community researchers) that meet the needs of the diverse Earl's Court population.

Critical success factors: full understanding of all partners' commercial and strategic ambitions, resources and skills.

Why form partnerships?

Forming partnerships can help organisations create value[3] for the NHS, generate revenue, reduce cost, access capital to invest in new schemes, technology, services or infrastructure, and bring new talent, expertise and ideas into the system.

Generate income and break into new markets

- Partnerships have the benefit of longevity. They can save NHS organisations money in the long term by driving out costs, increasing knowledge and improving efficiency, helping them to deliver 'future-proofed' models of care.
- Services can often be delivered at a lower cost and higher quality if designed and delivered with an external partner. This can be because of economies of scale that facilitate cheaper purchasing, the better utilisation of staff, or because good outcome-based arrangements drive appropriate value-based behaviours.
- Where organisations collaborate to benefit a third party, the product of that partnership can go to market and be sold to third parties, thus generating income for both partners.

Partnerships can help broaden horizons and bring new ideas into the system

- The current NHS recruitment pool and market does not have the depth of skills or capital required. Partnerships bring new talent and ideas into the system and pooled skills and ideas will help to improve patient outcomes.
- Two or more organisations working together are likely to create a better solution than those working in isolation. It is difficult for lone entities to change methodology. This will help to bring about new models of care and delivery, and shared experience and skills.
- The NHS needs the external challenge. Partnerships with other sectors help deliver this challenge in a constructive way.

case study: new inpatient facilities

In October 2010, Ryhurst and Lancashire Care NHS Foundation Trust entered into a joint venture company, Red Rose Corporate Services (RRCS), to provide investment in new inpatient facilities and meet efficiency savings. The parties pool their resources and expertise to achieve particular goals. Risks and rewards are shared.

Between October 2010 and October 2011, Ryhurst has delivered £1.6 million in savings across hard and soft facilities management, a 50% reduction in consultancy costs, a 39% space utilisation improvement and potential savings of £80 million from capital funding costs over 40 years.

Critical success factors: no fixed supply chain; flexible contractual arrangements; shared risks and rewards; shared objectives.

[3] Defined as the health outcomes achieved per money spent. See What Is Value in Health Care? Michael E Porter, Ph.D., N Engl J Med 2010; 363:2477-2481. www.nejm.org/doi/full/10.1056/NEJMp1011024

What does success look like?

Organisations will recognise successful partnerships when they:

- **Base them on outcomes.** Do not create an input-driven situation where the 'buyer' believes they know the answer to their problem and tenders in a restrictive way for this solution only.
- **Use the procurement process to positively drive clear rules of engagement**, rather than to negatively discriminate against potential partners.
- **Set realistic goals.** Partnerships fail where either side's expectation of success is unrealistic or too optimistic, as trust and transparency can be lost.
- **Are open to new ideas.** A partnership would not be required if there wasn't a mutual recognition that a new approach and innovation is required. The 'not invented here' mentality must be absent from successful partnerships.
- **Educate stakeholders and disseminate objectives.** Partnerships will fail if stakeholders within both organisations are not on board and clear on the rationale, business (and sometimes moral) case for entering into the partnership. This is particularly true of clinicians. Stakeholders should include the public and wider community. This means that outcomes are known, money flow is transparent and accountability is clear. Where the relationship underpinning the partnership sits with an individual, the partnership is at risk should that individual leave.
- **Explain the benefits to staff and stakeholders.** Many employees are wary of outsourcing, led by a fear of redundancy or TUPE. Take the time to help staff, unions and the wider community (including patient groups, local politicians and the media) understand the objectives and reasons for a partnership.
- **Truly understand shared risks.** Avoid loading all the risk on to one side of the partnership. Both organisations must share responsibility for success and crucially, both parties must have a similar attitude to, and understanding of, risk and reward.
- **Do not over-specify.** The more specificity there is in how the relationship should and should not be conducted, the more likely it is that the element of partnership is lost, because process metrics replace trust. This does not mean to say that there are not clear gateways, processes and metrics, but that the right things are measured for the right reasons. If a contract or partnership is appropriately outcome-based, then the specifics and process for achieving those outcomes should be seen as a means to an end, and not an end in itself.
- **Allow the transfer of skills.** This will improve the quality, efficiency and outputs of both parties.

"In a partnership, each party has to invest the time to establish and understand the shared vision and ethos of the other."

Reference panel member

Looking beyond healthcare and the UK

Stimulating partnerships between the private and public sector, both in the UK and elsewhere, is not a new concept and there is extensive literature on this topic. In 1999, the Harvard Business Review speculated on the social sector as a test-bed for business innovation.[4] The authors note: "Partnerships between private and public produces profitable and sustainable change for both sides, moving beyond corporate social responsibility to corporate social innovation. Often businesses just throw money at the social sector. This is wrong. They need to get deeply involved to make real change."

They outline six characteristics that make successful private-public partnerships:

- A clear business agenda.
- Strong partners committed to change.
- Investment by both parties.
- Becoming rooted in the user community.
- Links to other organisations.
- A long-term commitment to sustain and replicate the solution.

They demonstrate value in these kinds of partnerships for a number of US multi-nationals including Verizon, IBM, Marriott and Bank of America.

For further reading in this area, please see the bibliography on page 37 or visit www.uk.sodexo.com/uken/solutions/on-site/healthcare/healthcare.asp

survey finding

14% of the private sector does not think partnership exists between the NHS and contracting organisations...

...whereas only 2% of NHS representatives believe this to be the case

case study: care services in Hull

Care UK undertook a review of the provision of care services in Hull, identifying under-used services which were not fit for purpose. These were resulting in poor user outcomes, particularly for people with complex mental health needs within the city, and leading to a large number of clients receiving care out of the area.

Local services were explored and a local buy-in took place, raising £3.5m of capital investments. The result was the design of an innovative service model, which opened in May 2012. This was designed around the strategic goals for social care, health and the city council.

It offers a unique facility that provides individually designed care pathways with a range of accommodation including en-suite rooms, studio apartments and fully equipped flats. This has returned Hull residents to care in Hull and improved discharge rates while reducing readmission rates.

Critical success factors: trust; a culture change; a strong foundation knowledge; strategic goals; patient and user-centred outcomes.

[4] From Spare Change To Real Change: The Social Sector as Beta Site for Business Innovation. Rosabeth Moss Kanter Harvard Business Review (May-June 1999). http://hbr.org/1999/05/from-spare-change-to-real-change-the-social-sector-as-beta-site-for-business-innovation/ar/1

"Core to a partnership is seeking and providing a solution. The more hoops you have to jump through the more likely you are to lose the element of partnership. The contract underpins the risk element of the partnership; it's like a pre-nup before a wedding. Contracts only matter when failure is on the cards."

Reference panel member

survey finding

Almost a quarter of the private sector believes that procurement makes the final decision on high value contracts. Not a single person from the NHS agrees with this

case study: recovery at home in Southampton

University Hospital Southampton NHS Foundation Trust is delivering a 36-month test and learn Recovery at Home service (RaH) in partnership with Healthcare at Home Ltd. Patients with a range of medical conditions are discharged to the RaH team, which offers acute and sometimes complex care at the patient's home, shortening patients' length of stay. The primary objectives of RaH are to relieve pressure on acute bed capacity by delivering earlier discharge from hospital.

The scheme started in October 2010. As of the end of August 2012: 1,550 patients have been referred; 9,680+ bed nights have been saved; 13,000+ home visits have been made; there have been no new infections, pressure ulcers or complaints; and there was only one reported fall and one reported DVT. Almost all patients (98%) report being satisfied or very satisfied, and 98% of patients say the service was beneficial or very beneficial. Readmission rates have been less than 2%.

Despite some opposition to the scheme, it succeeded through a shared management commitment, CEOs and clinical directors from both organisations were jointly committed to making this happen and there was strong leadership at board level.

Critical success factors: strong leadership and clear accountability; shared objectives and clarity of goals; mutual belief in the other party's commitment and expertise; absolute conviction in the patient benefit.

forming partnerships

The process of partnering

The process outlined below is aimed at NHS organisations seeking to acquire a new product or service and is intended as a practical application for any party entering into a partnership.

Understand the problem or challenge

Determine whether it is likely to be solved in-house with existing skills and within an acceptable timeline, and identify a partner. The following steps are recommended:

I. **Strategy:** understand your strategy and what you are trying to achieve. The original objective can get lost when potential partners start offering 'creative' solutions. Keep returning to the original problem and bring senior stakeholders in.

II. **Specification:** be clear what you are asking the partner to do. Do your homework and understand what you can do in-house and what you cannot. You can save a lot of time and money by doing this all upfront before engaging the market.

III. **Market testing:** test the market appetite. Is what you are proposing going to attract a partner? What is in it for the partner? What degree of competition will you need?

IV. **Baseline:** develop a baseline (e.g. a public sector comparator) so you can determine where the partner really could add value.

V. **Partner selection:** do not run this process as you would a simple procurement e.g. for a defined product like an IT system. You are not looking for a supplier, you are looking for a best friend. Understand what assets and capabilities you have, what assets and capabilities you need to address the challenges you face, and what the gap is.

VI. **Business case:** agree funding and resources. Ring-fence critical people who are dedicated to this, and not doing it part-time on top of their day job.

VII. **Governance arrangements:** understand what you require and then agree these with your partner. These should be clearly set out and include accountability, senior level leadership and reporting mechanisms. Governance should be reciprocal and apply to both parties.

VIII. **Agreement/contract:** not until these steps have been taken can the organisation move to the contracting stage.

"Good relationships are based on each party treating the other as equals with expertise, risk sharing, defined outcomes, and agreed methods of contract monitoring with transparency on performance."

Chief operating officer, NHS acute foundation trust

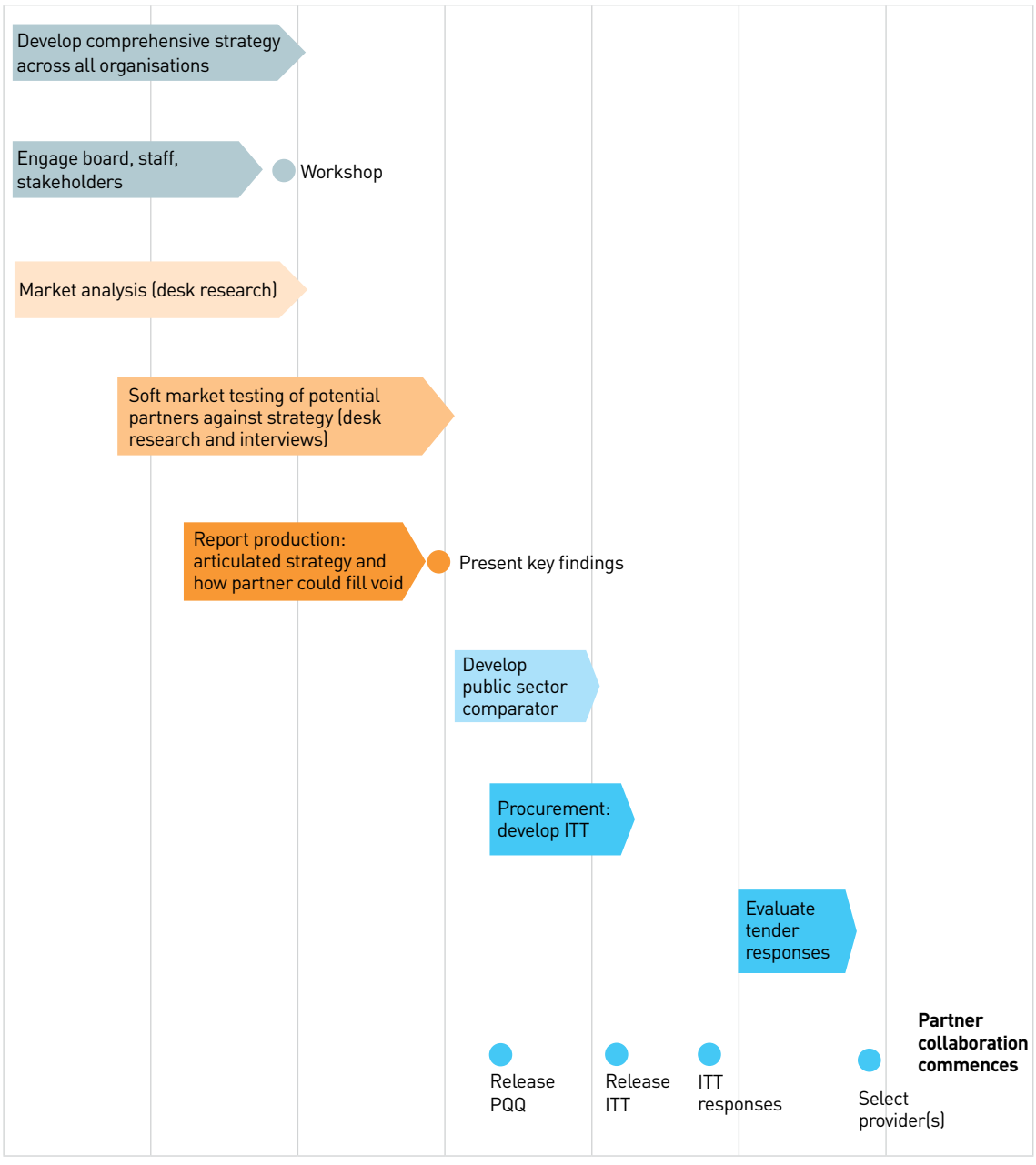
survey finding

Two-thirds of prospective partners among private and third sector organisations are met through personal contacts, whereas...

42% of the NHS use companies that they have used in a previous job

2. **Define and project-plan the process**

Organisations may wish to base their management of the partnering process on the following road map. They should set a realistic timeline but not make this overly long. Ideally, a procurement process should take three to six months.



3. Define the type of contract you require

The following matrix should be used as a guide to define the sort of partnership and contract. A high or medium score indicates that a partnership arrangement is preferable.

Area	Criteria	Description	High = 5	Medium = 3	Low = 1
Is there a market for what we want?	**Is there a supply chain in place?**	Is there a range of suitable suppliers?	No, it's not really been done before	Yes, in parts	Yes, well developed
	Are there standard form contracts for what we want?	Has somebody developed a standard contract, with both input and output specifications, that is applicable to what we want to do?	No	Yes, in parts	Yes, well developed
	Are there suppliers who we feel are aligned to what we do?	Explore values and strategy with a number of potential suppliers	No, we will have to develop one	Yes, in parts	Yes, there are a number
Time	**How quickly do we need to do this?**	Is time of the essence? Do we need something quickly?	No, we can wait 12 months and develop one	Yes, but we can take nine to 12 months to develop	Yes, we need it in six to nine months
	Length of arrangement	How long do we see this being in place?	Long-term (more than ten years)	Medium (up to ten years)	Short (up to five years)
	Do we have the competencies to do this ourself?	Could we do this without external help?	Not really	Probably	Definitely
Ability to execute	**Measurable outcomes**	Ability to define and measure meaningful performance outcomes (not just cost)	No metrics in place. Need to develop	Clear metrics, not linked to incentives	Clear metrics, linked to incentives
	Economic case	Is there a clear economic case? Do we know precisely what we want?	No, but we think there could be with the right partner	Probably, but we'll need some help to establish it	Yes
	Stakeholder involvement	Are there a lot of stakeholders to manage? Is the environment complex?	Complex	Medium	Simple

Find your partner

Finding the right partner is a multi-stage process, underpinned by comprehensive evaluation:

- **Pre-Qualification Questionnaire (PQQ) stage:** an initial screening to confirm eligibility and strategic fit, and to select the initial shortlist.
- **Invitation to Tender (ITT) stage**: the process to select the final shortlist that will progress to the Best and Final Offers stage.
- **Best and Final Offers (BaFO) stage:** an extended evaluation process to confirm Best and Final Offers as well as draw out and clarify key issues and points for negotiation. Considerable negotiation following appointment of the preferred bidder can be anticipated. Ideally only two bidders are taken through to this stage as they are required to submit detailed information, including HR and finance considerations. There is also an evaluation of key considerations, including corporate structure, tax and VAT consequences. BaFOs should consider vision, differentiated services, real estate, equity commitment and distribution of value.

"CCGs should be introduced to the opportunities of partnership working. My concern on this is that probably a large majority of CCGs will commission procurement services from Commissioning Support Units and have little or no in-house knowledge of the alternatives that are available."
CCG chief medical officer

case study: 24-hour access to radiology

University College London Hospitals NHS Foundation Trust (UCLH) and Imaging Partners Online, a private company based in Sydney, have formed a joint venture: Radiology Reporting Online (RRO). The partnership allows 24-hour contact, 365 days a year with a UK-qualified consultant radiologist service in Sydney. The result of this is the reduction of reporting delays, happier junior doctors and a quality, efficient and productive programme.

UCLH's objectives in forming a joint venture were to continue to improve their patients' experience by ensuring turnaround times are measured and met, and the out-of-hours service is of high quality; providing enhanced metrics to measure and evaluate performance; continuing to preserve staff and trainees' experience by providing efficient and quality facilities; enabling the financial benefits of teleradiology to assist UCLH's financial position; and potentially expanding the sphere of influence of UCLH radiology.

The Institutional Review Board (IRB) carried out a study of RRO and found the quality of service to be high, as is overall physician satisfaction.

Critical success factors: recognition that the need could be enhanced further through a partnership arrangement; combining the clinical skills and expertise of a leading radiology department with the rigour of a commercial organisation in managing efficiency and productivity.

The different stages of a successful procurement process

Process stage	Key activities	Outcomes
Market testing	■ Analysis of market confirms market potential for the opportunity	■ Strategy confirmed to develop a differentiated and enhanced service/ organisation through a partnership solution
PQQ stage	■ OJEU advert secures the interest of the market ■ PQQ used to shortlist on basis of eligibility, capability and financial resources	■ Number of parties selected to proceed
ITT stage	■ Information Memorandum released to the shortlisted bidders ■ A 'virtual' data room can be set up to share core information with the bidders under a non-disclosure agreement ■ A process of Q&A is run throughout the ITT stage	■ Number of ITT bids submitted providing proposals for how each bidder would develop the service/organisation in partnership ■ Final bidders selected based on a rigorous assessment of the submissions
BaFO stage	■ A further set of bidder responses is issued to achieve greater clarity as to the structuring and value added by each of the final bidders ■ Comprehensive exchange of information to aid an 'informed and robust' bid ■ Site visits to one or more of each bidder's existing operations	■ Final bids evaluated
Preferred bidder	■ Preferred bidder is selected and market informed ■ Time-critical work streams are progressed following appointment	■ A preferred bidder letter sent out setting out the core commercial agreement ■ Contracts to be signed with partnership formed and operational

"Both Private Finance Initiatives and Independent Sector Treatment Centres are good examples, generically, of contracting, rather than partnership (though some have migrated down this route.) The key challenge with both examples is that the extended time taken to procure, the complexity of contract form, the lack of local ownership and flexibility over time all demonstrate that they are contracts rather than partnerships."

Reference panel member

Getting the partnership contract right

Whatever type of partnership is contemplated, all partnerships need to be evidenced in the form of an agreement that is legally binding (i.e. a contract) and addresses the following issues. This agreement should be in place before the partnership commences.

"Partnership is shared vision, bilateral interest in seeing the other party succeed, senior level commitment to see through actions, good communications and strong project management."
Large private sector services provider

The legal status of the organisations

Care must be taken to ensure that each organisation is authorised to enter into the agreement, and has the resources to discharge its obligations under the agreement. In addition, the working environment requires greater compatibility than would be the case in a service or supply contract. Both sides need to check the legal entity they are contracting with.

In addition, the organisations should define the share each of them owns in the partnership (which may vary significantly). Generally, such shares will govern all aspects of the partnership's business (i.e. liabilities for cost contributions as well as rights to share in profits).

Deliverables

The agreement needs to define the deliverables (both at a strategic and at a tactical level), when they are to be achieved, and how they should be measured.

Legal nature of the partnership

'Partnership' is used in this report as a generic term to describe a way of working that is different from that of contracting. The entity created may, in essence, be a partnership, a joint venture, or be incorporated. The prime consequences relate to the nature of each organisation's liability to third parties and to their tax profile. The agreement may need to establish how the partnership should go about its business to ensure the desired result is achieved.

Commitment of resources

Some partnerships involve all the organisations to commit resources in proportion to their respective shares in the partnership. However, this is not always the case and, in any event, resources committed may take different forms, and be made at different times. The resources each organisation will commit needs to be established in the agreement, in detail; as does the way in which the resources committed are to be valued and paid for.

"Ongoing board-level engagement is the only way to ensure true partnerships operate as they should, particularly where there are people below board level with vested interests in ensuring some or all parts of the contract do not succeed."
Director of a large private services provider

Profits and losses

The agreement needs to establish accounting rules that define the partnership's financial performance. The profits and losses of most partnerships are normally (but not necessarily) distributed as they arise, in accordance with each organisation's percentage share of the partnership. However, longer-term thinking may be needed to ensure the partnership has adequate funds to conduct its business.

Management

The decision-making and leadership structure of a partnership needs to be clearly defined in the agreement. To work effectively, most partnerships need a board which includes a representative of each of each organisation.

The agreement should establish the board's terms of reference, and the way in which it makes decisions, and provide for decisions duly made by the board to be binding. The agreement may provide for some decisions to be made by a simple majority of partnership shares, while providing for others to be made unanimously.

The agreement should address a number of other issues, including the extent to which partnership interests may be disposed of, the consequences of a partner failing to comply with its obligations under the agreement, the legally binding nature of the agreement, and dispute resolution.

case study: new facilities for the military

In 2006, the Ministry of Defence (MoD) had 100 hectares of surplus land at six major defence sites. It also required delivery of £180 million of upgrades and new building work at RAF Northolt. The MoD sought a public-private partnership, which would combine the sale of the land with the upgrades. Barclays provided a loan of £130 million for initial financial requirements prior to the sale. Following a procurement process, Vinci/St Modwen was selected as a partner.

The obstacles to accomplishing the partnership's objectives included understanding the requirements for the new facilities and dealing with the lack of precedent for the proposed form of working relationship. These obstacles were overcome by experienced procurement, property finance and advisory teams; the selection of a well-qualified partner; the provision of incentives; the regular use of cross-discipline project meetings; and stable property and bank markets.

Critical success factors: an experienced procurement team; strong support from advisory teams; a well-qualified choice in partner; cross-discipline project meetings.

navigating the procurement labyrinth

Procurement with a focus on outcomes, not process

"The procurement process is the biggest killer to partnerships. All that happens is people say 'you can't do that because...'."
Reference panel member

The procurement process is often seen as highly adversarial and can mean that tenders force the buyer to seek a supplier to deliver their defined solution rather than a partner to solve the problem. The NHS must get procurement right to avoid creating adversarial relationships before any mention of partnership comes into play. The procurement should be used as a proactive tool to achieve the desired end, not as a process in itself.

There is a wide variance and spread of procurement skills and expertise in the public sector. It is not uncommon for decisions to be made without relevant delegated authority or a clear audit trail. For larger procurements there are serious financial risks for the procuring body. Procurement policies should be clear about key procurement decisions throughout the process, not just at contract award.

Some pointers for consideration during the procurement design process:

1. **Use pre-procurement testing:** pre-procurement market engagement should always be carried out for any complex partnership between public and private sector.

   This can often involve competitive dialogue and soft market testing. Some procurement departments still advise against this, though it is an acceptable way to begin a process. This was confirmed in Cabinet Office guidance issued in May 2012, which stated: "It is not against EU procurement law to talk to potential suppliers before starting the formal procurement process."[5]

   However, the reference panel disagreed with other recommendations in the note, including deterring the use of competitive dialogue. The guidance states: "The competitive dialogue procedure is designed to be used for particularly complex contracts. Too often, however, public procurers have relied on it as a means of engaging in dialogue with suppliers." The reference panel disagreed, believing competitive dialogue should be encouraged as a means to ensure organisations are entering into formal processes with a partner that understands what they require and they believe to be right for their objectives.

   It is important to engage with the private or voluntary sector early in the process. The buyer should undertake thorough soft market testing to gauge what the market can do and the range of solutions it can provide to the problem.

"You cannot underestimate the value of sensible dialogue and how this aids a successful, healthy partnership."
Reference panel member

[5] Procurement Policy Note 04/12 – Procurement Supporting Growth: Supporting Material for Departments. 9 May 2012. http://www.cabinetoffice.gov.uk/resource-library/procurement-policy-note-0412-procurement-supporting-growth

2. **Implement a phased process.** Successful procurement involves a two-stage process: an innovation phase and a detailed phase. The first phase investigates available options in the market, explores new solutions and ideas, and explores whether a provider would make a good partner. This first stage needs to be 'paper light'. The second codifies what the buyer needs and how the provider might go about supporting this. An interim contract could be put in place if the buyer is not clear about what they want before the main supply contract is active. Where a number of services or products need to be procured, a partnership should be formed to procure all the other services.

3. **Explore the market.** All parties need to understand risk to enable transparent relationships and successful partnerships. The urge is to get contracts out quickly, but there may be less risk in taking time to explore the market. On the other hand, the buyer must remember that over and under specifying both carry risk. There needs to be a balance of risk between the partners.

4. **Consider the capability of your procurement department.** Ensure you have a skilled and competent team, upskilling on a temporary basis where necessary. Although outsourcing is not a big risk, procuring strategic partnerships are bigger projects and often require specialist lawyers and strategic advisors alongside the procurement team.

5. **Pay attention to communications.** PR and communications is an important element to ensure the success of a partnership. It is important to promote and support the partnership equally on both sides. The NHS needs to show that it publicly endorses partnership and that contracts with the private and other sectors advance and enable high quality care. Personal ownership from the CEO or senior management is also important at this stage.

"We need to shorten the procurement system. In England this takes on average 18 months, whereas in other parts of Europe it can be as quick as six to eight weeks."
Evidence submitted to the reference panel

case study: a joint venture in pathology

Integrated Pathology Partnerships (iPP) is a joint venture between Labco, a major European clinical diagnostics company, and Sodexo, an international outsourcing company, to provide pathology services. iPP adapts its operating model to the needs of its customers, while giving preference to utilising the existing pathology facilities and staff of its customers to deliver services.

Both iPP's founders, Labco and Sodexo, have a long history of successfully partnering with their customers to assist them in redesigning and reconfiguring services, providing both with the experience to overcome challenges that may arise. They currently are working in partnership with Taunton and Somerset NHS Foundation Trust to deliver high quality, cost effective pathology services across the South West. This partnership has mutual objectives around growth and sharing value, underpinned by a contract.

Critical success factors: strong relationships built on mutual respect and trust; complimentary skills with not too much crossover; commitment to making the relationship succeed, while recognising that there will be challenges along the way; strong board leadership.

"We were named as the preferred bidder and then the trust told us that they had tendered under the wrong framework and had to start the process again."
Private sector commercial director

case study: groundbreaking care delivery in Cambridgeshire

Hinchingbrooke Health Care Trust and Circle is one of the best-known examples of NHS/private sector partnerships in the UK. The hospital initiated a 13-month long procurement process, involving government and media scrutiny and a wide range of participants who contributed over two dialogue stages. The result was an innovative partnership with the private company Circle, which focuses on devolving power to the frontline, steered by stakeholders and with a sustainable ten-year plan that seeks to reduce debt and improve quality, innovation and productivity. The trust was recently rated joint first in the inaugural results of the 'friends and family' patient satisfaction test[6], and published improved outcomes in a number of areas[7].

Critical success factors: a successful and well-run procurement process followed by extensive interactions between Circle, Hinchingbrooke staff, patients and other partners; a strong focus on PR, communications and stakeholder engagement; strong leadership at all levels of the partnering organisations.

Procurement Dos and Don'ts

DO

- Use pre-procurement engagement
- Evaluate what is important
- Have the right resources to manage the procurement
- Build trust and confidence in the process
- Value commercially sensitive issues
- Use targeted dialogue

DON'T

- Wait until the competition is under way to hear ideas
- Go out to procurement unless the proposition is commercially viable
- Leave bidders unsure about what you are looking for
- Seek bids on inputs if you are looking for innovation or strategic outcomes
- Leave the project to be led by suppliers
- Have long periods where you are not communicating with bidder
- Create perception that process is for "free consultancy"
- Stifle innovation through excessive use of inputs

survey finding

54% of NHS respondents feel that there are enough outcome-based specifications in contracts with the private sector. 66% of the private sector disagree that there are enough such specifications in contracts

[6] http://www.hsj.co.uk/news/acute-care/exclusive-private-franchise-tops-first-friends-and-family-chart/5046383.article

[7] http://www.strategicprojectseoe.co.uk/index.php?id_sec=182

appendices
survey findings and further reading

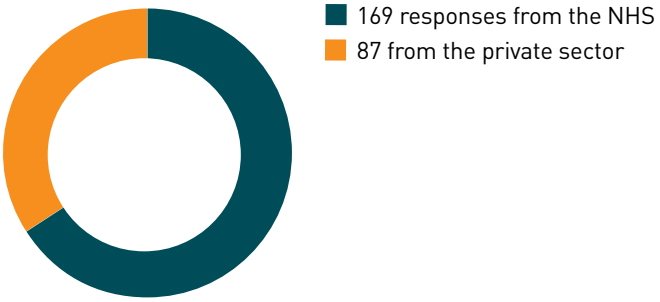
Methodology

ZPB Associates surveyed healthcare industry professionals between 14 May and 20 July 2012, using self-completion of an online questionnaire.

The survey was distributed to:

- Acute trusts: CEOs, chairs, medical directors and finance directors
- Mental health trusts: CEOs and chairs
- Clinical Commissioning Groups: Chief Operating Officers and Chairs
- Members of the Cambridge Health Network (CHN)

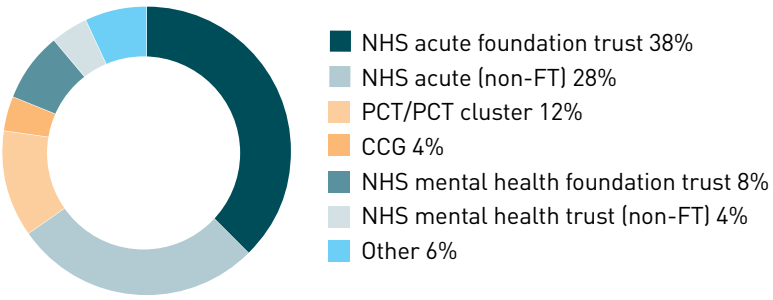
Response rate out of 256 total respondents



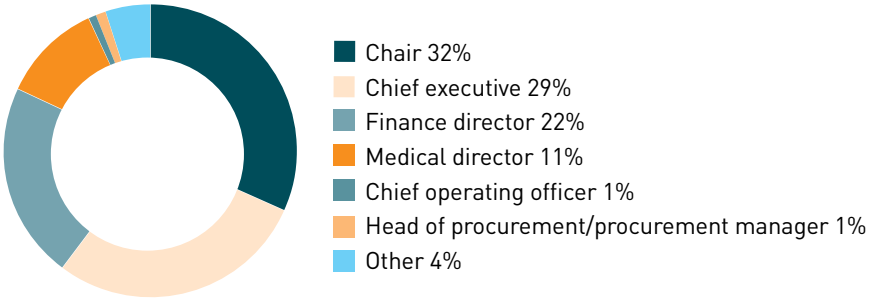
The breakdown of respondents is as follows:

NHS

Respondents breakdown by organisation type



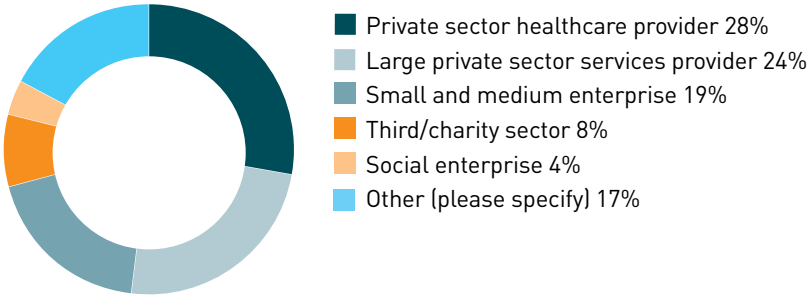
Respondents breakdown by job title



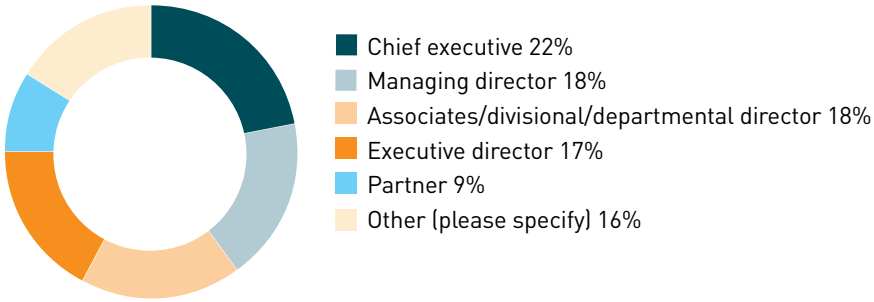
appendix: survey findings

PRIVATE SECTOR

Respondents breakdown by organisation type



Respondents breakdown by job title



The key findings were:

1. Contracting and performance monitoring

- 80% of NHS respondents come into initial contact with prospective private and third sector organisations through traditional channels (e.g. the OJEU or tender submission process).
- 67% of the NHS meets prospective private and third sector organisations through personal contacts and 42% of the NHS use companies that they have used in a previous job.
- Only 35% of prospective private and third sector organisations are found through a dedicated research and skill-seeking team within an NHS organisation.
- The majority of respondents from both the NHS and private sector conduct their contracts in a transactional way (e.g. through OJEU).
- 24% of the NHS and 25% of the private respondents conduct all their contracting through traditional vendor/supplier relationships.
- Joint ventures and risk/profit share arrangements are hardly ever used. The majority of the NHS and private sector use such methods less than a quarter of the time for all contracts.
- Almost a third of the private sector or NHS never use joint ventures of risk/profit share arrangements for their contracting.

2. Measuring outcomes

- 54% of the NHS feels that there are enough outcome-based specifications in contracts with the private sector.
- 66% of the private sector disagree that there are enough specifications in contracts with the NHS.

3. Decision making

- 70% of the NHS and 48% of the private sector agree that the trust board have decision rights on high value contracts.
- There is a lack of certainty among the private sector around who has the final say; 37% thinks the CEO takes the final decision (only 6% of the NHS thinks the CEO has this power); 29% thinks the executive director has the final say (fewer than one in ten of the NHS agrees).
- In the private sector, 23% believes that procurement makes the final decision on high value contracts. Not a single person from the NHS mentioned procurement managers as decision makers.

4. Monitoring and oversight of contracts

- Within the NHS, regular meetings with senior trust management (82%) and clearly defined KPIs or measures of success and failure (78%) are the most popular ways to monitor contracts. In the private sector, 81% agreed with the NHS that regular meeting with senior trust management and clearly defined KPIs (71%) were the chosen method of monitoring contracts.
- 54% of the NHS thinks board overview is essential to success; 41% does not.
- 57% of the private sector thinks board involvement is crucial to success, and a third does not see this as a factor to determining success.

appendix: survey findings

Generally, the NHS and private sector agree on why board-level overview on high value contracts is important. These are the most popular reasons given:

NHS

1. Board will provide valuable independent scrutiny.
2. Board will provide good governance and contractual monitoring experience.
3. Board provides strategic overview.
5. Board acts to assess risk.
6. Board involvement forces ownership and drives high performance.

Private and other sectors

1. Board can manage risk more effectively.
2. Board provides strategic oversight lacking at executive and manager level.
3. Senior level commitment and collective ownership.
4. Board provides scrutiny and accountability.

Generally, the NHS and private sector agree on why board level oversight is and is not important on high value contracts. The most popular free text answers are summarised below:

All sectors

Board level overview is important because....

1. The board provides valuable independent scrutiny and accountability.
2. Board involvement ensures good governance and contractual monitoring experience.
3. The board can manage risk more effectively.
4. The board provides strategic oversight lacking at executive and managerial level.
5. The board will provide risk assessment and management.
6. Board involvement forces ownership and drives high performance.

All sectors

Board level overview is not important because...

1. The board is a strategic not an operational body and should not get dragged into the detail.
2. The board should only be involved where there are performance issues.
3. Powers should be delegated: only exceptions should go to the board.
4. Managers should be trained to scrutinise effectively.
5. Robust processes and performance management arrangements are more important than board overview.

5. Features of partnerships

- Shared objectives and senior level involvement are seen as the most important qualifiers to a partnership among both the NHS and private sector, with 70-80% of respondents picking these features as important attributes.
- 48% of the private sector sees a relationship organised around behaviour not technical points as important for partnership; only 37% of the NHS agrees.
- 12% of NHS respondents and 2% from the private sector say the financial threshold of a contract is a determining factor in forming a partnership.

6. Hallmarks of a successful partnership

The two groups consistently identified the following factors as hallmarks of a successful partnership. The NHS consistently said shared values and ethos are important, whereas the private sector barely mentioned this. The NHS also mentions the importance of a written contract or MoU more often than the private sector.

NHS

1. Shared objectives and aims.
2. Complimentary values and ethos.
3. Good communication, transparency and openness.
4. Strong business and personal relationships.
5. Trust, honesty, flexibility and transparency.
6. Clear but robust contractual obligations or memorandum of understanding.
7. Strong and engaged leadership.
8. The understanding of and ability to share and transfer risk.
9. Respect for one another.

Private and other sectors

1. Shared and clear values and objectives.
2. Mutual trust.
3. Clarity and transparency.
4. Effective and open communication between parties.
5. Ownership on both sides of the relationship.
6. Strong personal relationships.
7. Leadership engagement.
8. Flexibility in contracting.

7. Barriers that could most often hinder a partnership's success

NHS

1. Cultural and/or political opposition.
2. Procurement problems.
3. Lack of trust.
4. Lack of understanding and experience.
5. Practical issues around implementation.
6. Ambiguous targets and expectations.

Private and other sectors

1. Procurement.
2. Culture/ideology.
3. A lack of trust/fear of the private sector.
4. Bureaucracy.
5. Inexperience.
8. Flexibility in contracting.

8. The future

- More than half (51%) of the NHS expects to have a greater number of external contracts in the next 12 months.
- 30% of the NHS does not expect to see any change in the number of external agencies they contract with. Only 15% expects the number of contracts to decrease.
- Over the next five years, 64% of the NHS expects to see a move towards larger contracts with fewer suppliers, i.e. more partnership-style, longer-term contracts, and only 6% will be moving contracts back in house over the next five years.

Further reading

1. **Department of Health: *Innovation, Health and Wealth: accelerating adoption and diffusion in the NHS* (2011, Department of Health)**

The aims of this strategy – developed as part of the Prime Minister's strategy for health innovation and life sciences – are to set out an integrated set of measures that will support the adoption and diffusion of innovation across the NHS. It also aims to ensure the UK maintains and builds on its current position; that the potential of life sciences to contribute to UK growth is realised; and that the UK remains and grows as an attractive location for investment.

http://www.dh.gov.uk/prod_consum_dh/groups/dh_digitalassets/documents/digitalasset/dh_134597.pdf

2. **Association of the British Pharmaceutical Industry: *ABPI guidance notes on joint working between pharmaceutical companies and the NHS and others for the benefit of patients (taking into consideration the 2008 ABPI code of practice for the pharmaceutical industry)* (2009, Association of the British Pharmaceutical Industry)**

Outlines joint working with the NHS; provides clarity and a framework; discusses benefits and issues of joint working.

http://www.abpi.org.uk/our-work/library/guidelines/Pages/code-guidance.aspx

3. **Cabinet Office: *Procurement Policy Note 04/12 – Procurement Supporting Growth: Supporting Material for Departments* (2012, Cabinet Office)**

Encourages the public sector to use its purchasing power to support growth and UK business.

http://www.cabinetoffice.gov.uk/resource-library/procurement-policy-note-0412-procurement-supporting-growth

4. **Nick Carley: *Strategic outsourcing in the NHS: Beyond ideology and money?* (2012, Alterline Research)**

Outlines practical issues affecting partnerships; innovation; education; organisation; value for money; transparency.

http://www.synergyhealthplc.com/pdf/Strategic%20Outsourcing%20in%20the%20NHS.pdf

appendix: further reading

5. John Warrington: *NHS Procurement: Raising our game* (2012, Department of Health)

Focuses on a need for "faster, smarter and more efficient procurement to meet the funding and care quality demands". Describes six areas to improve on, including: accountability; transparency; standards; leadership; collaboration; and innovation.

http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_134376

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6. John Warrington: *NHS Standards of Procurement* (2012, Department of Health)

Provides a non-mandatory reference tool for procurement; building, achieving and excelling in procurement.

http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_134377

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7. Department of Health: *Keys to Partnership: working together to make a difference in people's lives* (2002, Department of Health)

Explores practical ideas and suggestions on how to develop a partnership; gives key messages.

http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_4003149

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8. Prof. Chris Ham, Dr Judith Smith and Elizabeth Eastmure: *Commissioning integrated care in a liberated NHS* (2011, Nuffield Trust)

Analyses the challenges facing the NHS: increasing demand and financial challenges; contracting and procurement.

http://www.nuffieldtrust.org.uk/publications/commissioning-integrated-care-liberated-nhs

9. Rosabeth Moss Kanter: *From Spare Change To Real Change: The Social Sector as Beta Site for Business Innovation* (1999, Harvard Business Review)

Examples of private companies working with the public sector in innovative models.

http://hbr.org/1999/05/from-spare-change-to-real-change-the-social-sector-as-beta-site-for-business-innovation/ar/1

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10. Strategic Projects Team: Y*our Strategic Projects Team: Delivering positive change through partnership* (2012, NHS Midlands and East)

Outlines a strategic project team model encompassing management, delivery, communication, mobilisation and learning

http://www.strategicprojectseoe.co.uk/uploads/files/LOW%20RES%209928_MAE%20SPT%20Marketing%20Brochure%20update%20v2.pdf

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11. Ewan Ferlie: *The Oxford Handbook of Public Management* (2007, Oxford University Press)

Analyses public private partnerships; gives advice; gives critical success factors.

http://www.oup.com/us/catalog/general/subject/Business/Management/?view=usa&ci=9780199226443

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