

# Building 'world class commissioning'

**What role can external organisations play?**

Results from a survey of PCTs

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## Introduction

The Department of Health's 'world class commissioning' programme<sup>1</sup> aims to improve the way in which health and social care are commissioned. To become world class, commissioners have to develop a set of core organisational competencies and are assessed against these using an annual assurance process. The Department of Health has also given commissioners access to the tools they need to drive improvements, including options for buying in external expertise.

In early 2009 The King's Fund conducted a survey of primary care trusts (PCTs) in England, examining the use of external support for commissioning, and eliciting views on the world class commissioning programme. The survey revealed that PCTs are increasingly turning to external organisations, and the private sector in particular, in the attempt to improve the quality of commissioning.

## Survey results

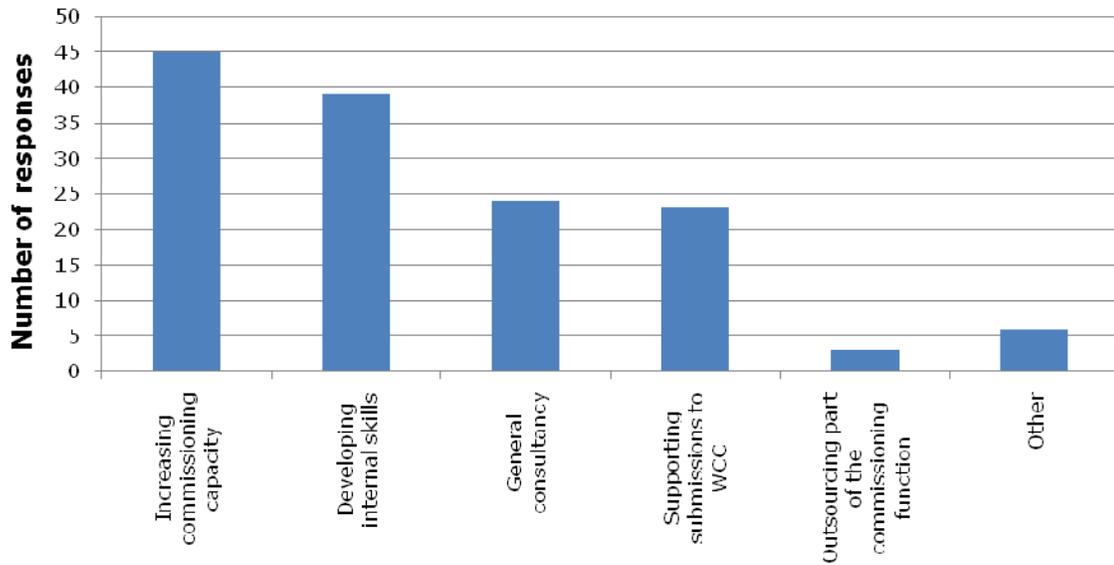
Chief executives and directors of commissioning of PCTs were invited by email to complete a web-based survey; 96 responses were collected, with coverage of 53 per cent of the PCTs in England. Of the 96 who responded, 76 per cent said their PCT had used external support on at least one occasion, and a further 16 per cent said they had considered or may consider doing so in future. The results indicate that use of external support is a relatively recent phenomenon – 85 per cent of PCTs using external support first did so in 2006 or later.

Of those PCTs that have used external support, the majority (76 per cent) held several contracts with external organisations, with 24 per cent holding five or more contracts. The value of these contracts ranged from several thousand pounds for short-term consultancy work, to several million in the case of more ambitious schemes. These contracts are mainly with private sector organisations (40 per cent) or freelance consultants (30 per cent). Services are also provided by voluntary sector organisations, university-based teams and strategic health authorities (SHAs).

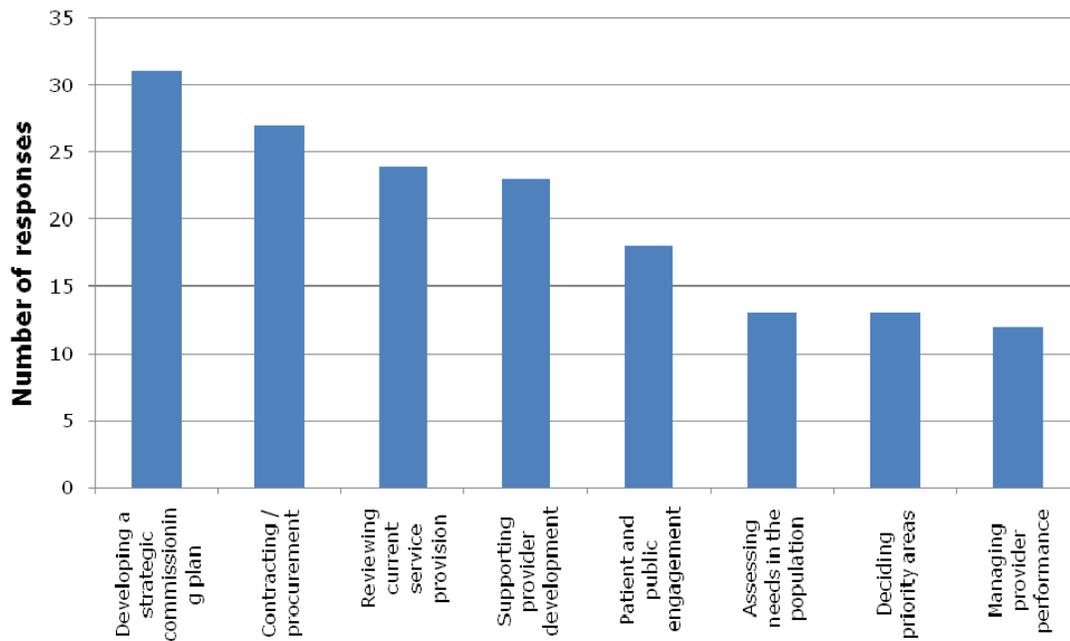
The Department of Health's Framework for procuring External Support for Commissioning (FESC)<sup>2</sup> provides one route through which commissioners can engage the support of external organisations. This framework offers a list of 14 pre-approved suppliers from whom commissioners can purchase services and was designed to make it easier for commissioners to buy external support. However, the majority of PCTs in our survey have opted to use other channels for procurement – only 27 per cent of PCTs using external support have done so through FESC. Responses indicate that many PCTs consider FESC to be 'inflexible', 'too time-consuming', 'cumbersome', and inappropriate for shorter-term work.

External support can be used by commissioners in a variety of ways, ranging from short-term consultancy to more radical options in which part of the commissioning function is outsourced on a long-term basis. The FESC framework was designed, in part, to provide a route through which commissioners could use longer-term outsourcing. However, our survey shows there is little enthusiasm for this. Instead, PCTs are using external support as a means of boosting their commissioning capacity and building up in-house skills (see figure 1). External support is being used across all stages of the commissioning function, and in particular for the processes of developing a strategic commissioning plan, creating and managing contracts with providers, and reviewing gaps in current service portfolios (see figure 2).

**Figure 1 - What was your PCT aiming to achieve through purchasing external support?**

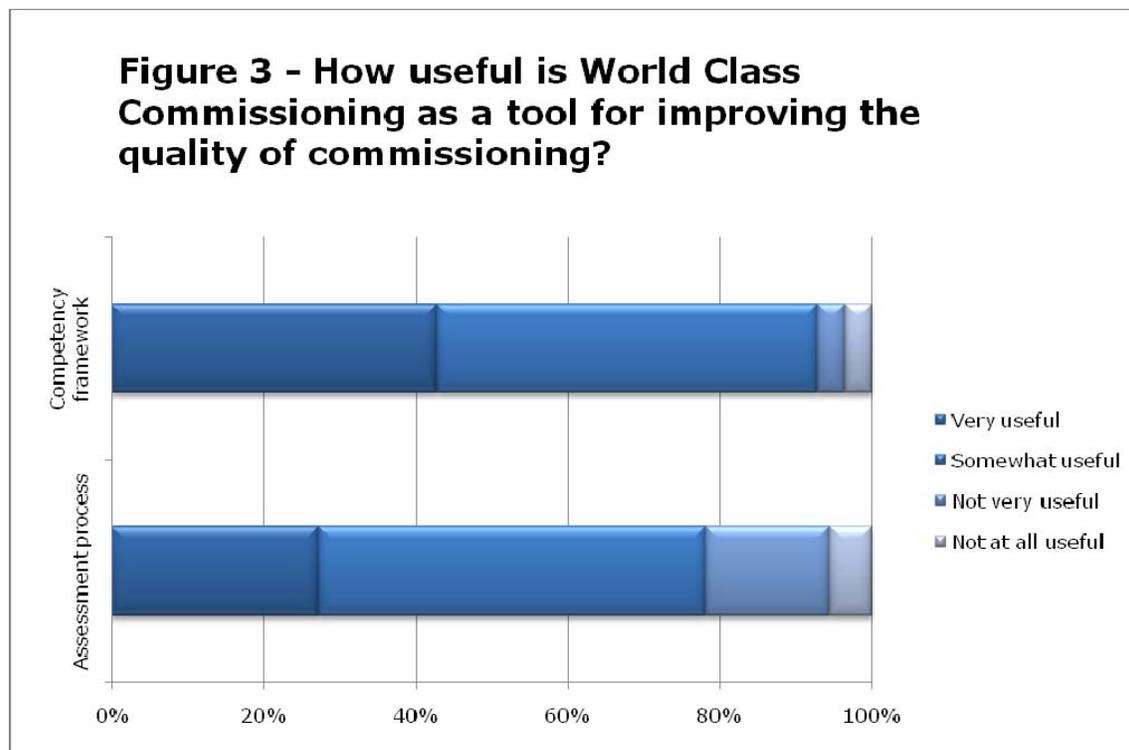


**Figure 2 - Which stages of the commissioning function did you use external support for?**



Respondents were positive about their experiences of using external support so far. On 70 per cent of occasions the service received was rated as 'excellent' or 'good', and goals were achieved 'completely' or 'partially' in 87 per cent of cases. Ninety-four per cent said they would 'definitely' or 'probably' use external support again.

We also asked respondents' views on the usefulness of the world class commissioning (WCC) programme. The results were largely positive (see figure 3), but respondents expressed some reservations, particularly about the assurance process. There were concerns about the objectivity and transparency of this, and about the burden that preparing for it imposed on PCTs. Many respondents stressed that WCC must be used as a developmental process rather than a comparative assessment of PCT performance. There were also concerns that WCC is overly focused on PCTs, with less focus on other commissioners of health services, eg, practice-based commissioners and local authorities.



## Discussion

Overall, the survey suggests PCTs have a growing interest in utilising forms of external support to develop and improve their skills and capacity in commissioning. The survey also suggests that most PCTs appear to support the world class commissioning programme as an opportunity to make a positive difference to the quality of commissioning – although many argue that some of the processes involved need to be refined.

The results from the 2009 world class commissioning assurance process<sup>3</sup> revealed a large gap between the current quality of commissioning and the Department of Health's aspirations. The scale of the challenge faced by PCTs is considerable. If the pressure to raise standards in commissioning continues, the results of this survey suggest that the use of the private sector and other external organisations may continue to grow.

## **Forthcoming work by The King's Fund**

This survey forms part of a wider investigation by The King's Fund into the use and appropriateness of external support for commissioning that is due to report early in 2010. To comment on the survey, or to find out more about The King's Fund's research in this area, please contact: Chris Naylor, Researcher at [c.naylor@kingsfund.org.uk](mailto:c.naylor@kingsfund.org.uk) or Nick Goodwin, Senior Fellow at [n.goodwin@kingsfund.org.uk](mailto:n.goodwin@kingsfund.org.uk).

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<sup>1</sup> See Department of Health website:  
[www.dh.gov.uk/en/Managingyourorganisation/Commissioning/Worldclasscommissioning/DH\\_083204](http://www.dh.gov.uk/en/Managingyourorganisation/Commissioning/Worldclasscommissioning/DH_083204)

<sup>2</sup> Department of Health (2007). Framework for procuring External Support for Commissioners (FESC).  
[www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH\\_065818](http://www.dh.gov.uk/en/Publicationsandstatistics/Publications/PublicationsPolicyAndGuidance/DH_065818)

<sup>3</sup> Health Service Journal, 5 March 2009. World Class Commissioning.  
[www.hsj.co.uk/Journals/2/Files/2009/5/11/4-2002410.pdf](http://www.hsj.co.uk/Journals/2/Files/2009/5/11/4-2002410.pdf)