

THE NHS AS PREFERRED PROVIDER

Following requests from the TUC, UNISON and other unions, the Government has changed its policy to now make it clear that the NHS is the preferred provider of healthcare services. These FAQ's are to help you better understand the implications of this policy.

Frequently asked questions

Q. Why has the government said that its preferred provider of healthcare services is the National Health Service?

A. Because government policy was unclear. Indeed UNISON, other unions and managers felt that the Department of Health and local (PCT) commissioners were promoting a free market in which all healthcare services would be tendered and potentially privatised.

Q. So how has this statement come about?

A. Health trade unions, led by UNISON and the TUC held meetings with Andy Burnham, Secretary of State and his ministers, over the summer to express concern about the drive towards privatisation of healthcare. This led to a key note speech by the Secretary of State at the Kings Fund where he made it clear that the NHS was the government's preferred provider.

Q. Does this now mean that all healthcare services will be provided by the NHS?

A. Not all healthcare services are provided by the NHS now. Specialist healthcare providers such as McMillan Nurses have a long tradition in providing healthcare.

Q. So what has changed?

A. There has been a significant policy change. In future, commissioners should not go straight to the market. Where the NHS is providing a good service that meets the needs of local communities then this should continue.

Q. But what if the service is not good enough and improvements are needed?

A. There should initially be a discussion between the commissioner (usually the PCT) and the NHS provider (typically a hospital or community service) and a plan drawn up to improve the service. There should be at least two opportunities for the staff and managers in the provider organisation to improve the service. Only if this fails should the commissioner consider using other providers.

Q. What if a completely new service is being developed?

A. The commissioner should enter into an early discussion with the main or local NHS providers to establish if they can deliver this new service. The commissioner may also have discussions with other NHS providers, particularly if they have experience in developing these new services.

Q. Would the new service then be automatically tendered?

A. Not necessarily. The commissioner would need to weigh up the advantages and disadvantages of going out to tender. If tendering was the outcome, the NHS would always be given the opportunity to bid.

Q. Services in my Trust are being prepared for tendering. Is it too late to do anything?

A. No it is not too late until the tendering process has been completed. As a first step you should ask and establish the reason for tendering the service. Does the reason comply with government preferred provider policy? If not, insist that the tendering process stop. You may need to engage your Regional Organiser and work with other trade unions to bring the process back into line with policy.

Q. How does the preferred provider policy impact on social enterprise?

A. The Government still supports and promotes social enterprise as one model of organisation of healthcare provision. However, they are clear this should only happen as a result of staff requesting it. It should not be imposed from above. However, by stating that the NHS is the preferred provider, the Government has removed one of the threats to staff. In some parts of the community, staff have been pressurised into social enterprise under threat that their service will be put out to tender.

Q. Will new guidance documents be issued?

A. Yes, UNISON and other trade unions are currently working with government and employers to issue new guidance. The infamous document 'Necessity not Nicety' is being withdrawn and replaced by new guidance. The 'PCT Procurement Guide' and the 'Principles and Rules for Co-operation and Competition' are also being revised. The new documents should be published by December 2009.

Q. Will UNISON be issuing new guidance?

A. We are updating the 'Trade Union Guide to Transforming Community Services'. We are preparing a poster and leaflet on the 'Preferred Provider' statement. Check our website for advice and materials <http://www.unison.org.uk/pct/tcs.asp>

Q. Now Government policy has changed, can we expect all local commissioners to follow it?

A. We have the right to expect it but there is evidence that some may resist. Some senior managers and commentators are advocating that PCT's defy the government and continue down the road of tendering services and privatisation. Our job as a union is to mobilise to defend the NHS in such circumstances.