

# Two per cent of NHS clinical services are outsourced, a...

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The [FT has published comment](#) on a report this morning, saying:

*The National Health Service competitively tenders contracts worth less than 2 per cent of overall clinical commissioning expenditure, according to new data that come as health leaders are seeking legal changes to end “overly rigid procurement requirements”.*

I should say that, deep in the small print of the article it becomes apparent that the report does not cover all NHS procurement, and specifically does not cover the outsourcing of procurement services. It also notes that in terms of numbers of contracts the proportions are much more in favour of the private sector; it's just that the NHS gets all the big ones. But the message appears to be, within the uncertainties, that outsourcing is overall having less impact than expected.

So why has the report come out? It would seem that, again reading between the lines, the report has been produced to support the claim that more outsourcing would be of benefit just as the NHS is backtracking as fast as it can from the 2012 Health and Social Care Act requirement to secure quotations for all contracts worth more than £600,000 or so, which in NHS terms might be interpreted as 'not a lot'.

Take it then that the outsourcers are worried that not only is the model not delivering for them, but that it might deliver even less. Given the general failure of outsourcing models that is now apparent right across the interface between the public and private sectors I think their hope is forlorn: this model is dying and for good reason. The fact is that outsourced models only save by doing one of three things. Those are providing a worse service; cutting staff costs; or reducing commitment to service renewal (R&D, training, etc). All are fatal to the quality of outcomes over anything but the very short term. And that's precisely why this model has to come to an end.