

This publication was withdrawn on 27 March 2023.

The new [NHS provider licence](#) can be found on the NHS England website.

The NHS provider licence: information for independent providers

About the NHS provider licence

1 April 2014 marks the beginning of a regime under which some independent providers join NHS foundation trusts in being licensed and regulated by Monitor.

The licence is designed to protect and promote the interests of patients whilst allowing providers to operate as flexibly as is appropriate in their local health economy. The licence sets out important [conditions](#) that providers must meet to help us ensure that the health sector works for the benefit of patients. These conditions enable us to:

- help commissioners ensure essential local services continue if a provider gets into serious financial difficulty;
- ensure choice and competition operate in the best interests of patients;
- set prices for NHS-funded services; and
- incentivise and enable the delivery of more integrated care so services are less fragmented and easier to access for patients.

We first issued NHS provider licences to eligible independent providers on 1 April 2014.

How the NHS provider licence impacts you

As an independent provider of healthcare services you may need an NHS provider licence. Please familiarise yourself with the [licensing requirements](#) and check whether you will need to hold a licence.

The following providers are [exempt](#) (under regulations made by the Department of Health):

- providers not required to register with the Care Quality Commission;
- small providers of NHS-funded health care services whose annual turnover from the provision of NHS services is less than £10 million;

- providers of primary medical and dental services (eg GPs or dentists who do not provide any other NHS services);
- providers of NHS continuing health care and NHS-funded nursing care (eg care homes who provide no other NHS health care services); and
- NHS trusts (which will only be licensed upon authorisation as an NHS foundation trust).

If any of the services you provide are designated by the commissioning body as *Commissioner Requested Services* then the first four exemptions are overridden and your organisation must hold a licence.

You will **not** need a licence to bid for NHS-funded services, but you are required to hold a licence from 1 April 2014 (if not exempt).

How to apply

If you are already registered with the CQC you can apply for an NHS provider licence [here](#).

If you are applying for CQC registration and an NHS provider licence from Monitor, you can apply through a [single application form](#). This streamlined process is only for organisations applying as a new service provider for both the registration and licence. Do not use this route if you are already registered with the CQC, are a partnership or an individual, or are exempt from needing an NHS provider licence.

About the licence conditions

The types of services you provide determine the conditions you will need to meet as a licensee. There are a number of universal requirements of all licensees:

- General Conditions
- Integrated Care Condition
- Choice and Competition Conditions
- Pricing Conditions

And additional requirements for:

- licensees who supply *Commissioner Requested Services* - Continuity of Services Conditions.

We have worked to ensure that the licence conditions are [necessary and proportionate](#). The impact assessment of the licence is available [here](#).

General Conditions

The general conditions set out our standard requirements and rules. There are nine conditions covering areas such as the provision and publication of information, payment of fees, fit and proper persons requirements, and a requirement for providers to be registered with the CQC.

Integrated Care Condition

We are using regulatory tools to incentivise and enable better integration of care so services are less fragmented and easier to access for patients. Our provider licence includes a specific condition that enables us to take action if a provider behaves in a way that is detrimental to the delivery of integrated care.

Choice and Competition Conditions

The competition condition aims to prevent anti-competitive behaviour which is not in the interests of patients. The condition prevents providers from entering into or maintaining any agreement, or engaging in any other conduct, which prevents, restricts or distorts competition where this is against the interests of health care users.

The choice condition requires providers to notify patients when they have a right of choice of provider, and to tell them where they can find information about the choices they have. The information and advice provided must not be misleading. This condition applies wherever patients have a choice of provider under the NHS Constitution or a choice that has been conferred locally by commissioners. It also prohibits providers from offering inducements to clinicians, commissioners and other third parties to refer patients or commission services.

Pricing Conditions

We publish the National Tariff, which applies to all providers of NHS-funded services with limited exceptions. The pricing conditions will require licensed providers to comply with the tariff and providers may be subject to our enforcement powers if those conditions are breached. To set prices appropriately, these conditions enable us to collect information on costing from all providers of NHS-funded care. We have not yet determined the scope or timing of information collections from independent providers.

Continuity of Services Conditions

The Continuity of Services conditions ensure that providers of key NHS-funded services required by local commissioners (*Commissioner Requested Services*) meet certain conditions, so that if they get into very serious financial difficulty we can step in and ensure the services can continue to be provided on a sustainable basis.

How we will monitor compliance with and enforce the licence

We are able to take action against providers who breach a licence condition or a requirement to provide us with information, or who provide NHS services in breach of the requirement to hold a licence. This action can include making sure providers put

things right and, in certain circumstances, imposing a fine. Further information on our enforcement powers can be found [here](#).

In the case of providers who do not deliver *Commissioner Requested Services*, our approach is likely to focus on annual self-certification of compliance against the licence conditions, together with follow up on relevant information from other sources such as third party reports, market analysis and whistleblowers where appropriate.

About Monitor

Monitor is the sector regulator for health services in England. Our job is to protect and promote the interests of patients by ensuring that the whole sector works for their benefit. Please visit our website – www.monitor.gov.uk/licence – for more information on Monitor and the NHS provider licence.

Updated April 2014