



Integration Joint Board
Finance, Performance and Quality Committee

5th July 2023

This Report relates to
Item 8 on the Agenda

Contract Monitoring Report: Third Sector

Paper presented by Viv Gration

For Noting

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List of Background Papers:	Procurement of Care and Support Services Best Practice Guidance (https://www.gov.scot/publications/procurement-care-support-services-best-practice-guidance/) Procurement Reform (Scotland) Act 2014 (https://www.gov.scot/publications/procurement-reform-scotland-act-2014-statutory-guidance/pages/13/)
Appendices:	Appendix 1 - Sample contract monitoring self assessment questionnaire and list of providers – third sector Appendix 2 - Contract Monitoring Results: Third Sector (1 April 2021 – 31 March 2022)

1. Introduction

- 1.1 The Health and Social Care Partnership (HSCP) commissions 156 different services from 105 provider partners. The cost of these services totals over £70m per annum which is approximately a quarter of the annual Integration Joint Board (IJB) budget.
- 1.2 This report provides a copy of the latest contract monitoring for Third Sector provider partners, following a previous agreement by this committee to provide regular contract monitoring reports.

2. Recommendations

- 2.1 **The IJB Finance, Performance and Quality Committee is asked to:**
- **Note the results of recent contract monitoring of third sector commissioned services**

3. Background and Main Report

- 3.1 Contract Monitoring is a responsibility under the Procurement of Care and Support Services Best Practice Guidance and the Procurement Reform (Scotland) Act 2014. It is the process of collecting and analysing information from partners and from across the Partnership to determine if commissioned services meet contractual requirements and reflect best value in terms of both price and quality of service. It also ensures that the Partnership meets its contractual obligations.
- 3.2 Contracting and contract monitoring are functions within commissioning that are concerned with
- technical aspects of contracts
 - the monitoring of the quality of what is provided under the terms of those contracts
 - ensuring that people's personal outcomes are being achieved
- 3.3 On behalf of the Health and Social Care Partnership (HSCP) the Commissioning Team monitor adult health and social care commissioned services that have contracts with Dumfries and Galloway Council and NHS Dumfries and Galloway. These are delivered by third sector and independent sector partners and include:
- | | |
|----------------------------|--------------------|
| • Day Care | • Carers Support |
| • Day Centres | • Short Breaks |
| • Care and Support at Home | • Support services |
| • Care Homes | |
- 3.1 Contract Monitoring Reporting
- 3.2 Contract monitoring reporting in Dumfries and Galloway centres on the following three aims:
- To provide assurance to the Partnership that commissioned services are delivered in line with contractual obligations; that they provide best value; and that the Partnership is also meeting its contractual obligations (**compliance**)

- To support the management of risks that may impact on provider partners' ability to deliver the service and to deliver it to the required quality standards (**risk management**)
- To provide intelligence that supports the development of commissioning strategies, performance reporting and service improvement (**intelligence**)

3.3 In order to inform this provider partners are required to complete a self assessment questionnaire that reflects the terms of their contracts. These are analysed, scored and collated into contract monitoring reports.

3.4 The Commissioning Team also conduct monitoring meetings with provider partners to ensure the self assessment questionnaires reflect day to day practice and check records and files relating to contractual requirements. The Team also pull together available information from other sources, such as Care Inspectorate and other areas of the HSCP to develop a full picture of the provider partners' compliance, assess the level of risk and collate intelligence.

3.5 Appendix 1 provides a sample self assessment questionnaire and Appendix 2 provides a recent contract monitoring report relating to third sector provider partners.

3.6 The resulting reports are shared with the Contract Management Group, chaired by the Director of Strategic Planning and Transformation, for approval before being reported to the Senior Leadership Group.

3.7 As agreed at the meeting of the IJB Finance, Performance and Quality Committee on 13 April 2023, these reports are to be shared routinely with this committee.

3.8 Recent Contract Monitoring

3.9 As part of a phased and proportionate approach post pandemic, contract monitoring recommenced with the 'light touch' monitoring of 52 third sector commissioned provider partners in December 2020, which covered the period 23 March 2020 until 30 November 2020. 'Light touch' monitoring of care homes and care and support at home partners commenced in August 2021 for the period 1 August 2020 to 31 July 2021 and the results were presented to this committee on 13 April 2023.

3.10 Full contract monitoring of third sector provider commissioned services recommenced in October 2022, covering the period 1 April 2021 to 31 March 2022. The last face-to-face monitoring meetings with these providers were held in 2019.

3.11 To inform this contract monitoring report, a total of 50 contracts have been monitored and Commissioning Officers conducted over 38 individual monitoring meetings between November 2022 and March 2023, which was an important opportunity to support our partnership working. Full analysis of contract monitoring returns as well as monitoring meetings with each provider was completed by Commissioning Officers in April 2023. The results are presented in Appendix 2 and will also be presented to Contract Management Group on 29 June 2023 and thereafter to the Health and Social Care Leadership Team on 30 June 2023.

- 3.12 It should be noted that the SAQs reflect provider partners self assessment and reporting. However, provider partners provided fuller explanations to the monitoring questions where requested to do so by the Commissioning Officer, as well as submitting the required substantiating evidence and further follow-up at the subsequent Monitoring Meeting. The results also specifically relate to the period 1 April 2021 – 31 March 2022, which reflects the situation for that period of time only. Contract monitoring for Third Sector providers for the period 1 April 2022 to 31 March 2023 is scheduled to commence in July 2023.
- 3.13 Full contract monitoring of care home and care at home commissioned services recommenced in May 2023 and will recommence for care homes in June 2023 for the period 1 April 2022 to 31 March 2023. It is expected these reports will be presented to this committee in January 2024.
- 3.14 Work is underway to establish a new Contract Management Framework that will build on existing good practice and stakeholder engagement and will establish regular robust reporting and compliment work of the Partnership and other agencies. The framework will describe the processes to enable the collection and analysis of contractual, financial, operational and performance information to deliver robust contract monitoring. This will include using data sourced from provider partner self assessments, people who access services and their families and Carers, Care Inspectorate Report, Scotland Excel contract monitoring as well as management systems such as CM2000, TURAS and Mosaic.
- 3.15 This new framework will help ensure that contract monitoring meets the needs of the Partnership in terms of compliance, risk management and intelligence. It is proposed that the new contract management framework will be presented to this committee in early 2024. Pending approval, contract monitoring based on the new framework will commence in April 2024.
- 3.16 Overview of the contract monitoring process – Third Sector
- 3.17 Appendix 2 provides an overview of the contract monitoring process and the results of the latest Third Sector Contract Monitoring.
- 3.18 The following tables give a summary of the findings

Compliance	88% of commissioned services reviewed are compliant in regard to service delivery, including developing new ways of working																
Risk Management	<p>The majority of commissioned services have a risk score of 75% or above. Risk concerns have been escalated and actioned.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2" style="text-align: left;">Risk Score Results</th> </tr> <tr> <td colspan="2" style="font-size: small;">Note: the higher the risk score the lower the risk</td> </tr> <tr> <th style="text-align: left;">Risk score achieved</th> <th style="text-align: left;">Number of commissioned services</th> </tr> </thead> <tbody> <tr> <td>100%</td> <td style="text-align: center;">3</td> </tr> <tr> <td>99% - 75%</td> <td style="text-align: center;">39</td> </tr> <tr> <td>74% - 61%</td> <td style="text-align: center;">5</td> </tr> <tr> <td>60% and below</td> <td style="text-align: center;">3</td> </tr> <tr> <td></td> <td style="text-align: center;">50</td> </tr> </tbody> </table>	Risk Score Results		Note: the higher the risk score the lower the risk		Risk score achieved	Number of commissioned services	100%	3	99% - 75%	39	74% - 61%	5	60% and below	3		50
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Intelligence	14% of commissioned services reported significant staffing shortages affecting the service 34% reported minor staffing challenges 56% reported vacancies in their service
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3.19 Issues Raised and Planned Actions

3.20 Any concerning risks identified and requiring action were escalated to the Contracts Manager in the first instance and then to Commissioning Liaison Manager and beyond where required. In addition, assessment of risks identified some common issues raised by provider partners and a summary and planned action(s) is provided below.

Issues raised	Planned Action(s)
<p>Not providing service delivery according to contracts – 46%</p> <p>Not achieving outcomes against the requirements of their contract/service specification – 24%</p>	<p>Many third sector contracts are out of date and in need of review. Over time and as a result of COVID-19, commissioned services have developed new ways of working. The HSCP Strategic Commissioning Plan highlights the need to ensure that services in the region are aligned to the needs of the community. A Contract Review of all third sector contracts is currently underway in conjunction with DGC Procurement and DGC and NHS Finance.</p> <p>This aims to ensure contracts are compliant and will support plans to move all commissioned services to three year contracts. There may also be opportunity for savings or changes to the specifications for these services.</p>
<p>Commissioned services have experienced changes to management – 80%</p> <p>Changes in organisational structure – 50%</p> <p>Significant staffing challenges affecting the service – 14%</p> <p>Staff leaving for new jobs out with the health and social care sector – 19%</p>	<p>Reflects wider national situation due to longstanding recruitment and retention issues in HSC in conjunction with sector pressures. The Partnership is developing a partnership workforce plan, working with provider partners to address these challenges.</p> <p>Provider partners cite COVID-19 related pressures including staffing shortages as the reason. Contracts Team to continue to monitor and follow up provider partners to help ensure this is rectified going forward</p> <p>Recent recommissioning of third sector supports has been contracted for 3-5 years to help ensure forward planning/ mitigating short-term staff contracts.</p>
<p>Capacity issues and vacancies in the service – 56%</p>	<p>Individual meetings between Commissioning and provider partners are currently taking</p>

	<p>place to determine challenges faced by providers.</p> <p>Contract Review of commissioned services to ensure services are operating at fuller capacity. Contracts Team to continue to monitor and follow up provider partners to help ensure this is rectified going forward.</p> <p>Care and Support at Home Divisional Manager and team conducting ongoing work with Third Sector providers in relation to supporting wider system pressures/packages of care.</p>
<p>3.21 <u>Future Planned Contract Monitoring</u></p> <p>3.22 Contract monitoring for Third Sector providers for the period 1 April 2022 to 31 March 2023 is scheduled to commence in July 2023.</p> <p>3.23 Full contract monitoring of care home and care at home commissioned services recommenced in May 2023 and will recommence for care homes in June 2023 for the period 1 April 2022 to 31 March 2023. It is expected these reports will be presented to this committee in January 2024.</p>	
<p>4. Conclusions</p> <p>4.1 Results from recent contract monitoring of third sector provider partners has helped identify risks and challenges facing partners and the impact this has had on their ability to meet contractual obligations.</p> <p>4.2 Subsequent to the contract monitoring process, communication with third sector providers has been ongoing in order to support improvement, share information and provide contractual advice and support.</p> <p>4.3 The establishment of a new Contract Management Framework will ensure that contract monitoring meets the needs of the Partnership in terms of compliance, risk management and intelligence.</p>	
<p>5. Resource Implications</p> <p>5.1 The work described in this paper will be delivered within existing resources.</p>	
<p>6. Impact on Integration Joint Board Outcomes, Priorities and Policy</p> <p>6.1 Ensuring that robust procedures are in place for contract monitoring and reporting of commissioned services will provide assurance to the Partnership that services are being delivered against contracts. It will help ensure that people of Dumfries and Galloway have access to appropriate care and support is in line with the Partnership outcomes.</p>	
<p>7. Legal and Risk Implications</p>	

7.1	Contract Monitoring supports the management of risks that may impact on service provider partner's ability to deliver the service to the required quality standards.																						
8.	Consultation																						
8.1	Appendix 2a sets out the details of the consultation and engagement work undertaken in relation to this contract monitoring. The Contract Management Group has considered this report.																						
9.	Equality Impact Assessment																						
9.1	An Equality Impact Assessment (EQIA) is not required at this time but may be undertaken if required as work progresses.																						
10.	Glossary																						
10.1	All acronyms must be set out in full the first time they appear in a paper with the acronym following in brackets.																						
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