



Integration Joint Board
Finance, Performance and Quality Committee

9th July 2024

This Report relates to
Item 8 on the Agenda

Contract Monitoring Report: Third Sector Commissioned Services

Paper presented by Peggy Taylor

For Noting and Discussion

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List of Background Papers:	<ul style="list-style-type: none"> • 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/) • Contract Monitoring Report Third Sector 2021-2022
Appendices:	<p>Appendix 1 - Sample contract monitoring self-assessment questionnaire and list of providers – Third Sector</p> <p>Appendix 2 - Contract Monitoring Results: Third Sector (1 April 2022 – 31 March 2023)</p>

1.	Introduction		
1.1	On behalf of the Health and Social Care Partnership (HSCP) the Commissioning Team monitors contracts for all adult commissioned services.		
1.2	This paper presents the findings of the contract monitoring of Third Sector provider partners for the period 1 April 2022 – 31 March 2023.		
2.	Recommendations		
2.1	<p>The IJB Finance, Performance and Quality Committee is asked to:</p> <ul style="list-style-type: none"> • Note the results of recent contract monitoring of third sector commissioned services. • • Discuss issues raised from recent contract monitoring and suggested actions. 		
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	The HSCP commissions 153 different services from 98 provider partners. The cost of these services totals over £90m per annum which is approximately a quarter of the annual Integration Joint Board (IJB) budget.		
3.3	The Commissioning Team currently conducts contract monitoring of 29 Care Homes, 30 Care and Support at Home commissioned services and 49 third sector and non-registered commissioned services.		
3.4	Contracting and contract monitoring are functions within commissioning that are concerned with <ul style="list-style-type: none"> • 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 		
3.5	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. <p>T h e s e</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> • Day Care • Day Centres • Care and Support at Home • Care Homes </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> • Carers Support • Short Breaks • Support services </td> </tr> </table> <p>are delivered by third sector and independent sector partners and include:</p>	<ul style="list-style-type: none"> • Day Care • Day Centres • Care and Support at Home • Care Homes 	<ul style="list-style-type: none"> • Carers Support • Short Breaks • Support services
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3.6 Third Sector Contract Monitoring

- 3.7 Light touch' monitoring of third sector commissioned provider partners commenced in December 2020, which covered the period 23 March 2020 until 30 November 2020.
- 3.8 Full contract monitoring of third sector commissioned services recommenced in October 2022, covering the period 1 April 2021 to 31 March 2022. The results were presented to the IJBFPQ Committee on 5 July 2023.
- 3.9 Full contract monitoring of third sector commissioned services commenced in August 2023 for the period 1 April 2022 to 31 March 2023. This paper presents the findings of that monitoring exercise.
- 3.10 Appendix 1 provides a sample self-assessment questionnaire and sample templates used by Commissioning Officers in reviewing submissions, as well as a list of third sector provider partners.
- 3.11 Appendix 2 provides an overview of the contract monitoring process and the results of the latest Third Sector Contract Monitoring.
- 3.12 A total of 49 third sector contracts have been monitored. These are all commissioned non-registered third sector provider partners and registered day care and respite contracts, with a combined contract value of approximately £4.9m.
- 3.13 Commissioning Officers conducted monitoring meetings between November 2023 and February 2024. Full analysis of contract monitoring returns as well as monitoring meetings with each provider was completed by Commissioning Officers in March 2024. The results are presented in Appendix 2.
- 3.14 Any concerning risks identified from contract monitoring and requiring action were escalated to the Contracts Manager in the first instance and then to the Commissioning Liaison Manager for further action in conjunction with operational and social work colleagues where applicable.
- 3.15 The following tables give a summary of the findings. The table in 3.16 below describes some of the issues identified and actions being taken to address.

Compliance	<ul style="list-style-type: none"> • 88% of third sector commissioned services reported achieving outcomes against the requirements of their contract/service specification • 94% of third sector commissioned services, maintained communication with people who use their services to encourage feedback • 92% of third sector commissioned services continued training of staff and volunteers
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Risk Management	<p>Risk scores resulting from contract monitoring show that there are 46 services showing no significant risks and 3 services identified as high risk.</p> <p>Risk concerns have been escalated and action taken or is ongoing. Detail regarding these risks is presented in Appendix 2.</p> <table border="1" data-bbox="472 353 1295 685"> <thead> <tr> <th colspan="2" data-bbox="472 353 1295 389">Risk Score Results</th> </tr> <tr> <th colspan="2" data-bbox="472 389 1295 421">Note: the higher the risk score the lower the risk</th> </tr> <tr> <th data-bbox="472 421 847 495">Risk score achieved</th> <th data-bbox="847 421 1295 495">Number of commissioned services</th> </tr> </thead> <tbody> <tr> <td data-bbox="472 495 847 533">100%</td> <td data-bbox="847 495 1295 533">5</td> </tr> <tr> <td data-bbox="472 533 847 571">99% - 75%</td> <td data-bbox="847 533 1295 571">41</td> </tr> <tr> <td data-bbox="472 571 847 609">74% - 61%</td> <td data-bbox="847 571 1295 609">0</td> </tr> <tr> <td data-bbox="472 609 847 647">60% and below</td> <td data-bbox="847 609 1295 647">3</td> </tr> <tr> <td data-bbox="472 647 847 685"></td> <td data-bbox="847 647 1295 685">49</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%	5	99% - 75%	41	74% - 61%	0	60% and below	3		49
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Intelligence	<ul style="list-style-type: none"> • 10% reported significant staffing challenges affecting the service • 39% reported minor staffing challenges • 24% reported changes to senior or local management • 53% reported changes to organisational structure • 53% reported vacancies in their service 																

3.16 Issues Raised and Planned Actions

3.17 Some common issues raised by provider partners, the reasons for these and planned action(s) are provided below.

Issues raised	Planned Action(s)
12% of third sector commissioned services reported not achieving outcomes against the requirements of their contract/service specification	<p>Many third sector contracts are out of date and in need of review. Over time and 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.</p> <p>A Contract Review of third sector commissions is currently underway, starting with Day Services, and is being led by Commissioning in conjunction with DGC Procurement and DGC and NHS Finance.</p> <p>To consider how we better commission for outcomes and support partners to establish measures for outcomes.</p>

<p>24% of third sector commissioned services have experienced changes to management</p> <p>53% of third sector commissioned services have experienced changes in organisational structure</p> <p>10% of third sector commissioned services reported significant staffing challenges affecting the service</p> <p>39% of third sector commissioned services reported experiencing minor staffing challenges</p> <p>18% of staff who leave third sector commissioned services are leaving for new jobs out with the health and social care sector</p>	<p>Reflects wider national situation due to longstanding recruitment and retention issues in Health and social care in conjunction with sector pressures, including ongoing effects of COVID-19.</p> <p>The HSCP developed a partnership workforce plan, working with provider partners to help address these challenges.</p> <p>Provider partners cite recruitment issues and staff sickness absence as key reasons. Commissioning Team will continue to monitor and follow up provider partners to help ensure this is rectified going forward.</p> <p>IJB has directed that recommissioning of third sector supports is contracted for 3-5 years to help ensure forward planning/ mitigating short-term staff contracts.</p>
<p>53% of third sector commissioned services reported capacity issues and vacancies in the service</p>	<p>Individual meetings between Commissioning and providers have been taking place to determine challenges faced by providers.</p> <p>Contract Review of third sector commissions 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>Community Directorate conducting ongoing work with Third Sector providers in relation to supporting wider system pressures/packages of care.</p>
<p>Carers Support Services highlighted experiencing an increase in complex referrals, requiring more complex support and resulting in increased challenges and pressures for Carers and for provider partner staff</p>	<p>Provider partners cite lack of early intervention due to pressures in the care and support at home sector, resulting in an escalation of pressures faced by Carers. Carers Programme Board will work with partners to consider options for supporting these pressures.</p> <p>A D&G Carers Strategy and Delivery Plan is in development and the Carers Commissioned Services will be reviewed and re-tendered before end of March 2025. This provides opportunities for good conversations</p>

	and potential redesign of how services are delivered.
<p>3.18 <u>Future Planned Contract Monitoring</u></p> <p>3.19 Contract monitoring for third sector providers for the period 1 April 2023 to 31 March 2024 is scheduled to commence in June 2024.</p> <p>3.20 Contract monitoring of care home and care at home commissioned services for the period 1 April 2023 to 31 March 2024 commenced in May 2024 and is currently ongoing. It is expected these reports will be presented to this committee in August 2024.</p> <p>3.21 Development work is ongoing to streamline contract monitoring recording and documentation to improve efficiency. This includes consultation with provider partners to pilot a new contract monitoring return with functionality for improved data capture and reporting of results.</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 Findings indicate that based on the information available there are no significant risks for the majority (94%) of third sector commissioned services.</p> <p>4.3 In addition to formal contract monitoring, communication between Commissioning and third sector commissioned services is an ongoing throughout the year in order to support improvement, share information and provide contractual advice and support.</p> <p>4.4 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> <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</p>	

standards.

8. Consultation

8.1 Appendix 2 sets out the details of the consultation and engagement work undertaken in relation to this contract monitoring. The report will be considered by the Contract Management Group, HSCLG and IJBFPQ Committee.

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

EQIA	Equalities Impact Assessment
IJB	Integration Joint Board
IJBFPQ	Integration Joint Board Finance, Performance and Quality Committee
CMG	Contract Management Group
DGC	Dumfries and Galloway Council
HSCP	Health and Social Care Partnership
HSCLG	Health and Social Care Leadership Group
SAQ	Self-Assessment Questionnaire