



Integration Joint Board
Finance, Performance and Quality Committee

7th January 2025

This Report relates to
Item 7b on the Agenda

Contract Monitoring Report: Third Sector Commissioned Services

Paper presented by Peggy Taylor

For Discussion and Noting

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Approved for Submission by:	David Rowland, Director of Strategic Planning and Transformation (david.rowland2@nhs.scot)
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 2022-2023
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 2023 – 31 March 2024)</p>

1.	Introduction		
1.1	On behalf of the Health and Social Care Partnership (HSCP) the Commissioning Team monitors contracts for all adult health and social care commissioned services.		
1.2	This paper presents the findings of the contract monitoring of Third Sector provider partners for the period 1 April 2023 – 31 March 2024.		
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 Commissioning Team currently conducts contract monitoring of 30 Care Homes, 28 Care and Support at Home commissioned services and 46 third sector and non-registered commissioned services.		
3.3	<p>Contracting and contract monitoring are functions within commissioning that are concerned with</p> <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 		
3.4	<p>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> <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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3.5	<u>Third Sector Contract Monitoring</u>		

- 3.6 Full contract monitoring of third sector commissioned services commenced in June 2024 for the period 1 April 2023 to 31 March 2024. This paper presents the findings of that monitoring exercise.
- 3.7 Appendix 1 provides a sample self-assessment questionnaire and a list of third sector provider partners.
- 3.8 Appendix 2 provides an overview of the contract monitoring process and the results of the latest Third Sector Contract Monitoring.
- 3.9 A total of 46 third sector contracts have been monitored. These are all commissioned non-registered third sector provider partners, registered day care and respite contracts, with a combined contract value of approximately £6.2m.
- 3.10 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.
- 3.11 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"> • 85% (39 out of 46) of third sector commissioned services achieved outcomes against the requirements of their contract/service specification • 91% (42 out of 46) of third sector commissioned services, maintained communication with people who use their services to encourage feedback • 91% (42 out of 46) of third sector commissioned services conducted training of staff and volunteers 																
Risk Management	<p>Risk scores resulting from contract monitoring show that there are 43 services showing no significant risks, 1 service showing moderate risks and 2 services identified as high risk. 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 1496 1294 1832"> <thead> <tr> <th colspan="2" data-bbox="472 1496 1294 1536">Risk Score Results</th> </tr> <tr> <td colspan="2" data-bbox="472 1536 1294 1570">Note: the higher the risk score the lower the risk</td> </tr> <tr> <th data-bbox="472 1570 847 1641">Risk score achieved</th> <th data-bbox="855 1570 1294 1641">Number of commissioned services</th> </tr> </thead> <tbody> <tr> <td data-bbox="472 1641 847 1682">100%</td> <td data-bbox="855 1641 1294 1682">10</td> </tr> <tr> <td data-bbox="472 1682 847 1722">99% - 75%</td> <td data-bbox="855 1682 1294 1722">33</td> </tr> <tr> <td data-bbox="472 1722 847 1762">74% - 61%</td> <td data-bbox="855 1722 1294 1762">1</td> </tr> <tr> <td data-bbox="472 1762 847 1803">60% and below</td> <td data-bbox="855 1762 1294 1803">2</td> </tr> <tr> <td data-bbox="472 1803 847 1832"></td> <td data-bbox="855 1803 1294 1832">46</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%	10	99% - 75%	33	74% - 61%	1	60% and below	2		46
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Intelligence	<ul style="list-style-type: none"> • 9% (4 out of 46) experienced significant staffing challenges affecting service delivery • 37% (17 out of 46) experienced minor staffing challenges • 22% (11 out of 46) experienced changes to senior or local management • 41% (19 out of 46) experienced changes to organisational structure 																

	<ul style="list-style-type: none"> • 59% (27 out of 46) experienced vacancies in their service • 26% (12 out of 46) expressed concerns about the sustainability of their service
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3.12 Issues Raised and Planned Actions

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

Issues raised	Planned Action(s)
<p>15% (7 out of 46) of third sector commissioned services reported not achieving outcomes against the requirements of their contract/service specification</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. As part of this Review, service specifications are being reviewed and updated to reflect the known changes in need/requirement. New contracts commencing 1 July 2024 have been awarded to Day Centres following procurement exercises.</p> <p>To consider how we better commission for outcomes and support partners to establish measures for outcomes.</p> <p>Following the announcement of the Review of Commissioned Third Sector Social Care Services in late November, Third Sector Dumfries and Galloway have heavily supported the procurement process and capacity of the day centres to ensure they were able to tender for this commission.</p> <p>To date, Third Sector Dumfries and Galloway (TSDG) have closely supported day centres to ensure they were able to complete the process by:</p> <ul style="list-style-type: none"> • Providing training on the procurement process • Providing training on how to complete a tender bid • Providing procurement roadshow sessions with CEIS to develop the capacity and capabilities of the day centres in order to ensure satisfactory completion by deadline date • Securing each day centre 5 hours of 1:1 support from CEIS. • Negotiating more satisfactory

	<p>timelines to enable day centres to upskill in order to tender</p> <ul style="list-style-type: none"> • Engaging in tailored support for day centre volunteers and trustees • Coordinating sessions with procurement and commissioning teams to allow question and answer sessions • Providing dedicated, focussed support as required during tender live timescale <p>Support to the day centres from TSDG is ongoing to increase their financial viability and sustainability through support around good governance and to identify funding opportunities.</p>
<p>22% (10 out of 46) of third sector commissioned services have experienced changes to management</p> <p>41% (19 out of 46) of third sector commissioned services have experienced changes in organisational structure</p> <p>9% (4 out of 46) of third sector commissioned services experienced significant staffing challenges affecting the service</p> <p>37% (17 out of 46) of third sector commissioned services have experienced minor staffing challenges</p> <p>10% of staff who left third sector commissioned services (5 staff out of 41 staff) left 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>Provider partners cite recruitment issues and staff sickness absence as key reasons. Commissioning Team will continue to monitor and follow up with provider partners.</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>TSDG provide capacity building support to commissioned services through both one to one bespoke support and training, including good governance, funding, volunteering, business development and employability.</p>
<p>52% (24 out of 46) of third sector commissioned services reported capacity issues and vacancies in the service</p> <p>26% (12 out of 46) expressed concerns about the sustainability of their service</p>	<p>Individual meetings between Commissioning and providers have been taking place to determine challenges faced by providers and linking of third sector provider partners with TSDG to identify other funding and training opportunities.</p> <p>Contract Review of third sector commissions to ensure services are operating at fuller capacity. Contracts Team to continue to monitor and follow</p>

	<p>up provider partners to help ensure this is rectified going forward. TSDG will work with other contracted services to provide support similar to that provided to the day centres.</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. These services also highlighted a lack of sufficient direct services available to support Carers in their day to day caring role, for instance home care and respite either in or out with the home.</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 2026. This provides opportunities for good conversations and potential redesign of how services are delivered.</p>
<p>3.14 <u>Future Planned Contract Monitoring</u></p> <p>3.15 Contract monitoring for third sector, care home and care at home commissioned services for the period 1 April 2024 to 31 March 2025 is scheduled to commence in April 2024.</p> <p>3.16 Development work has been ongoing to streamline contract monitoring recording and documentation to improve efficiency. This has included all third sector provider partners testing a new contract monitoring return using Microsoft Forms which was used by all commissioned services for the 2023-24 monitoring period. Further development work is ongoing to expand functionality for improved data capture and reporting of results and ongoing consultation with provider partners.</p>	
<p>4. Conclusions</p> <p>4.1 Results from this recent contract monitoring of third sector provider partners has helped identify risks and challenges facing provider partners and the impact this has had on their ability to meet contractual obligations in 2023/24.</p> <p>4.2 Findings indicate that based on the information available there are no significant risks for the majority (93%) of third sector commissioned services.</p> <p>4.3 In addition to formal contract monitoring, communication between Commissioning and third sector commissioned services is ongoing throughout the year in order to support improvement, share information and provide contractual advice and support.</p>	

5.	Resource Implications																
5.1	The work described in this paper will be delivered within existing resources.																
6.	Impact on Integration Joint Board Outcomes, Priorities and Policy																
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.																
7.	Legal and Risk Implications																
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 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 Directorate Leadership Team, 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																
	<table border="1"> <tr> <td>EQIA</td> <td>Equalities Impact Assessment</td> </tr> <tr> <td>IJB</td> <td>Integration Joint Board</td> </tr> <tr> <td>IJBFPQ</td> <td>Integration Joint Board Finance, Performance and Quality Committee</td> </tr> <tr> <td>CMG</td> <td>Contract Management Group</td> </tr> <tr> <td>DGC</td> <td>Dumfries and Galloway Council</td> </tr> <tr> <td>HSCP</td> <td>Health and Social Care Partnership</td> </tr> <tr> <td>HSCLG</td> <td>Health and Social Care Leadership Group</td> </tr> <tr> <td>SAQ</td> <td>Self-Assessment Questionnaire</td> </tr> </table>	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
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