Integration Joint Board
Strategic Planning, Finance and Commissioning Committee

1st December 2026

This Report relates to
Item 9c on the Agenda

Contract Monitoring Report: Third Sector Commissioned Services

Paper presented by Peggy Taylor

For Discussion / Noting

Author:	Peggy Taylor, Contracts Manager (Peggy.taylor@dumgal.gov.uk)
Approved for Submission by:	Viv Gration, IJB Strategic Commissioning Manager (viv.gration@nhs.scot)
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/) • Contract Monitoring Report Third Sector 2024-2025
Appendices:	**Appendix 1 -** Sample contract monitoring self-assessment questionnaire and list of providers – Third Sector **Appendix 2 -** Contract Monitoring Results: Third Sector (1 April 2025 – 31 March 2026)

1. Introduction

1.1 On behalf of the Health and Social Care Partnership (HSCP) the Commissioning Team monitors contracts for 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 2025 – 31 March 2026.

2. Recommendations

2.1 **The IJB Strategic Planning, Finance and Commissioning Committee is asked to:**

- **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, 33 Care and Support at Home commissioned services and 22 third sector and non-registered commissioned services.

3.3 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

3.4 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.

- Day Care
- Day Centres
- Care and Support at Home
- Care Homes
- Carers Support
- Short Breaks
- Support services

These are delivered by third sector and independent sector partners and include:

3.5 <u>Third Sector Contract Monitoring</u>

3.6 Full contract monitoring of third sector commissioned services commenced in April 2026 for the period 1 April 2025 to 31 March 2026. This paper presents the findings of that monitoring exercise.

3.7 These findings were shared with Contract Management Group (CMG) on 24 September 2026 and will also be presented to the Health and Social Care Leadership Group (HSCLG) on 12th November 2026, the IJB Strategic Planning, Finance and Commissioning Committee on 1 December 2026 and the Social Work Services Committee on 8 December 2026.

3.8 Appendix 1 provides a sample self-assessment questionnaire.

3.9 Appendix 2 provides an overview of the contract monitoring process and the results of the latest Third Sector Contract Monitoring.

3.10 A total of 22 third sector contracts have been monitored. These are all commissioned non-registered third sector provider partners (8), registered day care and support services (9) and respite contracts (5).

3.11 The amount of third sector contracts monitored in this reporting period is significantly less than the previous monitoring period due to the introduction of a Public Social Partnership (PSP) model for service delivery. The HSCP has reviewed the current commissioning model for third sector supports and following formal agreement from IJB in December 2025, PSP development is moving at pace with the eventual move to establish a strategic alliance. This will support an outcomes-based model with shared planning, delivery and oversight with third sector partners and Third Sector Dumfries and Galloway. The PSP membership is made up of third sector commissioned services and it was agreed that during this period of transition these provider partners would not be subject to contract monitoring exercises.

3.12 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.

3.13 The following tables give a summary of the findings.

Compliance	• 100% (22 out of 22) of third sector commissioned services achieved outcomes against the requirements of their contract/service specification • 95% (21 out of 22) of third sector commissioned services, maintained communication with people who use their services to encourage feedback • 95% (21 out of 22) of third sector commissioned services were at least 80% compliant for mandatory training being up to date • 95% (21 out of 22) maintained robust systems for recording comments, compliments and complaints in line with policies

<table>
<tr><td>Risk Management</td><td>Risk scores resulting from contract monitoring show that there are 22 services showing no significant risks and no services showing moderate or high risks.

Risk concerns have been escalated and action taken or is ongoing. Detail regarding these risks is presented in Appendix 2.

<table>
<tr><td colspan="2">Risk Score Results
Note: the higher the risk score the lower the risk</td></tr>
<tr><td>Risk score achieved</td><td>Number of commissioned services</td></tr>
<tr><td>100%</td><td>2</td></tr>
<tr><td>99% - 75%</td><td>20</td></tr>
<tr><td>74% - 61%</td><td>0</td></tr>
<tr><td>60% and below</td><td>0</td></tr>
<tr><td></td><td>22</td></tr>
</table>
</td></tr>
<tr><td>Intelligence</td><td>• 4% (1 out of 22) experienced significant staffing challenges affecting service delivery
• 32% (7 out of 22) experienced minor staffing challenges
• 27% (6 out of 22) experienced management changes
• 46% (10 out of 22) experienced changes to organisational structure
• 72% (16 out of 22) experienced vacancies in their service
• 59% (13 out of 22) expressed concerns about the sustainability of their service</td></tr>
</table>

3.14 Issues Raised and Planned Actions

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

Issues raised	Planned Action(s)
72% (16 out of 22) of third sector commissioned services reported capacity issues and vacancies in the service 59% (13 out of 22) expressed concerns about the sustainability of their service 9% of reported leavers from third sector commissioned services left for new jobs out with the health and social care sector	The HSCP has reviewed the current commissioning model for third sector supports and following formal agreement from IJB in December 2025, PSP development is moving at pace with the eventual move to establish a strategic alliance. This will support an outcomes-based model with shared planning, delivery and oversight with third sector partners and Third Sector Dumfries and Galloway (TSDG). PSP meetings are ongoing between Commissioning, TSDG and provider partners to identify tests of change opportunities to support this new model

	and to inform the transition to a Strategic Alliance. The HSCP is involved in the Delivering Change Programme, which includes plans to move to community led, place-based supports through the PSP and Strategic Alliance. Delivering Change Marketplace events are being held across D&G in September. TSDG have also developed a funding tool which supports organisations to seek and secure funding and also provides support in relation to good governance and designing training to increase capacity of third sector organisations.
27% (6 out of 22) of third sector commissioned services have experienced changes to management 46% (10 out of 22) of third sector commissioned services experienced changes in organisational structure 4% (1 out of 22) of third sector commissioned services experienced significant staffing challenges affecting the service 32% (7 out of 22) of third sector commissioned services have experienced minor staffing challenges	Reflects wider national situation due to longstanding recruitment and retention issues in Health and social care in conjunction with sector pressures. Provider partners cite staff vacancies, recruitment issues and staff sickness as the key reason. Commissioning Team will continue to monitor and follow up with provider partners. As mentioned above, the collaborative work of the PSP alongside the Delivering Change programme, in conjunction with TSDG is underway.

3.16 Future Planned Contract Monitoring

3.17 Contract monitoring of care homes and for care at home commissioned services for the period 1 April 2025 to 31 March 2026 has also been conducted and the findings included in separate reports to this Committee.

3.18 Contract monitoring for third sector, care home and care at home commissioned services for the period 1 April 2026 to 31 March 2027 is scheduled to commence in April 2027.

3.19 Development work has been ongoing to streamline contract monitoring recording and documentation to improve efficiency. This has included all commissioned services utilising a contract monitoring return using Microsoft Forms. Development work is ongoing via SharePoint to expand functionality for improved data capture and reporting of results.

3.20	Work is underway to look at achieving a more holistic oversight of adult social care commissioned services. This is a joint undertaking between Commissioning, DGC Procurement, Finance and Social Work. It includes the development of one comprehensive list of all contracted and non-contracted funded adult social care services to give a clearer understanding of the commissioning arrangements and commitments across all areas of adult social care. The next piece of work would be to establish a comprehensive overview of all commissioned services, similar to a balanced scorecard approach. This would include information from Procurement, Finance and Social Work as well as the information already gathered by Commissioning through contract monitoring and intelligence.
3.21	The PSP work is moving at pace to identify tests of change for service delivery to inform the movement to a Strategic Alliance commissioning model. Future contract monitoring of these providers is expected to take place but the format of this is yet to be determined.
4.	**Conclusions**
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 2025/26.
4.2	Findings indicate that based on the information available there are no significant risks for any of the third sector commissioned services contract monitored.
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.
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 Contract Management Group, HSCLG and IJB Strategic Planning, Finance and Commissioning 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**
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**
TSDG	**Third Sector Dumfries and Galloway**