

**Glasgow City
 Integration Joint Board
 Finance, Audit and Scrutiny Committee**

Report By: Susanne Millar, Interim Chief Officer
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PURCHASED SERVICE REVIEW ACTIVITY

Purpose of Report:	To advise IJB Finance, Audit and Scrutiny Committee of work activity of the HSCP Commissioning Team in respect of service reviews undertaken between 1 July 2018 to 31 March 2019, and planned Service Review activity for the period 1 April 2019 to 31 March 2020.
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Background/Engagement:	Service review is an activity carried out in relation to service provision that the HSCP purchases and is detailed within the Contract Management Framework. The activity detailed in this report has been carried out in conjunction with the relevant service providers and other stakeholders.
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Recommendations:	The IJB Finance, Audit and Scrutiny Committee is asked to: a) note the content of this report.
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Relevance to Integration Joint Board Strategic Plan:

Purchased service provision is central to the delivery of the IJB Strategic Plan. The effective contract management of purchased service provision, including service review activity, is essential to ensure the availability of high quality purchased service provision.

Implications for Health and Social Care Partnership:

Reference to National Health & Wellbeing Outcome:	None
Personnel:	None
Carers:	None
Provider Organisations:	This report details service review activity in relation to purchased service provision.
Equalities:	None
Fairer Scotland Compliance:	The aspiration and outcomes of service review will contribute to ensuring services are accessible, effective, affordable and sustainable.
Financial:	There are no direct financial implications arising from this report, however it should be noted that service review activity can impact on the financial framework of purchased service provision.
Legal:	There are no direct legal implications arising from this report, however it should be noted that service review activity is required where extension of an existing contract is considered.
Economic Impact:	None
Sustainability:	None
Sustainable Procurement and Article 19:	None
Risk Implications:	Service Reviews are an important aspect of Contract management activity and play a key role in monitoring service quality and managing risk.
Implications for Glasgow City Council:	None
Implications for NHS Greater Glasgow & Clyde:	None

1. Purpose of Report

- 1.1 To advise IJB Finance, Audit and Scrutiny Committee of service review activity undertaken between 1 July 2018 to 31 March 2019 and that anticipated for the period 1 April 2019 to 31 March 2020.

2. Background

- 2.1 An initial report on service review activity was considered by Glasgow City IJB Finance & Audit Committee on 6th September 2017 (<https://glasgowcity.hscp.scot/publication/item-no-15-purchased-service-review-activity-2016-17>). The report outlined that Glasgow City HSCP spend c£300m per annum on purchased service provision across Disabilities, Adult Mental Health, Vulnerable Children Families & Adults, Older People & Physical Disabilities. An element of this purchased provision also relates to Health Improvement.
- 2.2 The purchased service provision outlined above is reflected in 415 contracts with external care providers, which are subject to the Glasgow City Council Contract Management Framework (CMF) process that acts as a mechanism for contributing to the effective governance of this activity. This report does not cover any NHS contracts managed via the HSCP.
- 2.3 Service review activity is an element of the Contract Management Framework process and can be undertaken on either a planned basis, normally in the final year of an existing contract, or on an unplanned basis at any time during the period of the contractual relationship. Service Review can assist in informing future options including continuing the contract; varying the contract; terminating the contract.
- 2.4 There may be occasions where it is necessary to conduct a service review which has not been planned in advance. This can be due to specific unforeseen issues which have arisen or in order to reflect changing HSCP strategic priorities.
- 2.5 Examples of some of the reasons an unplanned review may be required include, but are not limited to:
 - Receipt of complaint(s) or patterns/trends which suggest dissatisfaction with a service.
 - Where significant concerns are raised about a service by service users or their representatives, care managers, the media, the public, etc.
 - Services where there are significant performance concerns, such as staff turnover, staff absence, the level of serious incidents.
 - Where the HSCP is notified of serious concerns held by another interested party, such as the Care Inspectorate or other local authorities.
 - Breakdown of the service, which would potentially have a significant budgetary impact or requirement for reconfiguration.
 - Where the model of service no longer fits with the HSCP's strategic or service objectives.
 - Where changes to legislation affect existing arrangements or the providers ability to provide a service.

- Services where there are a large number of voids over a sustained period, which may suggest that the type of service no longer meets the needs of service users.
- Services that have not been reviewed for five years or more.
- Services where the provider is in breach of the terms and conditions of the contract.
- Where changes in the service affects its overall cost, leading to concerns about the viability or cost of the service.

2.6 The service review process, regardless of whether the review was planned or unplanned, is captured on a CM2 (see Appendix 1) and considers the following areas:

- Demand for the service
- Delivery of the service / service outcomes
- Comparative cost / quality
- Financial viability
- Service model / appropriate / relevant / required
- Contract compliance
- Accreditation, registration and training
- Service user feedback
- Care Inspectorate activity
- External reports e.g. Fire Service inspection requirements
- Strategic relevance

2.7 The purpose of the review are to consider the performance of the service and provider in respect of delivering the agreed outcomes of relevant contracts. The review process also enables the HSCP to reach a decision regarding the nature of any ongoing involvement with the service provider including areas of action improvement that may be required.

2.8 The previous IJB Finance and Audit Committee reports noted the planned implementation of a 'Contract Management Console' (CMC) which will provide a bespoke IT solution for the management of contracted activity, including increased functionality in respect of the planning and reporting of service review activity.

2.9 Implementation of the Contract Management Console commenced in April 2018 with initial transition of contract management data from the contract Log (excel spreadsheet) completed in July 2018. Further actions to support this transition are ongoing, including development of the Contract Management Console reporting function with early data quality issues being identified and corrective action taken as these are found.

2.10 It was noted at IJB Finance & Audit Committee on 6 September 2017 that not all contracts will be subject to a service review during the lifetime of the contract. Table 1 below outlines the total number of current contracts for each care group and the number that would be expected to be subject to a review at some point during the lifetime of the contract.

Table 1

Care Group	Total Number of Contracts 2017	Total Number of Contracts on CMC (April 2019)	Contracts where Service Review likely	Comments
Disabilities	44	40	40	Linked to 2015 / 2019 Framework Activity
Mental Health	36	36	36	Linked to 2015 / 2019 Framework Activity
Community Services	84	24	24	Linked to 2015 / 2019 Framework Activity
Care Homes	139	90	26	Includes a significant number of contracts that are issued on an annual basis e.g. National Care Home Contract
Addictions	16	16	11	
Children & Families	34	43	37	Includes contracts from external frameworks where Glasgow City Council would not service review
Homelessness	62	56	23	
TOTAL	415	305	197	

- 2.11 The number of contracts likely to be subject to service review during the lifetime of the contract is influenced by a number of factors including the length of contract and contractual basis e.g. in Older People services the National Care Home Contract is updated annually therefore not prioritised for service review within the lifetime of the contract; in children and families services the contracts include a number of national frameworks where Glasgow City Council would not be responsible for service review activity.
- 2.12 There has been a significant change in the volume of contracts monitored by the Older People Community Services Team since the last update report to Committee. The end of funding for sheltered housing services has seen the withdrawal of a number of services previously subject to review. Similarly the transfer of some purchased day care services to the Democratic Services managed Integrated Grants Fund model has also contributed to the lower level of contracts.

3. Service Review Activity 1 July 2018 to 31 March 2019

- 3.1 Service review activity undertaken within the reporting period is shown in Table 2 below.

Table 2

Care Group	Unplanned Reviews	Planned Reviews	Total Review activity completed during the period	% of Contracts Reviewed
Disabilities	1	12	13	32%
Mental Health	1	5	6	17%
Community Services	0	3	3	13%
Care Homes	4	17	21	81%
Addictions	0	2	2	18%
Children & Families	0	11	11	30%
Homelessness	0	23	23	100%
TOTAL	6	73	79	40%

- 3.2 Review activity varies across each of the care groups as a result of specific factors such as workload and available capacity of the team; the nature and period of the contracts in place for that care group. Some of which is reflected in the detailed comments below.
- 3.3 The **Disabilities** Commissioning Team have completed 13 service reviews in this reporting period. There was increased demand in other aspects of the commissioning team's functions and the need to respond to emerging priorities. Examples include the requirement to allocate significant team resources to the award of the 2019 Framework Agreement for selected purchased social care supports and a resource intensive Unplanned Service Review. There was also an increase in the number of service quality concerns requiring investigation in the

reporting period alongside increasing demands on the team for support from care management colleagues with Adult Support and Protection work.

- 3.4 The **Mental Health** Commissioning Team completed 5 planned reviews. 3 of these were strategic in nature considering requirements to change aspects of the service model. One review was unplanned during the period. The trigger for this was a service concern submitted by Health colleagues and the subsequent investigation of the service and change to the risk assessment resulted in the decision to move to service review.
- 3.5 The **Community Services** Commissioning Team undertook three service reviews. However due diligence checks were conducted on all providers as part of the recent 2019 framework applications.
- 3.6 The **Care Homes** Commissioning Team undertook 21 service reviews, 17 of these were strategic in nature considering future operational planning and the model of services and included a review of the commissioned Enhanced Residential Care services, 2 were in relation to provider requests to amend the rate and 2 were in response to service concerns.
- 3.7 The **Addictions** Commissioning Team completed 2 service reviews during the above period, this was part of a wider strategic review of Alcohol Related Brain Damage provision and was in conjunction with Mental Health Commissioning colleagues and Operational Alcohol Related Brain Damage managers. Both reviews were planned reviews and action plans have been developed and progressed. In addition the Addiction team have been progressing the formal tender of all purchased Residential Rehabilitation Services. As requested by Senior Management this was progressed in a co-production way with current providers and lived experience groups. We have included lived experience representatives in the development of future models, service specification and will be involving this group in the formal evaluation process. This work has been resource intensive.
- 3.8 The **Children & Families** Commissioning Team have been involved in 2 formal procurement exercises which have involved a number of services and service type. Within the time period being considered all foster care services have been reviewed and a new tender will be issued in 2020. A review action plan has been developed and timescales will reflect new contract award periods.
- 3.9 The **Homelessness** Commissioning Team have completed 23 service reviews within the above time period. This has supported the ongoing work around developing a saving plan to identify £2.6m savings and support the tender to develop the Alliance to End Homelessness. In addition the team led on the decommissioning of Clyde Place, 54 bedded emergency accommodation and the development of the HSCP's Housing First service. Both activities are resource intensive and will continue to require additional resource to progress the savings/decommissioning plan and continue the progress of the housing first provision. However a review action plan has been developed to progress reviews for all homelessness services. Thereafter, future service review activity will be agreed in conjunction with Alliance partners once established.

4. Service Review Activity 1 April 2019 to 31 March 2020

4.1 Service review activity planned for the period 1 April 2019 to 31 March 2020 is shown in Table 3 below.

Table 3

Care Group	Planned Reviews	% of Contracts
Disabilities	20	50%
Mental Health	9	44%
Community Services	24	100%
Care Homes	8	31%
Addictions	9	82%
Children & Families	32	87%
Homelessness	23	100%
TOTAL	125	63%

- 4.2 The planned reviews outlined in Table 3 will be prioritised according to the date of the last service review and assessment of risk in each service. Progress will be reviewed quarterly and be dependent upon the available resources and decisions made in relation to the management of competing priorities.
- 4.3 The **Disabilities** Commissioning team had 7 service reviews planned for the last reporting period and which are now scheduled for the next period giving a total of 20 planned service reviews to be completed in 2019/20.
- 4.4 The **Mental Health** Commissioning Team are planning to conduct 9 service reviews which are currently prioritised by the date since the last review. These priorities are regularly reviewed against changes in the service risk rating. In October 2018 the Principal Officer in the team moved to a promoted post resulting in a 25% reduction in team capacity. As at April 2019, the post remains vacant although recruitment for a replacement is underway.
- 4.5 The **Community Services** Commissioning Team plan to conduct service reviews on all 24 of their services.
- 4.6 The **Care Homes** Commissioning Team are in the process of implementing a revised purchasing strategy for enhanced care beds which will align this business with the national care home contract, this will replace all but 3 categories of care with the national contract leaving 8 services to be reviewed in the coming year.
- 4.7 The **Addictions** Commissioning Team are in the process of completing a further 5 reviews which should be concluded by June 2019, in addition we will be progressing the review of our 4 Move-On services in July 19. In addition to this the team is currently progressing a formal procurement process for residential recovery services and will be progressing a further procurement process for Move-on

provision in December 2019. There has also been significant activity around the integration of our Drug and Alcohol Crisis Services.

- 4.8 The **Children & Families** Commissioning Team is actively involved in strategic redesign of Children and Family Services and have completed 2 formal procurement exercises in the time period identified. It is anticipated that 32 of the current contracts will be subject to service review during the forthcoming period. A review action plan has been developed to progress reviews of all relevant services.
- 4.9 The **Homelessness** Commissioning Team has completed a number of reviews as part of the savings plan, this work will continue throughout the year with a review action plan developed for the other services not involved in the recent review activity. The Homelessness Alliance is due to go out to formal procurement process within the next few months and this may impact of the teams capacity for service reviews however we will look at resources across the wider commissioning teams.

5. **Recommendations**

- 5.1 The IJB Finance, Audit and Scrutiny Committee is asked to:
- a) note the content of this report.

Contract Management –Service Review (CM2)

Under the Contract Management Framework, Planned Service Reviews of service providers and parent providers must take place. For service providers a service review must take place at least once during the contract term, ideally in the final year of the contract. Parent providers and contracts are subject to review every two years (where there is engagement from more than one commissioning care team) or once per contract term. In addition to Planned Reviews at pre-defined timescales, it may also on occasion be appropriate/necessary to conduct an Unplanned Review to address specific concerns or service deficiencies highlighted in relation to an individual service or parent provider.

Examples of situations where a Review may be required include:

- Receipt of complaint(s) or patterns/trends which suggest dissatisfaction with a service
- Where significant concerns are raised about a service by service users or their representatives, care managers, the media, the public etc.
- Services where there are significant performance concerns, such as staff turnover, staff absence, the level of serious incidents
- Where Glasgow City Council is notified of serious concerns held by another interested party, such as the Care Inspectorate or other local authorities
- Breakdown of the service, which would potentially have significant budgetary impact or requirement for reconfiguration
- Where a review is requested internally or by the provider, due to lack of available resources and/or insufficient funding available, resulting in the service not being financially viable on existing funding arrangements
- Where the model of service no longer complies with Glasgow City Council's strategic or service objectives
- Where changes to legislation affect existing arrangements or the providers ability to provide a service
- Services where there are a large number of voids over a sustained period, which may suggest that the type of service no longer meets the needs of service users
- Services where the Provider is in breach of the terms and conditions of the contract, for instance non-compliance with the SWS Contract Management Framework
- Where changes in the service affects its overall cost, leading to concerns about the viability or cost of the service
- Where providers have not signed a letter of agreement and/or a contract for the service they are providing.

The list above is not exhaustive and other factors may be taken into consideration if deemed appropriate by the Lead Officer. All review activity must be discussed with and agreed by the relevant Principal Officer and/or Commissioning Manager before commencing.

The Lead Officer (Commissioning Manager or delegate) of the relevant care group is responsible for overseeing the review process, ensuring appropriate representation at any meetings (e.g. relevant provider reps, Finance reps, care managers etc.). Where a service is shared between care groups or with a partner agency, the interested parties should agree from the outset who will take a lead role in the review and the extent of each party's involvement.

All reviews should be conducted using this review report form (CM2). At the conclusion of the Service Review, the review report should be shared with the provider's nominated representative(s) and the Commissioning Manager from the lead care group **within four weeks**.

Service Review Report (CM2)

Service Provider Details

Parent Provider	
Parent Provider contact	
Designation	
Service Provider Name	
Service Address	
Service Manager	
Main client group	

Review Details

Review Type	
Review Scope	
Detail of Scope/Reason for Review (Tick all that apply)	
Date review commenced	
Date review concluded	

Service Review Team

GCC Lead Officer	
GCC Contract Manager(s)	
GCC Finance Officer	
Provider Representative(s)	
Other Representative (if any)	

Note: Under Social Work Services response to the Bribery Act 2010 all commissioning staff have a duty to exercise integrity and transparency at all times during contract management activity in order to prevent bribery. Any concerns in relation to potential instances of bribery must be reported immediately to your line manager. For further information on the Bribery Act email [SW Contract Management](#).

1. Background of the service provider

General outline of the service (including management and staff structure, service specification, and changes since contract award) and its history with Glasgow City Council.

2. Reason for the Service Review

Reason why the review has been convened, including any issues, concerns or service deficiencies identified and by whom.

3. Core aims and Objectives of Review

In this section the core aims and objectives of the Service Review must be defined to ensure the information considered and actions agreed meet these aims and objectives. Define what is in and out of scope of the review.

4. Service Review history/dependencies

Enter details of any other service reviews known to be taking place for the service provider and any possible dependencies this review may have on other reviews.

5. Review Scope/Reason

Provide any additional detail on which areas the review is designed to assess from the list below, as well as any specific issues or concerns that will be addressed that fall outwith the list:

Demand
Delivery of Service
Comparative cost/quality
Financial viability
Provision of Service

Contract Compliance
Accreditation, registration and training
Service user feedback
Care Inspectorate activity
External reports
Strategic Relevance
End of contract term

6. Information assessed

This section should detail the evidence gathered in relation to the reason(s) for the Service Review. This may include:

- Relevant data from PSR submissions
- Records of service monitoring meetings
- Care manager concerns
- Complaints register
- Health and Safety incident logs
- Provider self assessment
- Service user feedback
- Finance reports/Annual audited accounts
- Analysis of spending against measured outcomes and other indicators of quality
- Efficiencies achieved by the provider (e.g. through reduction of staff costs)
- Management accounts
- Outcomes across services under contract
- Governance arrangements
- Risk Assessment
- External reports (Care Inspectorate, other local authorities, media)
- Other information as relevant to purpose of the Review

Summarise the key points in relation to the areas of concern and the core aims and objectives of the Service Review.

7. Provider Input

Where service providers have been asked to contribute information for the review, please indicate here how they have contributed.

If providers have been given the opportunity to respond to the evidence presented, please outline here any actions they have already taken to address the issue(s) raised and future plans.

8. Review Findings

Summarise the key findings in relation to; the areas of concern identified; areas selected for assessment; and the core aims and objectives of the Service Review.

9. Review Recommendations *

Following discussion between the provider and relevant Glasgow City Council employees the service review team should reach a conclusion regarding recommendations from the review.

The following recommendations should be selected and recorded in this section:

- a) Continue contract (with action plan)
- b) Vary contract
- c) Redesign/reconfigure service
- d) Service moratorium
- e) Terminate contract/decommission
- f) Tender for alternatives
- g) Alert to other statutory bodies

Please note: These recommendations are not formal outcomes until the Commissioning Manager or Head of Service has signed off the Final Report, on completion of any improvement action planning work.

10. Impact assessment (Services and Service Users)

Should the decisions of this review impact on any other Service Providers or Service Users then an attempt must be made to note the detail and extent of any impact, as well as an assessment of any mitigating actions which should be taken in response. These should be included in the Action Plan.

***Note:**

The Social Work Standing Orders state that there is always a requirement to seek competition in decisions regarding contracts unless:

- (a) The contract in question is a standard style contract for Care Home Call-Off
- (b) It is considered that tendering is inappropriate
- (c) Circumstances justify negotiations with a sole Provider or extension to an existing contract.

If “Tender for alternatives” was considered and rejected as an outcome as part of the Unplanned Service Review you must indicate this, along with the reasons for not opting to re-tender in Section 8 above.

Action Plan

Action recommended	By whom	Timescale

Outcome recorded	a) Continue contract (with action plan) <input type="checkbox"/> b) Vary contract <input type="checkbox"/> c) Redesign/reconfigure service <input type="checkbox"/> d) Service moratorium <input type="checkbox"/> e) Terminate contract/decommission <input type="checkbox"/> f) Tender for alternatives <input type="checkbox"/> g) Alert to other statutory bodies <input type="checkbox"/>
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Report Status (Note: The names of the representatives who have agreed the outcomes of the Service Review MUST be recorded above for the outcomes to be considered approved.)

Report Agreed by:	Name	Signature	Date
Commissioning Manager			
Other Representative (if any)			
Head of Service			
Head of Finance/Service Development			

Following SWS sign off the report them must be agreed by the provider:

Provider Representative(s)			
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Data Protection

We will now share data based on the relevant legal basis under the current Data Protection legislation with effect from 25th May 2018. Consent for data sharing is no longer required. The relevant privacy statement is available which confirms these details:
<https://glasgow.gov.uk/index.aspx?articleid=22066>

If you are providing anyone else's details, where appropriate please make sure that you have told them that you have given their information to Glasgow City Council.