



Item No. 15

Meeting Date Wednesday 6th September 2017

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

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PURCHASED SERVICE REVIEW ACTIVITY 2016/17

Purpose of Report:	To advise IJB Finance & Audit Committee of work activity of the HSCP Commissioning Team in respect of service reviews during 2016/17.
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Recommendations:	The IJB Finance and Audit Committee is asked to: a) note the content of this report and the relevance of the development of the contract management console in relation to the planning and reporting of future service review activity; and b) endorse the inclusion of Service Review activity in the Contract Management Framework Performance Report as outlined in 4.6 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
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:	None
Implications for Glasgow City Council:	None
Implications for NHS Greater Glasgow & Clyde:	None

1. Purpose of Report

1.1 To advise IJB Finance and Audit Committee of service review activity during 2016/17.

2. Background

2.1 The total current Glasgow City HSCP annual spend on purchased service provision is £327,576,247 across the care group sections outlined below:

- Disabilities: £62,415,833
- Adult Mental Health: £13,917,284
- Health Improvement £7,400,000
- Vulnerable Children, Families & Adults £98,659,000
- Older People & Physical Disabilities £145,184,130

2.2 The above activity is reflected in c450 contracts with external care providers, all of which are subject to a Contract Management Framework (CMF) process that acts as a mechanism for contributing to the effective governance of this activity.

2.3 Service review activity is an element of the CMF process.

3. Service Review Process

3.1 Service reviews can occur on either a planned or an unplanned basis.

3.2 Planned service review activity is generally completed for each service provider in the final year of the existing contract and can assist in informing future options including continuing the contract; varying the contract; terminating the contract.

3.3 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 significant unforeseen issues which have arisen or in order to reflect changing HSCP strategic priorities.

3.4 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 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 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.

3.5 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 inspections/requirements
- Strategic relevance

3.6 The purpose of the reviews 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.

4. Service Review Activity 2016/17

4.1 CMF activity is currently recorded and monitored via a Contract Log spreadsheet which officers require to update. During the period 2016/17 (1/4/16 to 31/3/17) the Contract Log indicates the following:

- 18 service reviews were completed (c4% of all purchased/ contracted activity c450 services).
- 15 of these were planned reviews.
- 2 were unplanned reviews.
- 1 not identified as either planned or unplanned.

4.2 The above noted activity does not reflect service review activity that started but was not concluded within the reporting period. All current/ongoing activity will be captured in the future reporting periods within which the activity is concluded.

- 4.3 It should also be noted that some specific areas of service provision are less likely to be subject to service review activity as a result of the contractual arrangements that are in place e.g. the majority of Care home provision is subject to a national contract that is updated on an annual basis. In addition, as large shared service sites they are also more likely to be subject to other processes e.g. Adult Support & Protection / Large Scale Investigation where concerns re quality of service provision are identified.
- 4.4 Currently it is difficult to verify the validity of the data available from the Contracts Log. However the HSCP has committed to the implementation of a 'Contract Management Console' (CMC) which will provide a bespoke IT solution for the management of contracted activity. It is anticipated that this will support individual officers in fulfilling their contract management duties and will include the provision of management information in respect of contracts and contract monitoring activity.
- 4.5 The development of the CMC will also support workload planning in respect of planned service review activity and assist in early identification of any associated issues including legal or financial risks. It will also assist the Commissioning team in considering and prioritising overall workload planning in the context of other workload pressures such as procurement/tender activity, strategic work (Proof of Concept, Transformational Change Programmes) etc. within available resources.
- 4.6 A performance management regime is currently utilised in respect of the Contract Management Framework (CMF). This identifies a number of performance indicators and it is recommended that, once the CMC becomes operational, Service Review activity is added to the CMF Performance Report as a specific indicator.

5. Recommendations

- 5.1 The IJB Finance and Audit Committee is asked to:
- a) note the content of this report and the relevance of the development of the contract management console in relation to the planning and reporting of future service review activity; and
 - b) endorse the inclusion of Service Review activity in the Contract Management Framework Performance Report as outlined in 4.6 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.
- 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	<input type="checkbox"/> Planned	<input type="checkbox"/> Unplanned
Review Scope	<input type="checkbox"/> Parent Provider	<input type="checkbox"/> Service Provider
Detail of Scope/Reason for Review (Tick all that apply)	<input type="checkbox"/> Demand <input type="checkbox"/> Delivery of service <input type="checkbox"/> Comparative cost/quality <input type="checkbox"/> Financial viability <input type="checkbox"/> Provision of service <input type="checkbox"/> Contract compliance <input type="checkbox"/> Service user feedback <input type="checkbox"/> Care Inspectorate activity <input type="checkbox"/> External reports <input type="checkbox"/> Strategic relevance <input type="checkbox"/> End of contract term <input type="checkbox"/> Service review follow-up <input type="checkbox"/> Accreditation, registration, training	
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 PQR 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	<p>a) Continue contract (with action plan) <input type="checkbox"/></p> <p>b) Vary contract <input type="checkbox"/></p> <p>c) Redesign/reconfigure service <input type="checkbox"/></p> <p>d) Service moratorium <input type="checkbox"/></p> <p>e) Terminate contract/decommission <input type="checkbox"/></p> <p>f) Tender for alternatives <input type="checkbox"/></p> <p>g) Alert to other statutory bodies <input type="checkbox"/></p>
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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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