

Agenda Item	10
Report No	HCW-25-24

The Highland Council

Committee: Health, Social Care and Wellbeing

Date: 13 November 2024

Report Title: Health and Social Care Contracts Update

Report By: Assistant Chief Executive - People

1. Purpose/Executive Summary

- 1.1 This report provides an update on the progress being made to improve the contract management systems within Health and Social Care. It outlines the current value of the contracts and provides details of contract types.
- 1.2 The report also identifies current activity and future developments in relation to contract management.

2. Recommendations

- 2.1 Members are asked to:
 - i. Note the progress that has been made to improve contract management.
 - ii. Agree the current activity and future developments.

3. Implications

- 3.1 Resource – The resource implications are articulated within section 7 of this report.
- 3.2 Legal – Contract management requires us to comply with a number of legal requirements and frameworks. The activity articulated within this report has enabled us to meet our legal requirements.
- 3.3 Risk – The risk identified in reducing the value of contracts is managed through our procurement processes.
- 3.4 Health and Safety – No implications identified
- 3.5 Gaelic - No implications identified

4. Impacts

- 4.1 In Highland, all policies, strategies or service changes are subject to an integrated screening for impact for Equalities, Poverty and Human Rights, Children's Rights

and Wellbeing, Climate Change, Islands and Mainland Rural Communities, and Data Protection. Where identified as required, a full impact assessment will be undertaken.

4.2 Considering impacts is a core part of the decision-making process and needs to inform the decision-making process. When taking any decision, Members must give due regard to the findings of any assessment.

4.3 This is an update report and therefore an impact assessment is not required.

5. Background

5.1 The Health and Social Care service currently contracts a wide range of providers who support the delivery of services for children, young people and their families. These providers provide a range of services which support service delivery to improve outcomes for infants, children, young people and their families, and adults.

5.2 In April 2021, as part of the integration scheme development, it was agreed that the resource and support offered by NHS Highland to monitor and manage the Health and Social Care contracts would be brought back in house.

5.3 In 2023, an Internal Audit report into Children's Commissioned Services highlighted a number of issues that needed to be addressed. To give assurance, a robust commissioning strategy and process needed to be introduced.

5.4 As a result of the service triggering an internal review (started in 2022), added to the Internal Audit findings, it was highlighted that many of the contracts required extensive work including the development of new contracts and specifications. It was also clear that further expertise was required to effectively deliver the change that was required. In developing the plan following the review, the service contacted the shared Aberdeenshire/ Aberdeen City/ Highland procurement service for guidance recognising that there would be development and training requirements for current staff in order that a commissioning service could advance.

5.5 Following dialogue, the Aberdeen City and Aberdeenshire joint social care contracts team conducted a general review of gaps, requirements and recommendations for the service and provided of an indication of the resources that would be required. Their review along with the work carried out by the service identified a number of areas for action.

5.6 This review recommended that a commissioning and contracts manager and a contracts manager be seconded to the shared procurement service to receive the support required to undertake the improvements identified. This was concluded in the spring of this year.

6. Governance and Assurance

6.1 In order to ensure effective implementation of the procurement plan, ensuring the needs of service users continue to be supported and to ensure delivery of the key priorities within the strategic plan a strategic commissioning group was established earlier this year.

6.2 The purpose of this group is to maintain oversight of the agreed plan, monitor and ensure the work of any sub-groups leading on specific contracts is completed within

required timescales and is compliant with legislation and regulations. It also provides oversight of all spend with external providers ensuring alignment with strategic plans in relation to budgetary targets and compliance with financial and governance processes. The group also considers national direction and initiatives and any impact or implications providing recommendations and advice to the service Senior Management Team.

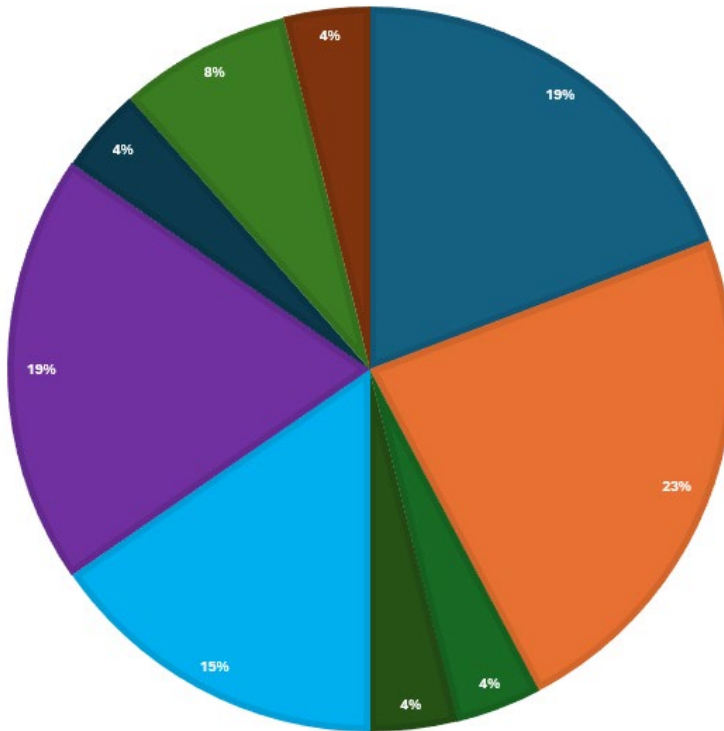
7. Efficiencies from Social Work Procurement Project

- 7.1 There is a specific workstream in the Highland Council's Delivery Plan to provide efficiencies from social work procurement. This project is contained within the Person Centred Portfolio.
- 7.2 The project also aims to provide much more sustainable support to providers, by establishing more effective mechanisms to commission partners.
- 7.3 The commitment is that the Shared Procurement and Health and Social Care Services will ensure that commissioned Social Work services and contracts fully comply with current procurement regulations and achieve improved outcomes and deliver Best Value. The project aims to provide £600,000 of efficiencies over a three year period.
- 7.4 The project Milestones are:
- June 2024 - Category and contracts manager appointed
 - December 2024 - Contracts review completed
 - January 2025 - Savings identified across contracts
 - April 2025 - Model contracts offered to providers
 - May 2025 - Commissioning framework in place
 - September 2025 - Review progress against measures of success, annually and update

8. The Contracts

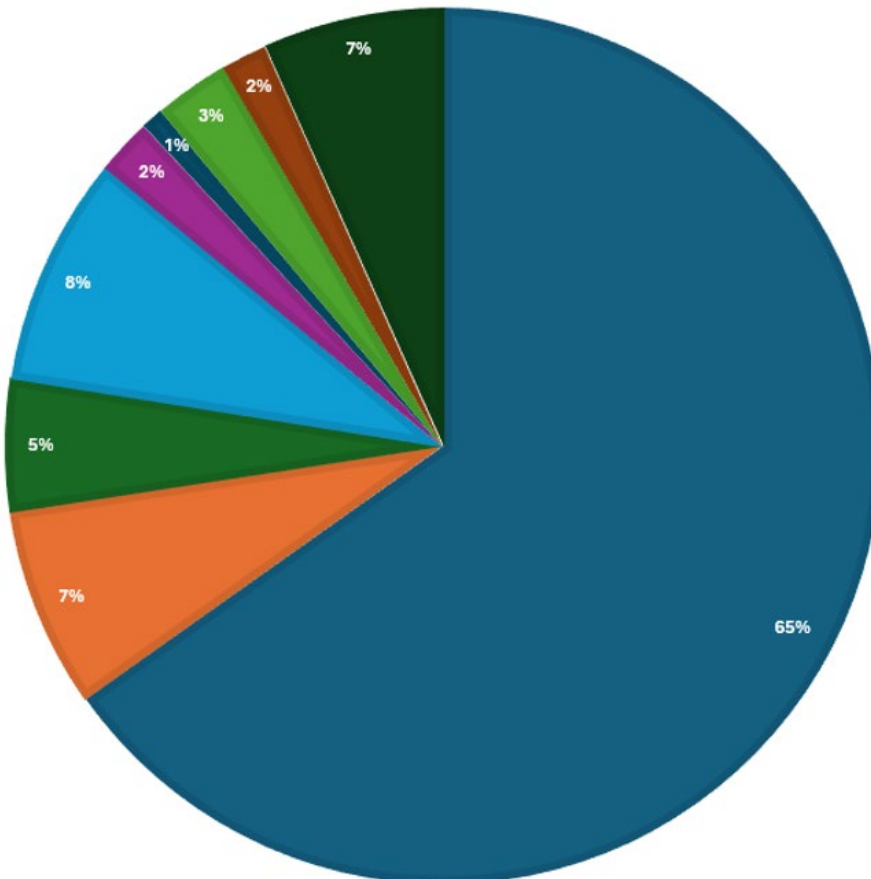
- 8.1 The Health and Social Care service currently has 26 contracts with a wide range of providers who support the safe and effective delivery of services for children, young people and their families, and adults.
- 8.2 The service currently contracts to a range of providers including those who provide children's houses, justice services, intensive support, throughcare and aftercare services. There are a number of other providers who provide specialist support relating to homelessness, relationship counselling, hospice movements and ensuring the voice and participation of children and their families in service design and delivery.
- 8.3 The following chart provides an illustration of the contracts by type.

■ Residential ■ Justice ■ Intensive Support ■ TCAC ■ Domestic Abuse ■ Other ■ Young Carers ■ Home Start ■ Advocacy



8.4 The total cost of the contracts is £5,903,437. The illustration below shows the cost of provision in relation to the contract time as a percentage of this budget.

■ Residential ■ Justice ■ Intensive Support ■ TCAC ■ Domestic Abuse ■ Other ■ Young Carers ■ Home Start ■ Advocacy



9. Current Activity and Future Development

- 9.1 As our newly formed contracts team gains momentum and maturity we have commenced work to review all our contracts. Our aim is to support providers with longer contracts thus providing much greater stability and an ability to develop their service delivery over a sustained period. These factors will also help demonstrate contracts that provide best value for the Council.
- 9.2 We have also introduced more effective contract monitoring processes which will ensure that our providers are clear about expectations and enabling the Council to ensure effective service delivery and improvement.

Designation: Assistant Chief Executive - People

Date: 29 October 2024

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