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|  | **The Police and Crime Commissioner for Cleveland and the Chief Constable Cleveland Police** |
|  | **Advisory Review of OPCC Contract for SARC and ISVA** |
|  | **February 2019** |
|  | **FINAL** |
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| **Executive Summary** |

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| **OVERALL ASSURANCE ASSESSMENT** |  | **OVERALL CONCLUSION** |
| No overall assurance assessment is provided as this was an advisory audit. |  | |  |  | | --- | --- | | **Overall the service is working well particularly in the Teesside area.** | | | **** | **The Provider of the service has experienced difficulties in the Durham and Northumbria regions.** | | **** | **The specific contract terms need to be reviewed and progressed with the Provider.** | | **** | **The financial management arrangements should be developed to provide a correlation between cost and outcomes.** | | **** | **Options for further co-commissioning involving Durham and Northumbria to be progressed.** | |
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| **SCOPE** |  | **ACTION POINTS** |
| The review covered the following topics:   * Contract monitoring and management procedure; * The skills and level of resources to monitor the contract; * The risk management arrangements; * The performance monitoring and quality assurance arrangements; * Financial Management; * Relationship Management; and * Governance and reporting arrangements. |  | |  |  |  |  | | --- | --- | --- | --- | | **Urgent** | **Important** | **Routine** | **Operational** | | **0** | **1** | **7** | **0** | |

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| **Management Action Plan - Priority 1, 2 and 3 Recommendations** |

| **Rec.** | **Risk Area** | **Finding** | **Recommendation** | **Priority** | **Management**  **Comments** | **Implementation**  **Timetable**  **(dd/mm/yy)** | **Responsible**  **Officer**  **(Job Title)** |
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| 2 | Directed | Specific Contract Terms - The contract has some specific Conditions precedent that must be met by the Provider. It is noted that a number of the Conditions Precedent within the Contract have not yet been met. These either require progressing or recorded as work in progress so that these are not overlooked. | The Conditions Precedent in the contract be progressed and either marked as completed or work in progress. For those in progress these be monitored. | 2 | *The Conditions Precedent have been provided to the co-ordinating commissioner (NHS England).*  *Items to be marked as complete following the next Contract and Performance Meeting.* | *12/02/2019* | *Commissioner’s Officer for Victims* |
| 1 | Directed | The quality initiatives are excellent and demonstrate that the team are focused on the needs and benefits of the recipient of the service. Now that many of those output based measures have been identified the team should look to create a template for these and for this template report to form a regular submission to the monitoring group meetings. Reports are currently provided to the Contract and Performance Group meetings in terms of adherence to the quality requirements. | A template be created of the output performance measures and be reported to every monitoring group meeting. | 3 | *This information is routinely reported to the quarterly Contract and Performance Meetings as part of the service provider’s performance reports.*  *A number of the quality measures are only relevant to the SARC service or the ISVA service and not both.* | *12/02/2019* | *Commissioner’s Officer for Victims* |
| 3 | Directed | Also within the contract is a section entitled Schedule 4 Quality Requirements, which lists a number of local quality requirements. These should form a reporting mechanism for the Provider which can then be reviewed by the Contract and Performance Group as part of their regular monitoring arrangements as above this information in reported to the C&P meetings. | The Quality Requirements listed in the contract be reviewed and regularly reported to the Contract and Performance Group | 3 | *As above* | *12/02/2019* | *Commissioner’s Officer for Victims* |
| 4 | Directed | With regard to the Teesside SARC ISVA NE Crisisworker agreement it would be good practice to review and confirm that the stated requirements under this contract have either been actioned, are work in progress or are no longer applicable as these would have been key requirements for the Provider to comply with as part of the tendered submission. | The stated requirements under the contract be reviewed and it be confirmed that they have been either actioned, are work in progress or no longer applicable. | 3 | *OPCC and NHS to jointly review the stated requirements to determine whether applicable or otherwise.* | *12/002/2019* | *Commissioner’s Officer for Victims* |
| 5 | Compliance | Following award of contract the commissioning team have produced a corporate risk register for the service. While the register contains a number of key concerns that are being monitored and reported upon there is no clear link with whether the issues identified are having a detrimental impact on the core delivery of the service. Consideration should be given to relating risks to service delivery and whether any of these risks could have a significant impact upon the successful delivery of the contract. | Risks be related to service delivery and it be determined if any of those risks have a significant impact upon the successful delivery of the contract. Appropriate action be considered/taken for any risks with a significant impact. | 3 | *For discussion at the next Contract and Performance Meeting where both NHS England and the service providers are in attendance.* | *12/02/2019* | *Commissioner’s Officer for Victims* |
| 6 | Compliance | It will prove challenging to assess whether value for money is being achieved and whether the outcomes are able to be demonstrated as cost effective. This is clearly work in progress for the team and with appropriate monitoring and management of the service in the course of time a fair view can be taken as to what the service should cost and what the outcomes and benefits are. The financial management should therefore be closely monitored and a relationship developed between cost and outcomes | To enable a view to be taken with regard to value for money financial management be closely monitored and a relationship developed between cost and outcomes. | 3 | *The contract is still in the very early stages of delivery. A greater understanding of the true cost of the service will be obtained in time allowing for costs v outcome to be considered. However, given the type of service this is, it is difficult to predict demand and outcomes can vary depending on the individual.*  *Deep dive on the services finances will take place at the end of year 1 of the service which is 31 March 2019.* | *01/04/2019* | *Commissioners Officer for Victims* |
| 7 | Compliance | Given the uncertainty of the initial service provision with the issue of staffing and who might transfer under TuPE and the unknown quantity as to victim participation it would be good practice in conjunction with the Provider to review the service and the various costs involved, say after the first year of operation. Also such items as the provision and maintenance of major capital items need to be clarified. | The client to take responsibility for the capital assets (these can be those items with an expected life of more than one year) while the Provider to take responsibility for maintaining those items. | 3 | *The OPCC will maintain responsibility for the capital assets used by the police i.e. Police Achieving Best Evidence (ABE) Equipment and Video Link Facilities. These are to be included on the Cleveland Police Capital Replacement Plan moving forward.* | *01/04/2019* | *Commissioners Office for Victims, Crime and Justice, Operational Crime Team* |
| 8 | Compliance | The Provider has pointed out that the relationship is not balanced with the Teesside element of the contract being more under their control. For Durham and Northumbria, who do not contribute financially to this contract, they have staff within their Police establishment who provide part of the SARC service. This undoubtedly causes tension that the Provider is attempting to manage. In going forward, this arrangement should be reviewed to support the continuing success of the project. | Every effort be made to consider co-commissioning opportunities with Northumbria and Durham going forward to align SARC management across the region. | 3 | *Durham, Northumbria and North Yorkshire are all named within the current contract so could join if they wish.*  *A meeting is scheduled for 13 February 2019 with Durham and Northumbria to discuss opportunities for co-commissioning.* | *13/02/2019* | *Commissioners Officer for Victims* |

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| **Operational Effectiveness Matters** |

| **Ref** | **Risk Area** | **Item** | **Management**  **Comments** |
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| No Operational Effectiveness Matters were identified. | | | |

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| **Detailed Findings** |

**Introduction**

1. This review was carried out in December 2018 as part of the planned internal audit work for 2018/19. Based on the work carried out an overall assessment of the overall adequacy of the arrangements to mitigate the key control risk areas is provided in the Executive Summary.

**Background**

1. Teesside SARC is a sexual assault referral centre where victims of rape or sexual assault can receive immediate help and support 24/7, 365 days a year.

**Materiality**

1. The SARC service is a very important initiative for the Commissioner. It is joint funded between the NHS and OPCC with a cost to the OPCC of some £710,000 over two years.

**Key Findings & Action Points**

1. The key control and operational practice findings that need to be addressed in order to strengthen the control environment are set out in the Management and Operational Effectiveness Action Plans. Recommendations for improvements should be assessed for their full impact before they are implemented.

**Scope and Limitations of the Review**

1. The review covered the following topics:

* Contract monitoring and management procedure;
* The skills and level of resources to monitor the contract;
* The risk management arrangements;
* The performance monitoring and quality assurance arrangements;
* Financial Management;
* Relationship Management; and
* Governance and reporting arrangements.

1. The definition of the type of review, the limitations and the responsibilities of management in regard to this review are set out in the Annual Plan.

**Disclaimer**

1. The matters raised in this report are only those that came to the attention of the auditor during the course of the internal audit review and are not necessarily a comprehensive statement of all the weaknesses that exist or all the improvements that might be made. This report has been prepared solely for management's use and must not be recited or referred to in whole or in part to third parties without our prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any other purpose. TIAA neither owes nor accepts any duty of care to any other party who may receive this report and specifically disclaims any liability for loss, damage or expense of whatsoever nature, which is caused by their reliance on our report.

**Risk Area Assurance Assessments**

1. The definitions of the assurance assessments are:

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| **Substantial Assurance** | There is a robust system of internal controls operating effectively to ensure that risks are managed and process objectives achieved. |
| **Reasonable Assurance** | The system of internal controls is generally adequate and operating effectively but some improvements are required to ensure that risks are managed and process objectives achieved. |
| **Limited Assurance** | The system of internal controls is generally inadequate or not operating effectively and significant improvements are required to ensure that risks are managed and process objectives achieved. |
| **No Assurance** | There is a fundamental breakdown or absence of core internal controls requiring immediate action. |

**Acknowledgement**

1. We would like to thank staff for their co-operation and assistance during the course of our work.

**Release of Report**

1. The table below sets out the history of this report.

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| **Date draft report issued:** | 22nd January 2019 |  |
| **Date management responses received:** | 12th February 2019 |  |
| **Date final report issued:** | 19th February 2019 |  |

1. The following matters were identified in reviewing the Key Risk Control Objective:

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| **Directed Risk: Failure to direct the process through approved policy & procedures.** |

**Teesside SARC-ISVA-NE Crisisworker 2017**

* 1. The Teesside SARC ISVA NE Crisisworker agreement is based on the NHS standard contract with particulars. The contract involves the following commissioners: NHS England North (Cumbria and North East); PCC for Cleveland; PCC for Durham; PCC for Northumbria; PCC for North Yorkshire. The provider of the service is Safe in Tees Valley. The contract will be coordinated by NHS England (Cumbria and North East).
  2. The NHS standard contract is very prescriptive and identifies in detail what the provider is expected to deliver and the performance and quality requirements necessary to comply. That said, this is a people arrangements dealing with vulnerable members of the public and as such input measures of performance will only form a part of the successful delivery of the contract. The commissioners of the service are well aware that the views and feedback from those they engage with are the most important method to determine both the quality and success of this important initiative.
  3. The commissioners have put in place the following good practice quality initiatives, which the Provider is required to produce:

1. A report outlining the number and percentage of workforce with an appraisal completed to include the number who have not undergone appraisal, with a narrative on actions taken to address this.

2. An annual program for mandatory and essential training requirements and plan, including a skill mix and Training Needs Analysis undertaken.

3. An analysis of the staff required, their actual headcount, any vacancies and any person off sick.

4. The number and percentage of staff participating in clinical supervision.

5. A report which outlines the following:

* Number and percentage of the workforce with all mandatory training completed.
* Number and percentage of the workforce with safeguarding/prevent training completed (adults).
* Number and percentage of the workforce with safeguarding/prevent training completed (children).

6. A narrative report to include:

* Outcomes and action plans of audits undertaken in the reporting period.
* Progress on any outstanding action plans, this should include the record keeping; Safeguarding; Forensic Regulator and infection prevention & control requirements.

7. A report on patient experience:

Complaints/Patient Advice and Liaison Service (PALs) - i. Number; ii. Types; iii. Themes and iv. Actions taken and any improvement work as a result of complaints.

Compliments - i. Number; ii. Types; iii. Themes and iv. Actions taken to share.

User Experience - provide an outline of patient/user experience and detail of any improvement plans and progress against actions.

* 1. The above quality initiatives are excellent and demonstrates that the team are focused on the needs and benefits of the recipient of the service. Now that many of those output based measures have been identified the team should look to create a template for these and for this template report to form a regular submission to the monitoring group meetings. Reports are currently provided to the Contract and Performance Group (C&P) meetings in terms of adherence to the quality requirements.

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| **Recommendation: 1** | **A template be created of the output performance measures and be reported to every monitoring group meeting.** |
| **Priority: 3** |

**Specific Contract Terms**

* 1. The contract has some specific Conditions Precedent that must be met by the Provider. These are:

1. Evidence of Indemnity Arrangements. These will be the necessary insurances. It would seem that sight of the original certificates for insurance has not yet been done. Once the certificates have been produced these should be copied and the copy retained on file indicating that it is a true copy of the original.

2. Evidence of CQC registration. This is still in progress, (and not yet required within SARCs), however, so as not to lose sight of this it should be appropriately recorded

3. Copies of all mandatory material sub-contracts. These also needs to be progressed for all sub-contracts.

4. Copies of the pension’s direction letter. This also needs to be progressed.

* 1. It is noted that a number of the Conditions Precedent within the contract have not yet been met. These either require progressing or recorded as work in progress, so that these are not overlooked.

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| **Recommendation: 2** | **The Conditions Precedent in the contract be progressed and either marked as completed or work in progress. For those in progress these be monitored.** |
| **Priority: 2** |

* 1. Also within the contract is a section entitled Schedule 4 Quality Requirements, which lists a number of local quality requirements. These should form a reporting mechanism for the Provider that can then be reviewed by the Contract and Performance Group as part of their regular monitoring arrangements. . Reports are provided to the C&P meetings currently in terms of adherence to the quality requirements.

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| **Recommendation: 3** | **The Quality Requirements listed in the contract be reviewed and regularly reported to the Contract and Performance Group.** |
| **Priority: 3** |

* 1. Similarly, Schedule 6, which relates to Contract Management, Reporting and Information Requirements and details the reports that are required under the contract. This list should be reviewed and confirmed that either the appropriate reporting is/will take place or the item is no longer required.
  2. With regard to the Teesside SARC ISVA NE Crisisworker agreement it would be good practice to review and confirm that the stated requirements under this contract have either been actioned, are work in progress or are no longer applicable as these would have been key requirements for the Provider to comply with as part of the tendered submission.

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| **Recommendation: 4** | **The stated requirements under the contract be reviewed and it be confirmed that they have been either actioned, are work in progress or no longer applicable.** |
| **Priority: 3** |

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| **Compliance Risk: Failure to comply with approved policy and procedure leads to potential losses.** |

**Resources**

* 1. The skills and level of the resources that are engaged in monitoring this contract are at a high level within each organisation. In addition, from discussions held and a review of the documentation which has included the minutes of group meetings there is a collective position approach to the success of the SARC/ISVA contract. The members of the team include:
     + - Commissioning lead Sexual Assault Services & Police Custody. NHS England;
       - Victims Services Lead Officer, Safe in Tees Valley;
       - Commissioner’s Officer for Victims, Office of the Police & Crime Commissioner for Cleveland, Chief Executive, Safe in Tees Valley;
       - Chief Executive Officer, Arch North East;
       - Health and Justice Project Officer, NHS England ; and
       - Teesside SARC & North East SARC-Support Service Manager, Safe in Tees Valley.

**Risk Management**

* 1. While the contract was being prepared and prior to award of contract and commencement a transitional risk register was produced. Following the award of the contract the commissioning team has produced a corporate risk register for the service. While the register contains a number of key concerns that are being monitored and reported upon there is no clear link with whether the issues identified are having a detrimental impact on the core delivery of the service. Consideration could be given to relating risks to service delivery and whether any of these risks could have a significant impact upon the successful delivery of the contract.

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| **Recommendation: 5** | **Risks be related to service delivery and it be determined if any of those risks have a significant impact upon the successful delivery of the contract. Appropriate action be considered/taken for any risks with a significant impact.** |
| **Priority: 3** |

**Financial Management**

* 1. The tender for this contract is very much based upon the provision of people to provide the service and the various costs relating to service delivery such as accommodation, equipment, etc. There is a finite budget for this service, however, the demand has been and will always be unknown. Indeed, if the initiative proves to be successful then as a result of its success there is likely to be greater community engagement which in turn will require additional staffing with the resultant costs.
  2. Furthermore, it will prove challenging to assess whether value for money is being achieved and whether the outcomes are able to be demonstrated as cost effective. This is clearly work in progress for the team and with appropriate monitoring and management of the service in the course of time a fair view can be taken as to what the service should cost and what the outcomes and benefits are. The financial management should therefore be closely monitored and a relationship developed between cost and outcomes

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| **Recommendation: 6** | **To enable a view to be taken with regard to value for money, financial management be closely monitored and a relationship developed between cost and outcomes.** |
| **Priority: 3** |

* 1. Given the uncertainty of the initial service provision with the issue of staffing and who might transfer under TuPE, and the unknown quantity as to victim participation, it would be good practice in conjunction with the Provider to review the service and the various costs involved, say after the first year of operation. Also, such items as the provision and maintenance of major capital items need to be clarified. For instance, the need for essential but expensive equipment should be seen by the commissioners as an essential capital item that they will provide with the day-to-day maintenance costs falling to the Provider. The commissioners should then have in place and should have made provision for the replacement of these capital items at some predetermined future date.

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| **Recommendation: 7** | **The client to take responsibility for the capital assets (these can be those items with an expected life of more than one year) while the Provider to take responsibility for maintaining those items.** |
| **Priority: 3** |

**Relationship Management**

* 1. The team made up of Commissioners (five in number) with a coordinating Commissioner (NHS England North - Cumbria and North East) and the Provider all have a very positive attitude to making this project work and to work well. From discussions it became clear that there is a good working relationship between the parties and they are all focussed on the success of this contract.
  2. The Provider has pointed out that the relationship is not balanced with the Teesside element of the contract being more under their control. For Durham and Northumbria, who do not contribute financially to this contract, they have staff within their Police establishment who provide part of the SARC service. This undoubtedly causes tension that the Provider is attempting to manage. In going forward, this arrangement should be reviewed to support the continuing success of the project.

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| **Recommendation: 8** | **Every effort be made to consider co-commissioning opportunities with Northumbria and Durham going forward to align SARC management across the region.** |
| **Priority: 3** |

**Governance and Reporting**

* 1. There is a Local Delivery Board which is the governance forum that will oversee the joint commitment of its Members who work together in order to provide oversight and coordination of care within the Teesside SARC. 2.1. The primary roles and responsibilities of the Local Delivery Board are:
     + - To monitor the delivery of services of Sexual Assault Referral Services within Teesside;
       - To drive forward the implementation of agreed service development and improvements;
       - Acknowledge and identify risk and drive strategies that manage, reduce and exclude risks;
       - To work together to solve problems and organisational differences creatively and pragmatically and when necessary act as an arbitrator between organisations;
       - To facilitate access to professional advice and skills from the wider organisation of those at the group; and
       - Review performance, activity and action plans outcomes in order to make decisions on the future development and delivery of the service.
  2. The Local Delivery Board will also provide a vehicle for Members to:
     + - Provide expert opinion and advice in resolving local delivery disputes, in regard to the delivery of care within the Teesside SARC;
       - Identify opportunities for closer collaborative working between all partners; and
       - Act as a conduit to networks and connections across the sexual assault referral services, criminal justice system and third party organisations.
  3. The core members of this Board are:

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| * SARC Manager (or deputy) | * Service Lead for Crisis Work (or deputy) |
| * Force Lead (or deputy) | * Service Lead for Forensic Medical Examinations (or deputy) |
| * Service Lead(s) for ISVA | * Service Lead(s) for therapeutic services |

* 1. In addition, the following can be co-opted as determined by the core Board members:

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| * OPCC Commissioner | * NHS England Commissioner | * Public Health England | * Public Health |
| * Key third sector organisations | * Adult Safeguarding Lead | * Children’s Safeguarding Lead | * Force Forensic Lead |

* 1. The Board to meet monthly to progress and monitor governance matters.

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| **Reputational Risk: Failure to deliver in a manner that meets the expectations of the organisation.** |

* 1. There has been customer feedback from the start of the contract and this has been identified and appropriate action taken. Under the Contract the NHS Coordinating Commissioner maintains a log of all complaints, compliments, near misses etc. and these are used to improve future service delivery.
  2. Overall the contract is developing well and all parties clearly are focussed on service delivery and its success.

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