



# Independent sector treatment centres: the first independent evaluation, a Scottish case study

Allyson M Pollock • Graham Kirkwood

Centre for International Public Health Policy, University of Edinburgh, Edinburgh, UK

Correspondence to: Allyson M Pollock. E-mail: allyson.pollock@ed.ac.uk

## DECLARATIONS

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## Summary

**Objectives** The £5 billion English Independent Sector Treatment Centre (ISTC) programme remains unevaluated because of a lack of published contract data and poor quality data returns. Scotland has a three-year pilot ISTC, the Scottish Regional Treatment Centre (SRTC), the contract for which is now in the public domain. This study aims to conduct an independent evaluation of the performance of the SRTC during the first year of operation.

**Design** A retrospective analysis of the SRTC comparing activity as reported by hospital episode statistics returned to ISD Scotland with: volume and cost data in the SRTC contract; a 10-month audit carried out by management consultants Price Waterhouse Coopers (PWC); and an internal NHS Tayside performance report.

**Setting** All day-case and inpatient activity at the SRTC from 1 December 2006 to 31 January 2008.

**Main outcome measures** Activity and cost.

**Results** The annual contract was based on patient referrals to the SRTC and not actual treatments. The contract was awarded on the basis of 2624 referrals a year, total value of £5,667,464. According to ISD data, the SRTC performed 831 procedures (32% of annual contract) in the first 13 months worth £1,035,603 (18%). PWC's figures report 2200 referrals (84%) to the SRTC at a cost of 2,642,000 (47%) in the first 10 months.

**Conclusions** Basing the SRTC contract on payments for referrals rather than actual treatment represents a major departure from normal standards of reporting and commissioning and may have resulted in over-payment for referrals for patients who did not receive treatment of up to £3 million in the first 10 months. The PWC report falls well below the standards one would expect of an independent evaluation and we were unable to validate PWC's analysis and the claim of value for money. If wave-one ISTCs in England perform similarly to the SRTC then as much as £927 million may have been paid for patients who did not receive treatment. We recommend a moratorium on all ISTC contracts until the contracts have been published and properly evaluated with respect to work paid for and actual work carried out and quality of care.

## Introduction

Under the Department of Health (DH) Independent Sector Treatment Centre (ISTC) programme in England, the private healthcare industry is providing elective surgery, diagnostic and other clinical services to the NHS. To date under wave one and phase two of the programme the government has contracted for £2.7 billion worth of services and the projected total cost to the NHS of the ISTC programme is estimated to be over £5 billion.<sup>1,2</sup> The DH objectives of the ISTC programme are to assist the NHS in reducing waiting times, support the shift from primary to secondary care, expand plurality of provision, promote innovation and contribute towards building relationships between the NHS and the private sector.<sup>3</sup>

The policy has proved to be extraordinarily difficult to evaluate due to a lack of publicly available data.<sup>4</sup> The House of Commons Health Committee were unable in July 2006 to assess value for money of the ISTC programme due to the DH's refusal to release detailed figures on the grounds of commercial confidentiality.<sup>2</sup> ISTCs are contractually required to return data to Hospital Episode Statistics (HES) to enable assessment of quality and equity of access to services.<sup>5</sup> The Healthcare Commission in July 2007, however, could not evaluate performance due to abysmal ISTC HES data returns and a lack of enforcement of the regulations from the DH combined with technical difficulties on the part of the ISTCs, a situation which had not improved sufficiently a year later.<sup>5,6</sup> The DH refusal to release the contracts plus poor data quality means that £5 billion pounds of taxpayers' money may go unaudited and unevaluated in England.

Scotland has only one ISTC in operation. In November 2006, NHS Tayside Health Board contracted with Amicus Healthcare (Scotland) Ltd., a subsidiary of Netcare (UK), which is a subsidiary of the South African healthcare company Netcare, to provide elective procedures over three years for up to 8000 NHS patients at a total cost of £18.7 million.<sup>7,8</sup> Netcare operates out of an NHS hospital; the shared operating theatre is used by the NHS during weekdays and by Netcare on evenings and weekends.<sup>8</sup> The Scottish Regional Treatment Centre (SRTC) has been accepting patient referrals since December 2006 and patients have been undergoing treatment since February 2007.<sup>9</sup>

Netcare is also involved in wave one and phase two ISTC contracts in England which may be worth as much as £283 million.<sup>1,10</sup>

In June 2008 an interim report by management consultants Price Waterhouse Coopers (PWC) concluded that the SRTC represents 11% better value for money than NHS hospitals, findings which were described by the finance director for NHS Tayside as appearing to show '... the private sector can provide just as good, if not better, care than the NHS but at a significantly lower cost'.<sup>11,12</sup> A separate report by NHS Tayside in March 2008 reported that referral levels at the SRTC were in line with expectations.<sup>9</sup>

Unlike England, the 367-page SRTC contract was made publicly available by NHS Tayside and, following an appeal to the Scottish Information Commissioner, pricing and cost detail were also made available.<sup>8</sup> In this paper we describe how data are reported in the contract and by PWC and NHS Tayside compared with the standard official reporting of data normally provided in official national hospital episode statistics reported to Information Services Division (ISD) of NHS National Services Scotland, the agency responsible for producing national health statistics in Scotland. Second, we compare the expected annual performance in the SRTC contract with that reported by PWC for the first 10 months and official ISD data for the first 10 months and 13 months of the SRTC operation. Third, we compare the levels of agreement between data reported by NHS Tayside and data reported to ISD in the first 14 months of the SRTC operation.

This is the first academic validation of ISTC contract data in the UK.

## Methods

### Background to data sources and variables

The analysis draws on four sources of data: the original contract between NHS Tayside and Netcare;<sup>8</sup> official routine national hospital statistics reported by NHS Tayside and held in the ISD routine Scottish Morbidity Record (SMR01) data;<sup>13</sup> the PWC report;<sup>12</sup> and the NHS Tayside report.<sup>9</sup>

### Contract

The annual contract costs break down as: £5.67 million for referrals for operations; £427,000

for referrals for outpatient appointments; and £144,000 for unspecified additional activity. There is a further supplement of £80,000 provided by the Scottish Government for patient travel and accommodation costs.<sup>12</sup>

The contract provides data on the annual number of referrals and cost by healthcare resource group (HRG) aggregated under six activity group headings: joint replacement [H04, H80, H81 – total annual value £3,667,622]; minor orthopaedics [H10, H12, H13, H14, H17, H19, H20, H22, H52 – £461,444]; general surgery [F06, F35, F74, F95, G14, Q11 – £1,006,714]; ear, nose and throat (ENT) [C22, C55, C56, C58 – £151,954]; plastic surgery [J05, J35, J37 – £105,441]; and urology [L21, L39, L41 – £274,289].

The maximum time allowed between referral and treatment is 12 weeks.

#### ISD data

ISD provided an anonymized extract in August 2008 of all activity undertaken at the SRTC from 1 December 2006 to 31 January 2008, derived from SMR01 – General/Acute Inpatient and Day Case records which are continuous patient episodes of care within one specialty and under one consultant.<sup>13</sup> Variables included: age; sex; health board of residence; all procedure codes; all diagnoses codes; discharge type; and length of stay.

We carried out all analysis and costings of the ISD data. We grouped patient episodes using the HRG version 3.5 Local Payment Grouper 2008–2009 available from the NHS Information Centre in order to compare activity against the original contract specification.<sup>14</sup> Dummy values for legal category of patient (informal = 1) and discharge method (discharged on clinical advice or with clinical consent = 1) were used.

#### PWC data

PWC were awarded the contract by the Scottish Government in August 2005 to provide ‘... Financial, Commercial & Contractual Advice to the Scottish Treatment Centre Pilot Project’ at a cost of over £0.5 million pounds.<sup>15</sup> As part of its remit it was required to produce a 10-month contract review.<sup>12</sup>

#### NHSTayside data

At a meeting of the NHS Tayside Delivery Unit Committee on 12 March 2008 the contracts manager for the SRTC presented a report on activity at the SRTC.<sup>9</sup>

### Analysis

#### Contract and report structures

We first describe the contract structure and payment mechanisms as well as the structure of the PWC and NHS Tayside reports and the format of ISD data.

#### Comparison of expected annual contract referral volumes and cost with actual data reported by PWC at 10 months and data provided by ISD at 10 and 13 months

We compared the annual referral volume and cost in the contract with the data reported by PWC and ISD for the 10 months, 1 December 2006 – 30 September 2007, and with ISD data for the 13 months, 1 December 2006 – 31 December 2007, to allow for the 12-week maximum referral-to-treatment time. We used the HRG tariffs in the contract to derive cost figures for the ISD data.

#### Level of agreement between NHSTayside reported data and those provided by NHS Tayside to ISD

We compared the volume of procedures reported to ISD and by NHS Tayside in its board report for the 14 months, 1 December 2006 – 31 January 2008.

#### Additional analysis

We analysed ISD data by health board of referral and for non-contract-related procedures.

## Results

### Contract and report structures

The contract uses non-standard reporting requirements and is based on patient referrals and not patient treatments with Netcare paid monthly on the basis of all referrals made by health boards to the SRTC.<sup>8</sup> Refunds for non-completed treatments

are paid back to the health boards quarterly but only for those cases deemed to be the fault of the SRTC with the health boards retaining the risk for non-completed treatments in many cases termed 'non-default events'. In addition to this, the contract is 90% 'take or pay' which means that up to 90% of the monthly referral value is paid to the SRTC each month regardless of the actual referral volume.

PWC report 'cumulative referral values' which are not defined in either the report or the contract and do not provide a source for the data apart from 'Management reports'. The report provides no data on actual performance, i.e. procedures undertaken apart from one exception on page 20 in relation to clinical incidents, nor does it analyse referrals by HRG. It provides no methods or analysis of performance, cost, staffing levels, patient satisfaction surveys or value for money. The detail on tariffs is inadequate and incomplete as they do not say which tariffs were used to cost activity at the SRTC or which UK NHS tariffs they used to make a comparison with the NHS. There are no data on outpatients.

The NHS Tayside report provides data on 'procedures carried out to date' and data on the percentage of actual referrals against the referral target in the contract. The numbers of procedures performed are derived from internal NHS Tayside figures but are based on the same data that are submitted in official returns to ISD by NHS Tayside (personal communication with the NHS Tayside SRTC contract manager). There are no data on either outpatient appointments or costs.

The ISD data are a record of all procedures actually carried out including contracted and non-contracted for procedures, although our cost calculations could only be made on procedures that were contracted for. We did not analyse ISD outpatient data.

### **Comparison of expected annual contract referral volumes and cost with actual data reported by PWC at 10 months and data provided by ISD at 10 and 13 months**

Table 1 compares patient referral and cost data as reported by PWC with ISD inpatient and day-case data, and cost estimates for the time period 1 December 2006 – 30 September 2007 and 1 December 2006 – 31 December 2007.

The annual contract is for 2624 referrals at a total value of £5,667,464

For the 10-month period, 1 December 2006 – 30 September 2007, PWC report that the SRTC received approximately 2200 referrals at a cost of 2,642,000 whereas ISD data indicate that the SRTC performed just 498 procedures for which we estimated a cost of £533,213. For the 13-month period, 1 December 2006 – 31 December 2007, ISD data indicate that the SRTC performed 831 procedures for which we estimated a cost of £1,035,603.

### **Level of agreement between NHS Tayside reported data and those provided by NHS Tayside to ISD**

Table 2 compares procedures carried out at the SRTC as reported locally by NHS Tayside with the data reported nationally by ISD for the 14-month period, 1 December 2006 – 31 January 2008.

In this period NHS Tayside report that the SRTC carried out 1720 procedures having achieved 90% of the overall referral target whereas ISD data indicate that the SRTC performed just 990 procedures, 58% of the volume reported locally by NHS Tayside. When analysed by activity group the figures show that for major joint operations, NHS Tayside report that the SRTC performed 8% of the contracted annual volume compared with 9% according to ISD data. For minor orthopaedics, these values were 127% and 89%, respectively; for general surgery 63% and 13%; for ENT 79% and 94%; for plastic surgery 147% and 100%; and for urology 52% and 43%.

### **Additional analysis**

Based on data reported to ISD by NHS Tayside, of the 990 patients who were treated at the SRTC by the end of January 2008, all except four were referred from Fife, Forth Valley, Grampian and Tayside NHS Boards. The other four came from Argyll and Clyde (1), Highland (1) and Lothian (2) Boards. The first patient from Forth Valley was seen at the SRTC in January 2008. Ten percent of the procedures carried out at the SRTC on patients to the end of January 2008 were not specified in the original contract (Table 3), with the majority of these (57%) having been performed since November 2007.

**Table 1**

**Scottish Regional Treatment Centre, Stracathro (Netcare). Comparison of annual contract referral and cost specification with Price Waterhouse Coopers (PWC) 10-month interim review referral data and data reported to ISD at 30 September 2007 and 31 December 2007\***

Activity group	Annual number of referrals contracted for	Referrals according to the PWC report 1 December 2006 – 30 September 2007 <sup>†</sup>		Procedures carried out and reported to ISD 1 December 2006 – 30 September 2007		Procedures carried out and reported to ISD 1 December 2006 – 31 December 2007	
		Volume	Annual contract percentage	Volume	Annual contract percentage	Volume	Annual contract percentage
Joint replacement <sup>‡</sup>	542	Not available	Not available	3	1%	35	6%
Minor orthopaedics <sup>§</sup>	303	Not available	Not available	148	49%	229	76%
General surgery	1110	Not available	Not available	75	7%	123	11%
ENT	144	Not available	Not available	59	41%	122	85%
Plastic surgery <sup>§</sup>	113	Not available	Not available	80	71%	101	89%
Urology	412	Not available	Not available	98	24%	145	35%
Not in contract	Not applicable	Not available	Not available	35		76	
Total volume	2624	2200	84%	498	19%	831	32%
Total value	£5,667,464	£2,642,000	47%	£533,213**	9%	£1,035,603**	18%

ISD=Information Services Division

\* Not including outpatient assessments or unspecified additional activity from the contract

<sup>†</sup> Fife, Grampian and Tayside health boards only (there were only four treatments from other health boards to 31 December 2007 worth £4908)

<sup>‡</sup> The Healthcare Resource Group codes H80 and H81 were used instead of H02, which had been coded incorrectly in original contract (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008)

<sup>§</sup> All H13s counted as minor orthopaedics; there were no plastic surgery H13s (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008)

\*\* Our estimated figure based on HRG tariffs set out in the contract. We did not cost treatments which were 'not in contract'

## Discussion

The ability to undertake analysis for this study has been hindered by the departure from official standards and methods for reporting data. Basing the SRTC contract on numbers of patients referred to the unit rather than treatments actually carried out is a marked departure from usual standards of commissioning, reporting and paying for activity in the NHS which are typically on a cost per case or block contract for treatments or services. Despite the requirement to adjust for some patients not actually treated, PWC do not show an adjustment for actual performance and there is no indication in either the report or the cash analysis of whether this was taken into account.

The number of referrals reported by PWC for the 10 months to the end of September 2007 was 84% of the contracted annual volume, more

than four times the number of procedures reported to ISD for the same period and more than two and a half times the number of procedures reported to ISD to the end of December 2007. PWC report 47% of the annual contract value was referred as of the end of September 2007. We calculated from ISD data that only 18% of the annual contract value was completed by the end of December 2007. This leaves some £1.6 million unaccounted for. In this contract Netcare is paid up to 90% of the monthly referral value regardless of the volume of referrals made. Second, the health board pays regardless of whether patients who are referred receive actual treatment unless it can prove that the SRTC failed to carry out a treatment. Netcare may have been paid up to £3 million for patients who did not receive treatment. In order to clarify these inconsistencies an urgent review of data is recommended on every patient



**Table 2****Scottish Regional Treatment Centre, Stracathro (Netcare). Comparison of NHS Tayside figures and data reported to ISD at 31 January 2008\***

Activity group	Procedures carried out and reported locally by NHS Tayside <sup>†</sup>		Procedures carried out and reported to ISD	
	Volume	Annual contract percentage	Volume	Annual contract percentage
Joint replacement <sup>‡</sup>	46	8%	49	9%
Minor orthopaedics <sup>§</sup>	385	127%	270	89%
General surgery <sup>**</sup>	698	63%	144	13%
ENT <sup>††</sup>	114	79%	134	94%
Plastic surgery <sup>§</sup>	166	147%	113	100%
Urology	216	52%	178	43%
Not in contract	95 <sup>**</sup>		100	
Total volume	1 720	66%	990	38%

ISD=Information Services Division

\* Not including outpatient assessments or unspecified additional activity from the contract

<sup>†</sup> Fife, Grampian and Tayside health boards only (there were only four treatments from other health boards to 1 January 2008)<sup>‡</sup> The Healthcare Resource Group codes H80 and H81 were used instead of H02, which had been coded incorrectly in original contract (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008); equivalent to 'Major Joints' category in NHS Tayside report (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008)<sup>§</sup> All H13s counted as minor orthopaedics; there were no plastic surgery H13s (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008)<sup>\*\*</sup> Equivalent to 'General Surgery' plus 'Endoscopy' categories in the NHS Tayside report (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008)<sup>††</sup> Equivalent to 'ENT' plus 'Oral Surgery' categories in the NHS Tayside report (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008)<sup>\*\*</sup> This figure is for 'ENT Diagnostics' category which corresponds to HRG C04 (personal communication with NHS Tayside Scottish Regional Treatment Centre contract manager, 2008)

treated at the SRTC and the method used by PWC to determine how many referrals resulted in actual procedures.

NHS Tayside report that the SRTC had carried out 66% of the annual contract volume for the 14 months ending 31 January 2008, whereas the data they submitted to ISD record that only 38% of the annual contract volume was completed. This difference also needs to be accounted for.

### Limitations of the study: data completeness – how reliable are the data?

Private sector data returns on NHS patients are acknowledged to be of poor quality.<sup>16</sup> Special arrangements were made to return all SRTC data to ISD via NHS Tayside rather than through the

referring health board. Based on estimates of data completeness and accuracy published by ISD however, NHS Tayside's record for returning SMR01 data to ISD is among the worst in Scotland and their accuracy of reporting diagnoses is below average.<sup>17,18</sup> SMR01 returns from NHS Tayside to ISD on 11 August 2008 were estimated to be 93% complete for the last quarter of 2007, but this level of incompleteness does not account for the low treatment numbers and the major discrepancy between ISD reported figures and local NHS Tayside data. There may be additional issues of under-reporting of procedures from the SRTC to ISD; the Healthcare Commission found data completeness from ISTCs in England to be poor for at least the first three years of the programme.<sup>5</sup>

In England, lack of data rendered a thorough evaluation of ISTCs impossible. Of 32 out of 42

**Table 3****Non-contract procedures (n) carried out at Stracathro Scottish Regional Treatment Centre up to 31 January 2008 reported to ISD**

HRG v3.5 Description	Referring health board			
	Fife	Grampian	Tayside	Total
C32 Major nose procedures	–	–	55	55
D05 Intermediate thoracic procedures w/o cc*	–	1	–	1
F54 Inflammatory bowel disease – endoscopic or intermediate procedures <70 w/o cc	–	1	–	1
F73 Inguinal umbilical or femoral hernia repairs >69 or w cc*	–	3	–	3
F91 Anus – major procedures	–	–	1	1
F93 Anus – intermediate procedures <70 w/o cc	–	1	3	4
G12 Biliary tract – very major procedures	1	–	–	1
G13 Cholecystectomy >69 or w cc	–	2	2	4
H08 Joint replacements or revisions, site unspecified	3	–	–	3
H11 Foot procedures – Category 1	9	–	5	14
H16 Soft tissue or other bone procedures – Category 1 >69 or w cc	1	1	6	8
H18 Soft tissue or other bone procedures – Category 2 >69 or w cc	–	–	1	1
J50 Other major breast surgery	–	–	1	1
L43 Scrotum testis or vas deferens open procedures <70 w/o cc	–	2	–	2
Q10 Procedures on the lymphatic system w/o cc	–	–	1	1
Total	14	11	75	100

\* W or w/o cc = with or without complications and co-morbidities

ISTCs in operation in January 2008 which had returned Hospital Episodes Statistics data in the second quarter of financial year 2007–2008, 42.6% of patients had a missing or invalid primary diagnosis compared with 0.1% for NHS operated treatment centres; 13.3% had a missing or invalid primary procedure code compared with 5.8% in NHS treatment centres; and 64.1% of patients had a missing or invalid ethnicity classification recorded compared with 16.8% in NHS treatment centres.<sup>6</sup>

### Are ISTCs value for money? Implications for the English ISTC programme

England, like Scotland, bases its payment mechanism for the £1.5 billion worth of wave-one ISTC contracts on patient referrals by Primary Care Trusts (PCTs) to the ISTCs rather than work actually carried out. It is on a 100% 'take or pay' basis.<sup>3</sup>

The DH has published data on wave-one and phase-two ISTCs where contract completion is said to be 85%, but the documentation does not state whether this is based on referrals or actual treatments.<sup>1</sup> If only 22% of contract referral value is completed as treatments in England, as we found evidence of in Scotland, then as much as £927 million may have been paid for patients who did not receive treatment in wave one. It is important to clarify how the data published by the DH are collected, recorded and defined and whether they have been independently validated against HES returns and it is recommended that both the SRTC contract and other ISTC contracts are subjected to detailed scrutiny.

Phase-two contracts have been adjusted to reflect payment for actual treatment but there is still an unspecified guaranteed minimum fee payable to the ISTCs from the PCTs which varies from contract to contract (personal communication with the Department of Health).<sup>3</sup>

Basing contracts on referrals rather than actual performance provides scope for gaming especially when the health board is penalised for under-referring as in the SRTC contract. Also ISTCs are explicitly allowed to cherry-pick selecting out the low-risk patients. Browne *et al.* have shown how case-mix in ISTCs differs from the NHS making any comparisons of costs and quality difficult.<sup>19</sup> Our analysis also shows that not only are ISTCs selecting out easier procedures and operations, but they are selecting out easier procedures within the contract. For example ISD data show that only 6% and 11% of the joint replacement and general surgery referrals, respectively, contracted for resulted in actual treatments, compared with referrals for minor procedures which achieved much higher referral to treatment completion rates. In either case the impact may be serious and destabilizing for the NHS both financially and for training. An NHS study by Clamp *et al.* showed a 19% reduction in the number of total hip and knee procedures performed by junior doctors in an NHS hospital in Derby following the opening of a local ISTC.<sup>20</sup>

In addition to the tariff, the independent sector treatment centres receive a considerable subsidy in the form of a premium for the first five years. The NHS is contractually obliged to buy back £187 million of independent centre facilities at the end of the contracts if the providers do not wish to continue operating. Some of the contracts expire at the beginning of 2010 and Hugh Risebrow, chief executive of Interhealth Canada, which runs two of the wave-one centres, said the independent providers faced potential problems refinancing their loans to fund their facilities raising the risk of default; the DH may have to step in to support the private sector as the Treasury is about to do for the private finance initiative.<sup>21,22</sup>

### Netcare contracts in England

The DH and NHS Information Centre documentation are not consistent or complete in their reporting of contracts but it would appear that Netcare has wave-one ISTC contracts in England for general elective surgery in Manchester (nominal contract value £86.1 million), a mobile ophthalmology service (£41.7 million) and possibly as many as five walk-in centres (value undisclosed). With InHealth they may have phase-two contracts for diagnostics across as many as 47 sites (£155.2 million).<sup>1,10,23</sup>

### Other analysis

PWC's analysis of the performance of the SRTC included patient surveys and it has been awarded the £1.4 million contract to be the technical partner for the Scottish Patient Experience Programme – the new NHS survey programme for Scotland. It is worth noting that no details of the research methods and data or analysis are provided to support the claim of a patient satisfaction rate of 84% 'Excellent' overall. However, the very low response rate (39%), the absence of any numerator or denominator and the fact that the report does not make clear whether the survey was based on referrals or treated patients is of concern.

### Conclusion and recommendations

In England and Scotland first-wave ISTC contracts have been drawn up on the basis of referrals and not actual treatments carried out. This marks a radical departure from normal NHS standards of planning and commissioning. We recommend that Audit Scotland, the National Audit Office and DH in England conduct an urgent review of the contract clauses terms and actual treatments carried out.

We were unable to repeat PWC's evaluation of the SRTC pilot due to the unavailability of their methods, analysis and data. In our opinion the PWC report falls well below the standards one would expect of an independent evaluation. There has been no written independent validation of PWC's methods and findings by Audit Scotland. A reappraisal of the PWC audit should be undertaken using source data as well as an appraisal of whether PWC are providing value for money for their services to the SRTC project. In addition there should be an evaluation of all aspects of the PWC report including quality of care.

ISD should carefully monitor the quality of data submitted by the SRTC and make their findings publicly available. If the data continue to be of poor quality this should be reported.

Correspondingly it is recommended that NHS Tayside undertake careful contract monitoring and report publicly.

The Scottish Government should consider whether there is sufficient evidence to assess value for money of private sector provision.



The UK Government should ensure that all ISTC and private contracts are made publicly available and subject to independent scrutiny and peer review.

There should be a moratorium on all ISTC contracts until the contracts have been published and they have been properly evaluated.

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