



National Audit Office

Report

by the Comptroller
and Auditor General

Home Office and NHS England

Yarl's Wood Immigration Removal Centre

Key facts

£10m

annual contract fees to Serco and G4S to provide services at Yarl's Wood

5

Independent reviews of operations at the centre published between July 2015 – May 2016

35%

recommendations from the HM Inspectorate of Prisons' report that have not yet been implemented, one year after the inspection

410 residents maximum capacity of Yarl's Wood Immigration Removal Centre

3,969 people from 111 different countries entered the detention estate at Yarl's Wood in 2015

£8.8 million expected annual cost to the Home Office of the Serco contract to run the centre

£1.2 million annual contract fee to G4S from NHS England to provide healthcare in the centre

14.5% reduction in the Home Office budget between 2010-11 and 2014-15

Summary

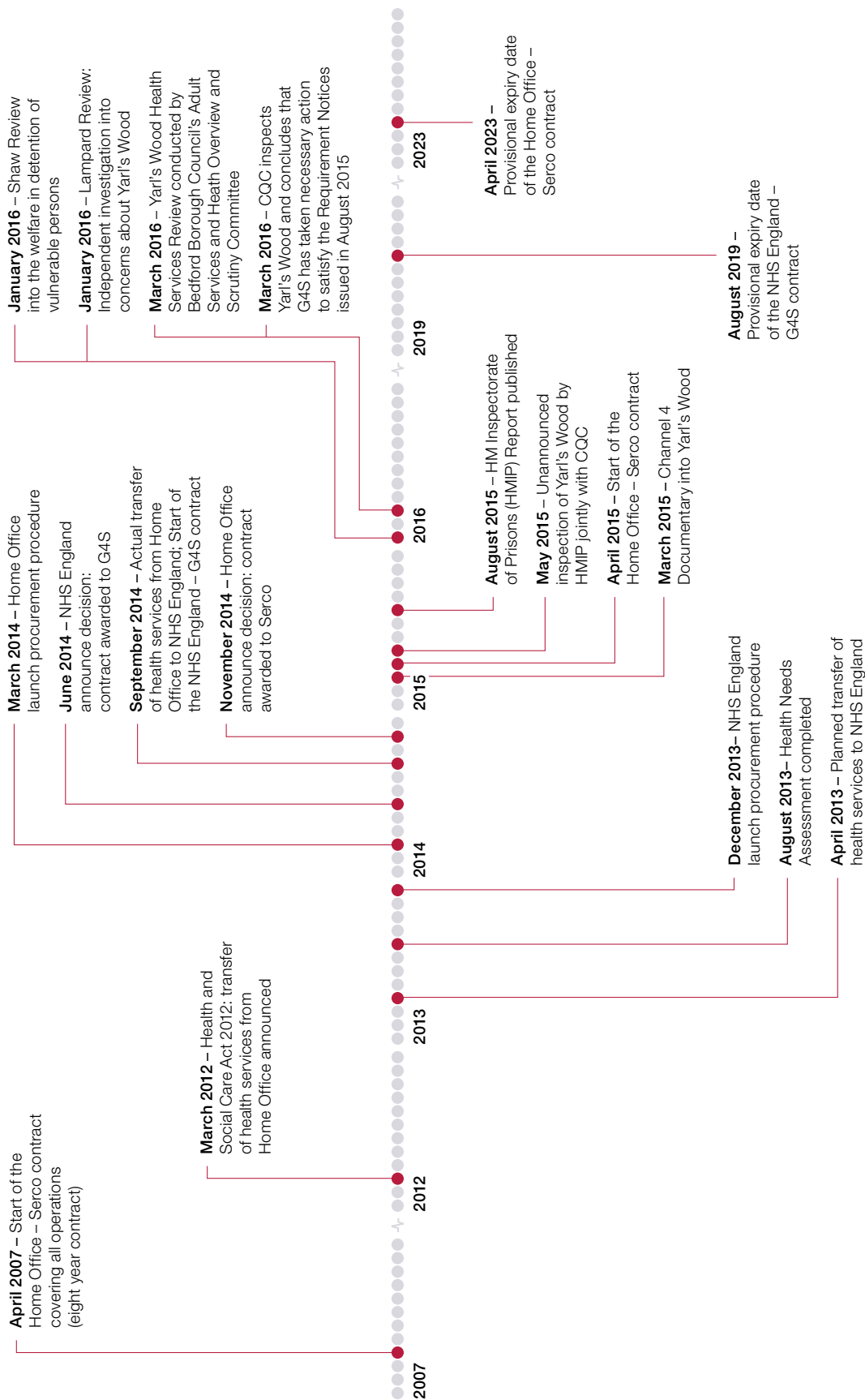
Rationale for work

1 Yarl's Wood is an Immigration Removal Centre (IRC) that provides secure accommodation for women, adult families and, on a short-term basis, men whose cases are being assessed. The largely female and transient population at Yarl's Wood has complex needs. Residents can come from many different countries of origin, are often vulnerable and can suffer from mental health issues. Yarl's Wood has often been subject to considerable scrutiny. As the main IRC for women in the UK, it has been a focus of substantial public and media concern about the detention of women and children.

2 Yarl's Wood has been run by contractors, on behalf of government, since it opened in 2001. The Home Office is responsible for all aspects of Yarl's Wood except healthcare, which is now commissioned by NHS England. Following the award of new contracts, Serco has run the residential services under contract to the Home Office since April 2015 and G4S has run the health services under contract to NHS England since September 2014. Prior to that, Serco provided all services under contract to the Home Office.

3 In March 2015, a Channel 4 undercover documentary on Yarl's Wood made allegations about the way residents were treated by staff. The documentary coincided with the start of the new Serco contract. It was closely followed by an unannounced inspection of the centre by HM Inspectorate of Prisons (HMIP) and the Care Quality Commission (CQC) in April 2015. Since then, there have been a further four independent reviews. These were led by Kate Lampard for Serco, Stephen Shaw for the Home Office, Bedford Borough Council's Adult Services and Health Overview and Scrutiny Committee and the CQC. The reviews covered different aspects of the performance of Serco and G4S. The Home Office, NHS England, Serco and G4S subsequently drew up plans to respond to the reviews, and are introducing changes. **Figure 1** overleaf sets out the key events at Yarl's Wood.

Figure 1
Timeline of events at Yarl's Wood



Source: National Audit Office summary

4 Contrary to media allegations, none of the recent reviews found evidence of a culture of abuse. The Lampard Review found that most residents were largely positive about their relationships with staff. The HMIP report found that 80% of residents surveyed said most staff treated them with respect. The reviews also reported positively in a number of areas including accommodation, recreational facilities and dental services. Provision of faith services in particular was highlighted as being very good.

5 The reviews also identified a number of problems, and there were common themes between them. These included:

- the quality of the services and facilities provided, for example residents, many of whom were vulnerable, were not able to access a comprehensive mental healthcare service;
- the needs of residents and the extent to which they are being met, for example staff were not properly trained to understand residents' experiences, and there were not enough female staff; and
- the management decisions and measures taken by contractors to ensure that services meet residents' needs, for example residents who had been victims of torture were not identified when they arrived, or identified quickly enough.

6 Concerns about operations at Yarl's Wood were first raised directly with us in late 2014 to early 2015 and came from several sources. We decided to wait until other reviews, in particular the CQC and HMIP inspections were complete before beginning our own inquiries. Our investigation has focused on the new contract management arrangements – an area where we felt we could add expertise given our past work. While the various independent reviews identified problems at Yarl's Wood, we have sought to understand what caused them:

- how far the problems identified by the reviews were caused by gaps in the new contracts between the Home Office and Serco, and NHS England and G4S;
- how far the gaps were caused by the contractors failing to fully implement the requirements of the contracts; and
- the extent of progress in addressing the gaps in provision.

7 We found that there were three broad ways in which the Home Office and NHS England's approach to contracting out services played a role in the problems that the reviews found at Yarl's Wood:

- problems arose as a result of the Home Office's contract. For example, the contract for residential services permitted a reduced number of staff at Yarl's Wood. Staff shortages were criticised by a number of reviews, and some of the posts have now been reinstated;
- problems arose because there were gaps between the service specifications of the two contracts and no clear way to resolve them. For example, there was a lack of clarity about who was responsible for archiving old medical records, dealing with clinical waste and deep cleaning medical facilities. Partnership Boards, including both departments and contractors, took place from November 2014. Both contractors told us that while they could raise concerns with the departments, there was no clear process for resolving them; and
- problems arose because although an issue was covered in the contract, the provisions in the contract were not fully implemented. For example, the healthcare contract requires G4S to provide mental health training for all staff, including Serco staff on site. The contract took effect from September 2014, but the training was not offered to Serco staff until April 2015, and no Serco staff were able to attend until October 2015. To date, 27% of all Serco staff have undertaken the training.

Key findings

Designing the service specification

8 **The Home Office did not reflect lessons from previous inspections when it agreed the service specification with Serco. Many of the concerns raised by HMIP in its 2015 inspection were raised in 2011 and 2013 prior to the new contracts.** For example, HMIP identified issues with the quality of Rule 35 reporting (the process for identifying vulnerable residents) and the role of male staff in searching female residents' rooms. At the time of the 2015 report, 59% of the 2013 report's recommendations had not been achieved, with little evidence that issues had been tackled until recently (paragraphs 1.31, 2.12 and 3.2).

9 **While the move to self-service in the residential services contract reduced demands on staff time, Serco's reduction of staff meant there were insufficient operational and management staff.** The contract envisaged freeing up staff time by moving to a 'self-service' model where, for example, residents send their own faxes and book their own visits. While the self-service model has reduced demands on staff time, numbers were reduced too far. Serco has now made further changes to the staffing model. It has replaced some of the posts that were removed, changed shift patterns, reintroduced specialist teams and increased staff training (paragraphs 2.12 to 2.17).

10 NHS England brought healthcare expertise but did not have a good understanding of the particular needs of residents when it designed the service specification. Although NHS England had over a year to prepare, the mental health service it initially commissioned did not meet the needs of the residents at Yarl's Wood. In part, this was because it did not know enough about the health needs of people at Yarl's Wood, because data which NHS England would usually have accessed was not previously collected and available to them. When NHS England took over the contract, it commissioned a range of services for residents with a mental health diagnosis. However, it initially did not fund counselling services which had been used previously to prevent deterioration of mental well-being and to cater for residents who had not been diagnosed with a specific mental illness, despite the high prevalence of mental health issues among the resident population. After reviewing its service in October 2015, NHS England reintroduced counselling for residents who had not received a specific diagnosis. This was introduced in April 2016, some 18 months after the health services contract started (paragraphs 1.14 and 3.2 to 3.6).

Gaps in the service specification

11 Services at Yarl's Wood did not fully meet the needs of users, in part because there was a lack of clarity about which contractor was responsible for what. Where multiple parts of the public sector are providing services to the same groups of people, it is important to ensure that the services 'wrap around' the user. It took time for all parties to become familiar with their responsibilities under the new contracts, and progress resolving issues was slower than it could have been. In practice this has resulted in delays in improving some services (such as dispensary facilities) and took considerable management time to resolve. However, joint forums have been set up to facilitate discussion and the main issues have been resolved (paragraphs 3.7 to 3.9).

12 The service specification takes some account of the diverse needs of residents, but more can be done, particularly in the performance and financial regime. The performance measures in the contracts do not explicitly consider service quality, via user feedback. Indeed, there is an example where the performance model and other contract changes have indirectly led to worse treatment of residents. In the new contract the Home Office significantly increased the penalty for residents absconding and now requires Serco to escort residents to out-of-area hospitals which are unfamiliar to staff. The Home Office has published guidance that states that there is a presumption against the use of handcuffs during visits to outside facilities, and any use should be following an individual risk assessment. Although no resident has ever absconded on a hospital visit, Serco told us that it is now more likely to use handcuffs due to the combination of more risky hospital visits to unknown hospitals and the much higher penalty if a resident absconds. 3% of women were handcuffed for hospital visits between October 2014 and April 2015. That figure rose to 11% for the same period the following year, when the new approach had been implemented. The Yarl's Wood Independent Monitoring Board (IMB) found that some residents have refused to go to hospital visits as they find the practice of handcuffing humiliating (paragraphs 2.7 and 2.8).

Failure to deliver the specified services

13 The contracts required that training should be provided but staff at the centre were not adequately trained to deal with the particular concerns, issues and vulnerabilities of those in immigration detention. For example, training did not sufficiently address uncertainty in immigration status, the indefinite nature of detention and difficult experiences such as having witnessed or been victims of traumatic events, violence, abuse and torture. Serco has now addressed this with a review of the content and range of courses available (paragraphs 2.12 to 2.16).

14 G4S has been slow to meet its contractual obligations for training. G4S was required to provide staff with appropriate training on IRCs. Rule 35 assessments are specific to IRCs so people who had not worked in IRCs need training about them. The HMIP repeatedly issued recommendations to address weaknesses in the Rule 35 process during inspections in 2011, 2013 and again in 2015. However, neither commissioners nor contractors acknowledged the urgency of addressing these main recommendations. NHS England eventually provided training to GPs in July 2015, almost a year after the G4S contract started. G4S was also required to provide training to all staff at Yarl's Wood on mental health issues. NHS England did not enquire in the first six months of the contract whether G4S was providing mental health training to Serco staff. G4S offered training to Serco staff in April 2015, seven months after the start of the contract, but Serco was not able to take it up until October 2015. Training is now offered on a monthly basis (paragraphs 3.2 to 3.5).

Contract management

15 NHS England has limited powers to withhold payment if G4S does not deliver the service it is paying for, and has never withheld payment. NHS England did not withhold payments on the two occasions when it issued a 'breach notice' for G4S performance problems because it considered that they were quickly resolved. It has not set out how much it expects to recover in the event that G4S fail to deliver elements of the service it pays for (paragraph 1.24).

16 The Home Office contract is over-engineered and creates large theoretical financial credits for even trivial deviations from the contract. The Home Office is working on making it more streamlined. For example, if the Yarl's Wood gym opens five minutes late then this could generate a service credit. If Serco keeps the gym open for an extra five minutes at the end of the day, this would be acceptable mitigation and the service credit would not be imposed. The Home Office has imposed £56,000 of service credits out of a total of £585,600 credits generated, because it considered that there were mitigating circumstances for the vast majority of them. It is in the process of reducing the number of performance indicators from 120 to around 30, so that it can focus on any serious problems rather than requiring Serco to report every technical deviation from the contract and the mitigations it puts in place (paragraphs 1.22 and 1.23).

17 The Home Office and NHS England are content that the performance information they receive from their contractors is generally very accurate, although on a small number of occasions it has contained errors. They rely on Serco and G4S to self-report their performance against the contracts as part of their performance management regime. Both the Home Office and NHS England also conduct audits of specific elements of the service. Errors have occasionally been identified both by the Home Office and NHS England, and by the contractors who conduct their own reviews (paragraph 1.21).

Progress since the reviews

18 There has been some significant progress since the independent reviews, although 35% of the recommendations from HMIP's 2015 inspection have not yet been implemented. In particular, there have been improvements to healthcare facilities, the gender balance of operational staff, adult safeguarding and the residential regime. The CQC re-inspected healthcare at Yarl's Wood in May 2016, and found that all the required improvements had been made, and there was only one area requiring further work (paragraphs 2.9 to 2.11, 2.16 to 2.17, 2.22 to 2.25, 3.5 to 3.6, 3.9, 3.13 and Figure 10).

Concluding comments

19 The new contracts to run residential and health services at Yarl's Wood did not initially meet the needs of the vulnerable population detained there. Despite both NHS England and the Home Office having time to prepare for the new contracts, some of the problems that arose were foreseeable, and had been identified by previous inspectorate reports. Both commissioners and contractors, however, are now making progress in responding to the reviews and fixing the problems identified by them.

20 Many measures to secure value for money in public services do not easily apply to services for people who may be vulnerable. Unlike some public services, Yarl's Wood residents are not able to choose a different provider if they are unhappy with the service they receive. NHS hospitals use a 'friends and family' test (whether the patient would recommend the service to friends and family) that would clearly be inappropriate in Yarl's Wood. Residents may not speak English, and may be unwilling to complain from a fear that raising a complaint may have an impact on their immigration case. It is therefore particularly important that departments commissioning services for vulnerable groups consider how they will know whether the services that people receive represent good value for money.

Lessons for commissioning services for vulnerable groups

21 We have identified some good practice and lessons learned at Yarl's Wood for departments to consider when setting up contracts to provide multiple services for vulnerable groups. This is particularly relevant as new contracts are being set up across the Immigration Removals Estate over the next few years:

Managing a transition to multiple providers

- In order to plan services properly, providers taking over from an incumbent provider need access to information about the service and the needs of the group receiving the service. This is particularly important where the group served is vulnerable and has complex needs. Departments should consider how they will ensure this happens, for example, by adding a requirement to provide this information to successor bodies for new contracts. Successor bodies may also need to seek information in greater detail in the final year of the contract to ensure that the service is fully understood at the time of service transition.
- Where multiple organisations are responsible for providing a service, the departments involved should agree how they will resolve issues that appear to fall between contracts or create unforeseen interdependencies between multiple services. This should include timescales for resolving issues, for example, on an issues log. It is unlikely to be possible to identify all of the interdependencies between services in advance, so it is important to agree the approach to resolving these issues when they emerge. It may also be helpful for suppliers to develop cooperation agreements, particularly where they depend on each other for aspects of the services they provide.

Recognising users' needs

- Users' needs may not be obvious, and may change over time. When designing the contractual arrangements, departments should consider including arrangements to:
 - define the group's characteristics and any needs that may require more attention or specialist intervention;
 - assess users' needs when they first come into contact with a service, and identify needs that develop while using the service;
 - take account of the users' perspective when assessing contractors' performance, for example in evaluating service quality; and
 - carry out an early review of the adequacy of the service, and ensure that there are mechanisms for varying the contract or buying more services if necessary.
- Where several public sector organisations are providing services to the same group of people, it may be helpful to design joint or shared performance targets, to help assess whether users are receiving a well-integrated service.

Contract management

- All contracts should follow good practice in contract management, for example, setting a proportionate number of key performance indicators (KPIs) that are clear and have targets linked to a system of penalties and incentives.
- Where there are a number of similar services, for example, across the IRC estate, the department should consider developing a core set of KPIs to enable it to compare and benchmark performance. This should be complemented by stand-alone indicators relevant to individual establishments.

Overview of the rest of the report

22 The rest of this report provides:

- an introduction to the Immigration Removal Estate and to Yarl's Wood in particular, including details of the contracts under which Serco and G4S run the centre – it also sets out the common areas of concern identified by the different reviews (Part One);
- analysis of the issues raised by the different reviews around residential services and residents' feedback, the extent to which they were covered by the contracting process, progress in implementing the reviews' recommendations, and the gaps that remain (Part Two); and
- analysis of the issues raised by the reviews about healthcare services, the extent to which they were covered by the contracting process, progress in implementing the reviews' recommendations and the gaps that remain (Part Three).