

## Cabinet – 2 July 2014

### Direct Payment Support Services Tender

**Portfolio:** Councillor B McCracken, Social Care and Inclusion

**Related portfolio:** Councillor M Arif, Children's Services

**Service:** Social Care and Inclusion

**Wards:** All

**Key decision:** No

**Forward plan:** Yes

#### 1. Summary

- 1.1 This report outlines proposals for the award of contracts to provide direct payment support services to support both Social Care and Inclusion and Children's Services clients who are in receipt of a direct payment. The majority of users are adults.
- 1.2 The council plans to purchase four levels of direct payment support service:

Level 1 - Advice, guidance and support

Level 2 - Advice, guidance, support and payroll

Level 3 - Advice, guidance and nominated accounts

Level 4 - Advice, guidance, payroll and nominated accounts

Providers will be encouraged to support people to manage direct payments more independently in line with the councils Social Care and Inclusion operating model.

- 1.3 The invitation to tender for these services was issued by the Council on 24 April 2014. The council intends to appoint up to 3 providers for each of the 4 levels of support for the period from 22 August 2014 to 21 August 2015, with the option to extend a further two periods of 12 months each. The anticipated value of these services over the potential lifetime of the contract is in the region of £900,000.

#### 2. Recommendations

- 2.1. Cabinet delegates authority to the Executive Director of Social Care & Inclusion in consultation with the Portfolio Holder for Social Care and Inclusion and Health, to award the contracts for direct payment support services and to sign or authorise the sealing of contracts, deeds or other documents in relation to the provision of direct payment support services.

### **3. Report detail**

#### **3.1 Context**

- 3.2 A direct payment gives eligible adults or children, or a person acting in their best interest, the choice to receive a monetary payment from the Council to create solutions and/or purchase services and /or employ staff directly instead of receiving traditionally commissioned Council services.
- 3.3 A direct payment is in lieu of certain social care services, and can only be used to meet assessed needs and outcomes in accordance with a validated support or care plan. When a direct payment is made the Council is then no longer obligated to provide or arrange services for that adult or child. All contractual arrangements that are a result of care and support secured using the direct payment is the responsibility of the eligible adult or child or the person acting in their best interest.
- 3.4 Most people who choose to take a direct payment will require a level of assistance to set up, arrange and maintain their care and support arrangements. This is particularly important if the adult/child or person acting in their best interest decide to directly employ staff, these are usually called personal assistants (PA's). When employing PA's there are a range of activities that need to be undertaken including recruitment and selection; obtaining employer's liability insurance; registering with Her Majesty's Revenue and Customs (HMRC); etc.
- 3.5 The Council has a role to ensure that there are direct payments support organisation(s) in Walsall that can offer various levels of assistance to adults and children or those acting in their best interest to receive and manage direct payments and other funding designated for care and support needs as identified on a validated support/ care plan.
- 3.6 The council has contracted for these services for some years, and has had 6 transitional contracts in place from 22 August 2013:
1. IBS management Accounts Ltd
  2. IBS Support Ltd
  3. Shaw Trust DP Support Service
  4. Walsall Service User Empowerment
  5. Walsall Voluntary Action
  6. Walsall Age UK
- 3.7 There is a need to award new contracts from 22 August 2014.

#### **4. Procurement Process**

Invitation to tender was issued by the Council on 24 April 2014

Tender submission date: 16 June 2014

Evaluation of tender completed: 7 July 2014

Clarification Interviews completed: 18 July 2014

Contract Award Decision: 21July 2014

Contract Awarded: 8 August 2014  
Contract implementation 22 August 2014

## **5. Council priorities**

- 5.1 Commissioning these services will enable the council to promote independence choice and control to adults and children who live in the community and are eligible for a direct payment. This in turn may improve the quality of service provision, leading to better outcomes for residents.

## **6. Risk management**

- 6.1 There is a risk of legal challenge to both the current contracting arrangements and also if procurement process is not conducted correctly. Procurement officers are represented on the Project Board and both the Joint Commissioning Unit and Procurement seek legal advice when required.

## **7. Financial implications**

- 7.1 The current combined value of all the contracts is in the region of £300,000 per annum for Social Care & Inclusion and Children's Services , and so a cumulative total of £900,000 over three years. The direct payment recipients will pay the providers directly.
- 7.2 There are no plans to reduce expenditure on these services. Expenditure is likely to increase with the growth of personalisation and clients choosing to take direct payments so they can commission their own care and support to meet their needs.

## **8. Legal implications**

- 8.1 The council has the power to make direct payments to clients under the Health and Social Care Act 2001, the Children Act 1989 and the Community Care, Services for Carers and Children's Services (Direct Payments) (England) Regulations 2009. The council also has the power to commission direct payment support services for clients who receive their personal budgets in the form of a direct payment. This proposal is compliant with future requirements of the Care Act 2014 and Children and Families Act 2014.
- 8.2 As the council is paying the fees charged by the direct payment support service providers, any procurement process must be carried out in compliance with the Council's Contract Rules 2010 and relevant procurement legislation

## **9. Property implications**

- 9.1 No Walsall Council property assets are implicated by the proposals in the report.

## **10. Health and wellbeing implications**

- 10.1 Going forward, providers will be required to deliver their services differently to enable service users' needs to be met whilst encouraging their independence.

This may create employment opportunities for local communities which should promote a healthy standard of living which is in line with the Marmot objectives.

## **11. Staffing implications**

- 11.1 There are no direct staffing implications for the council.

## **12. Equality implications**

- 12.1 An Equality Impact Assessment has been completed as part of the project management approach to the procurement exercise.

## **13. Consultation**

- 13.1 A communication plan has been developed to ensure clear and consistent messages are delivered to service users, carers, providers and staff.

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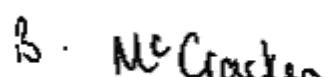
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### **Signatures**



Keith Skerman  
Interim Executive Director

June 2014



Councillor B McCracken  
Portfolio Holder

June 2014