

Report to Keith Hinkley, Executive Director Adults & Health

November 2021

Contract Extension: Direct Payment & Personal Health Budget Support Service

Report by Assistant Director of Commissioning, Adults & Health

Electoral divisions: All

Summary

The County Council is committed to giving customers choice and control over their support services; one method of enabling this is through Direct Payments, where the customer receives a cash allocation to spend in a way which they consider will meet their assessed care needs. A Direct Payment Support service is required to ensure that people can receive the appropriate advice and support to make the best use of their money. It also supports the County Council to ensure that Direct Payments are used lawfully and effectively. In November 2018 Key Decision [AH6 17.18](#) approved the award of contract for a Direct Payment and Personal Budget Support Service. The service has been operating successfully for an initial term of 3 years and now approaches the first break point in February 2022.

This report seeks approval to extend the existing Direct Payment Support Service for a period of two years, which is included in the terms of the contract.

Recommendation

The Executive Director for Adults and Health is asked to approve a 2-year contract extension for the Direct Payment and Personal Health Budget Support Service for a further 2 years from 01 February 2022 to 31 January 2024.

Proposal

1 Background and context

- 1.1 The County Council awarded the Direct Payment Support Service (DPSS) to Independent Lives, a West Sussex based, charitable, user-led organisation, following an open and compliant procurement in 2019. The service is jointly commissioned by WSCC & Continuing Health Care (CHC) with WSCC being the lead commissioner.

- 1.2 The County Council is committed to giving customers choice and control over their services and being at the centre of the Assessment and Planning process through Self Directed Support. The County Council also has a legal duty to run a Direct Payment scheme and to provide customers with information in this specialist area. Direct payments, which allow an individual to arrange their own help instead of using the services arranged by the County Council, are one of the methods in which money can be paid under Self Directed Support. People may choose to use the money to directly employ personal assistants or to access services from voluntary sector organisations or through other means.
- 1.3 The service comprises a universal Information and Advice Service on all aspects of direct payments and a more intensive Core Employment Service to eligible customers who wish to use a Direct Payment (DP) to employ a Personal Assistant (PA). The customer receives support as required at any stage from advertising for a PA, through to managing complex issues such as redundancy or termination of employment. The annual value of the service is £380,540, CHC has an identical contract separately funded with a value of £40K p.a.
- 1.4 In 2020/21 the service responded to 4,278 enquiries by 1,784 individuals. It supported with 34 technical issues such as redundancies and supported 34 customers to employ PAs for the first time.
- 1.5 The service also acts as an umbrella body to provide prospective PAs with a Disclosure & Barring Service check to minimise risk to customers. The service is performing well and meeting the County Council's Key Performance Indicators:

KPI	Target	Performance
Customer satisfaction level following receipt of information & advice service	80%	84%
Customers receiving information and advice service within 2 working days of referral	100%	100%
Customers receiving core employment service within 5 working days of referral	100%	100%

- 1.6 A Contract Notice was issued in the Official Journal of the European Union (OJEU) on 21st September 2018 Ref No.2018-000164. Further promotion of the requirement was made through the West Sussex e-Sourcing Portal and Contracts Finder.
- 1.7 The Direct Payment Support Service commenced January 2019, for a period of 3 years, with the possibility of two extension period of up to two years (3 & 2 & 2 years).

2 Proposal details

- 2.1 It is proposed that the current service is extended for a period of 2 years from 01 February 2022 to 31 January 2024.

3 Other options considered (and reasons for not proposing)

- 3.1 The market has not changed significantly since this service was tendered in 2018 and an extension to the current contract is recommended. The market contains a small number of organisations which provide this specialist service.
- 3.2 Given the strong existing performance and additional negotiated contractual benefits, a compliant option for extension is the preferred route. The current contract is performing well and within budget, re-procurement at this juncture does not offer best value to the Council and is therefore not recommended.

4 Consultation, engagement and advice

- 4.1 All WSCC customers in receipt of a Direct Payment were sent a questionnaire for completion in March 2017 to seek views on the helpfulness of the support service and to identify what changes customers would find helpful.
- 4.2 An on-line survey was developed for WSCC staff to again seek views on the helpfulness of the current support service and to identify what changes customers would find useful.
- 4.3 The results of the above consultations helped to shape the service model for the new contract. Members of the senior management group in Adults Services, the DPSS Working Group and other relevant managers were consulted on recommendations for the new contract in January 2018.

5 Finance

- 5.1 The contractual spend is within planned budgets.

	Current Year 2021/22 £m	Year 2 2022/23 £m	Year 3 2023/24 £m
Revenue budget	0.381	0.381	0.317 <i>10 out of 12 months</i>
Change from Proposal	0	0	0
Remaining budget	0	0	0

- 5.2 The effect of the proposal:

(a) **How the proposal represents good value**

The original nature of the contract remains unchanged and it is proposed that the current contract is extended.

(b) **Future savings/efficiencies being delivered**

Negotiations with the incumbent provider have yielded the following additional benefits for the Council:

- The provider will absorb the cost of the DBS checks undertaken on behalf of the Council for prospective PAs. There are an average of 300 DBS checks undertaken each year, at a cost of £40 each (£12,000 cashable saving). The transactional costs, in facilitating payment to the provider, which will in future be avoided, are anticipated to be more than double this amount.
- The Provider will deliver free First Aid, Medication & Manual Handling to employed and Self-employed PAs in West Sussex, improving the quality and safety of care delivered and improving the skill base of PAs within West Sussex, at no additional cost to WSCC.
- The Provider is also going to establish a dedicated Intranet area on its website for the exclusive benefit of PAs and DP customers, aiming to simplify the process of employing PAs, offering a paper free alternative to the existing process.

(c) **Human Resources, IT and Assets Impact**

None.

6 Risk implications and mitigations

Risk	Mitigating Action (in place or planned)
If the service is discontinued, a resource and time consuming re-procurement would be required.	This risk is mitigated by extending the current contract, as re-procurement is not recommended at this stage as the current contract is operating well and meeting KPIs. The current contract allows for this contract extension of 2 years.
If the service is discontinued customers would not be supported to meet their legal duties as employers, rendering further risk of legal challenge to the Council	This risk is mitigated by extending the contract, ensuring that customers are informed of their legal responsibilities and supported to comply with them.
Discontinuing the service would expose the Council to financial risk in not advising customers to pay the required redundancy/ maternity payments to employed Personal Assistants.	This risk is mitigated by extending the contract, ensuring that customers are informed of their financial responsibilities and supported to comply with them.

- 6.1 Extensive legal, financial, procurement and HR advice has been taken in relation to the re-procurement of these services. This advice has shaped the procurement model and financial structure of the services to ensure that there is limited reputational risk to the County Council.

7 Policy alignment and compliance

- 7.1 This extension is allowed for in the contract terms and conditions and was approved in the original Key Decision. Therefore, there is no risk of legal challenge.
- 7.2 This proposal is in keeping with all aspects of 'Our Council Plan 2021-2025' by supporting customers and keeping them safe from vulnerable situations, this service acts as a safety net to customers who chose to employ Personal Assistants to provide care and support at home. The provide undertakes Disclosure and Barring checks on prospective employees ensuring that unsuitable candidates are not employed.
- 7.2 Extending the contract supports the Council's plan to develop a 'Sustainable and prosperous economy' as the service employs staff in West Sussex and also supports and promotes the employment of Personal Assistants.
- 7.3 Enabling customers to employ Personal Assistants to meet their assessed care and support needs, further contributes towards 'Our Council Plan' by supporting customers to fulfil their potential, whilst exercising choice and control over how their needs are met.

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