

**Decision Maker:** PORTFOLIO HOLDER FOR CARE SERVICES

**Date:** For Pre-Decision Scrutiny by the Care Services Policy Development and Scrutiny Committee on Tuesday 17 November 2015

**Decision Type:** Non-Urgent Executive Non-Key

**Title:** GATEWAY REPORT ON TENDERING FOR DIRECT PAYMENT SUPPORT SERVICES

**Contact Officer:** Andy Crawford, Commissioning Manager  
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**Chief Officer:** Lorna Blackwood, Assistant Director: Commissioning (ECHS)

**Ward:** (All Wards);

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1. Reason for report

- 1.1 The current contract for Direct Payment Support expires on 31<sup>st</sup> July 2016 and it is therefore proposed to retender the contract.
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2. RECOMMENDATION(S)

- 2.1 The Care Services Policy Development and Scrutiny Committee is asked to comment on the proposals in the report.
- 2.2 The Portfolio Holder for Care Services is asked to approve:
- a) The commissioning and procurement approach as set out in paragraphs 13.1 to 13.3
  - b) The extension of the contract as set out in 8.2

## Corporate Policy

1. Policy Status: Existing Policy:
  2. BBB Priority: Supporting Independence:
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## Financial

1. Cost of proposal: Estimated Cost:
  2. Ongoing costs: Recurring Cost: Further Details
  3. Budget head/performance centre: 813 9003558
  4. Total current budget for this head: £134,410
  5. Source of funding: Care Services Portfolio
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## Staff

1. Number of staff (current and additional): N/A
  2. If from existing staff resources, number of staff hours: N/A
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## Legal

1. Legal Requirement: Statutory Requirement: Councils in England must make all or part of a person's personal budget available to them as a Direct Payment should they so request and should provide the necessary support to manage the Direct Payment. *Care and Support (Direct Payments) Regulations 2014*
  2. Call-in: Applicable:
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## Customer Impact

1. Estimated number of users/beneficiaries (current and projected): All people who receive long term support may opt to receive a direct payment. At March 31<sup>st</sup> 2015 there were 1,735 people accessing long term support of which 175 (10%) were receiving a direct payment. It is anticipated that the proportion and number of direct payment recipients will grow over the course of the contract aiming to be in line with comparator authorities at approx. 35% (520 users)
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## Ward Councillor Views

1. Have Ward Councillors been asked for comments? Not Applicable
2. Summary of Ward Councillors comments: N/A

### 3. COMMENTARY

- 3.1 The Council's strategy for supporting independence is to promote wider choice and control by users of services and their carers through the allocation of a Personal Budget so that people are fully aware of the amount of money available to meet their needs. As many people as possible are encouraged to take all or some of their personal budget as a Direct Payment so that they can make their own arrangements for their support needs.
- 3.2 People who take a Direct Payment require support to assist them in making good choices about services, arranging their support and maintaining records of transactions. Those who wish to use their Direct Payment to purchase agency care receive support from an in-house team in Care Services. Those who wish to directly employ a personal assistant (PA) or who wish to make more complex arrangements that involve a combination of services are directed to a specialist Direct Payments Support Service which is delivered under contract.
- 3.3 The service supports families of children with disabilities, adults with disabilities and mental health issues and older people. There are three strands to the contract:

*Support to new clients* - this includes:

- Development, with the client, of their Support Plan
- Training clients on all aspects of Direct Payments e.g. budgeting and interview skills;
- Help with all aspects of recruitment including drafting job descriptions, advertisements and contracts, assisting with interviews, CRB checks, legal responsibilities as an employer and payroll;
- Assist clients to understand the safeguards needed in the employment of people who work with children and vulnerable adults;
- Continued support with cover arrangements, training and compliance with monitoring requirements.

*Support to existing clients* – including:

- Responding to requests for assistance
- Ongoing support in the employment role
- Assisting to resolve issues that may arise in the employment of a PA

*Establishing and maintaining a PA database* – principal requirements are:

- Contact with and accreditation of existing PAs
- Developing and operation of a database of PAs including publicity, promoting the role of PAs with Job Centres and other forums
- Promoting the role of PAs with younger people
- Undertaking all necessary checks including DBS checks, references, training, insurance and eligibility to work in the UK

- 3.4 Maintaining a pool of PA's who are reference and DBS checked can serve to make the whole process of helping an individual identify and employ a PA more streamlined, enabling them to have their support arrangements in place much more quickly.
- 3.5 The current contract for the Direct Payments Support Service which expires on 31<sup>st</sup> July 2016 was awarded in July 2012 to Vibrance, following a competitive tender. Since commencing the Direct Payments Support contract Vibrance has worked closely with the Council to support the development of other aspects of self-directed support, specifically;

- the provision of support planning to people who do not want to take their personal budget as a Direct Payment but who can be supported to use their personal budget much more flexibly as a '*managed personal budget*';
- Support to families of children with disabilities who require support planning to assist them in the process of transition through to adulthood;
- The development of Personal Health Budgets.

3.6 The contract term is now complete with the extension options exhausted and it is therefore proposed to retender the contract for Direct Payment support, including the PA register, and to include support planning for people with a managed personal budget under the broader banner of *Self-Directed Support advice, support and assistance*. This will ensure that the new contract will enable continuation of the existing developed support arrangements and also facilitate potential future developments in support planning should the Council wish to extend that facility more widely.

3.7 The selection criteria for the new contract will be in two stages as detailed below. In order to progress to stage 2 organisations must pass stage 1.

#### Stage 1

Question	% of Total Score
1 to 4 Equal Opportunities	Pass / Fail
5 to 6 Criminal Offence, Misconduct or Insolvency	Pass / Fail
7 Assessment of Ability	(40%)
8 Technical Resources & Workforce	(30%)
9 Quality Assured Services – Service User Question	(30%)
10 References	Pass / Fail

#### Stage 2

Question	% of Total Score
1. Service Delivery	15%
2. Organisational Structure	8%
3. Service Development	12%
4. Safeguarding and Whistleblowing	10%
5. Risk Management	10%
6. Quality Assurance	10%
7. Service Demand	10%
8. Conflict of interest	10%
9. Value for Money	15%

3.8 The Key Performance Indicators that will be applied to the running of the contract are detailed below:

Serial	Performance Indicator	Target	Provision of monitoring information
1	Number of referrals	Per month	Quarterly Monitoring Report
2	Total number assisted to recruit PAs (recruitment finalised in month)	Per month	Quarterly Monitoring Report
3	Number opting out of recruitment after referral	Per month	Quarterly Monitoring Report

4	Percentage of clients visited within one week to commence recruitment	100%	Quarterly Monitoring Report
5	Numbers of clients requiring: - Initial visit only - 2 visits - 3 or more visits (state number)	Per month	Quarterly Monitoring Report  Detail cases and the reasons for complexity.
6	Number of clients requiring - 1 PA - 2 PAs - 3 or more PAs	Per month	Quarterly Monitoring Report  Detail
7	Recruitment completed in: - < 2 weeks from referral - 2 < 4 weeks - 4 < 8 weeks - 8 weeks plus (state time)	100% within 8 weeks	Quarterly Monitoring Report
8	Numbers of clients returning to the Contractor for assistance with further recruitment	Per month	Quarterly Monitoring Report
9	Level of client satisfaction	90% satisfied	Annual Satisfaction Survey
10	Number of Personal Assistants recruited to the database and the turnover of Personal Assistants ceasing to be actively working	Recruitment exceeds leaving	Quarterly Monitoring Report
11	Number of Personal Assistants on the database who are actively working	Number matches or exceeds demand (from 6 + cumulative)	Quarterly Monitoring Report

#### 4. POLICY IMPLICATIONS

- 4.1 The provision of a Self-Directed Support service directly supports the Council's strategy for supporting independence and the promotion of wider choice and control by users of services and their carers through the allocation of a Personal Budget, with as many people as possible being encouraged to take all or some of their personal budget as a Direct Payment so that they can make their own arrangements for their support needs.

#### 5. FINANCIAL IMPLICATIONS

- 5.1 The current budget for this service is £134,420 and it is anticipated that any new contract would be on a similar cost basis to the current contract arrangements. The cost however is subject to activity levels and should the number of people requiring support with their Direct Payments rise over a consistent period then it could push the costs to a higher banding. Other developments in self-directed support would also bring additional cost but would only be implemented subject to affordability.

#### 6. LEGAL IMPLICATIONS

- 6.1 Councils in England must make all or part of a person's personal budget available to them as a Direct Payment should they so request and should provide the necessary support to manage the Direct Payment. *Care and Support (Direct Payments) Regulations 2014*

#### 7. PERSONNEL IMPLICATIONS

- 7.1 Staff employed by the existing contractor will be subject to TUPE in the event of the contract being awarded to a new provider.

## 8. PROCUREMENT IMPLICATIONS

8.1 The anticipated timescale for the procurement is outlined below.

	NOVEMBER	DECEMBER	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY
Gateway report	17th								
Tender preparation									
Tender process									
Evaluation etc									
Report for award								TBA	
Contract award									
Implementation									

8.2 It can be seen that the timescale is very tight up to the end date of the existing contract. This would not be a problem should the current provider be successful but if a new organisation is appointed there will need to be a much longer lead in to allow for implementation, including TUPE and to facilitate smooth handover. It would therefore be prudent to include provision for a 3 month contract extension from 1<sup>st</sup> August to 31<sup>st</sup> October 2016.

## 9. CUSTOMER PROFILE

9.1 All older people, working age adults and families of children with disabilities who are eligible for services and opt to receive their personal budget as a Direct Payment or who require support in order to use their personal budget in a more flexible way.

## 10. MARKET CONSIDERATIONS

10.1 The Direct Payments Support market is well developed. When the current contract was tendered in 2012 there were over 70 expressions of interest and 13 tender submissions. Provider organisations ranged from large national organisations, medium sized regional organisations and small local organisations. It can reasonably be expected that there will be significant competition for the award of any new contract.

## 11. OUTLINE CONTRACTING PROPOSALS & PROCUREMENT STRATEGY

11.1 The tender will be advertised in Contracts Finder as per part 4 of the Public Contracts Regulations 2015 and managed on the Council's e-procurement system hosted by Due North. As it is anticipated that a large number of organisations are likely to express an interest this will be a Restricted (2 stage) process.

11.2 The evaluation for contract award will be on a 60/40 cost/quality basis. The current contract price is based upon activity levels and tenderers will be required to submit prices for a range of activity levels within a number of bands. The quality evaluation criteria and key indicators will be:

- Cost effectiveness (additional to the price)
  - Can the provider 'add value' to the contracted service?
  - Do the arrangements facilitate the delivery of future efficiencies?
- Safeguarding
  - Does the provider have sound policies and procedures?
  - Is the service positively viewed by CQC?
  - Does the provider have a good record on complaints/safety?
  - Are there external validations in place?
  - Is there structured training for staff?

- Accessibility
  - Is the service located where people want it?
  - Are there good arrangements in place for people to access the service?
  - Is the service available to both self-funders and Council funded people?
  
- Flexibility
  - Can the service respond readily to differing demands?
    - Immediate support
    - Planned engagement
    - Personal preferences
    - Religious and cultural needs
  - Can the service adapt to changing future requirements?

11.3 The proposed contract period will be 2 years with extension options for a further 1 year plus 1 year.

<b>Non-Applicable Sections:</b>	None.
Background Documents: (Access via Contact Officer)	N/A