

# Cabinet

28 January 2021

## Direct Payments - Approval to Tender

### Recommendations

That Cabinet authorises:

- 1) The Strategic Director for People to commence a procurement process for the provision of Direct Payment Support Services which will come into effect from 1<sup>st</sup> September 2021
- 2) The Strategic Director for People to enter relevant contracts for the provision of Direct Payment Support Services on terms and conditions acceptable to the Strategic Director for Resources.

### 1. Executive Summary

- 1.1 Warwickshire County Council currently commissions Payroll and Managed Accounts (provided by Rowan) and Direct Payments Personal Assistants and Recruitment (provided by Penderel's).
- 1.2 Direct Payments and Personal Assistants and Recruitment contract is comprised of two elements;
  - Employment Support which offers ongoing information, guidance and advice for customers who have a PA in employment, this is paid on a block basis.
  - A PA Recruitment service which is paid on an activity basis with a one-off fee for each customer referred for a PA recruitment.
- 1.3 The Payroll and Managed Accounts contract comprising of the following functions;
  - The Payroll Service supports customers employing a PA. The provider calculates employee pay, tax, National Insurance and pension contributions and produces payslips. Other key Payroll Service tasks include:
    - Supporting and signposting customers to resolve any gaps in their knowledge or development as an employer.
    - The provision of support with regard to employee Workplace Pension auto-enrolment schemes including setting up a scheme, registering the scheme with the Pensions Regulator, producing all

statutory letters to PAs, managing opt in and opt out requests and maintaining statutory records.

- The Managed Account Service requires the provider to hold and administer the Direct Payment on behalf of the customer; there are a number of reasons why this additional support may be required such as difficulty in opening a bank account, lack of money management skills or previous issues in managing a Direct Payment.
  - The Managed Account is a purely administrative function; the provider will follow customer instructions and not make decisions about expenditure on the customer's behalf.

#### 1.4 **Service Activity Summary**

##### **Payroll and Managed Accounts**

Below is a breakdown of the referral activity for the Payroll and Managed Accounts service

<b>Payroll</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>
<b>New Referrals</b>	113	118	141
<b>Closed Cases</b>	98	89	87

<b>Managed Accounts</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>
<b>New Referrals</b>	137	129	90
<b>Closed Cases</b>	82	96	93

##### **Direct Payments Personal Assistants and Recruitment**

Below is a summary of referrals for a PA including those with a PA in mind and full recruitment.

<b>Referred By</b>	<b>2017-2018</b>	<b>2018-2019</b>	<b>2019-2020</b>
<b>Adults</b>	107	117	128
<b>Children's</b>	86	61	73

- 1.5 The contracts for these services are due to expire on 31<sup>st</sup> August 2021 and therefore approval is required to commence a tender process for new provision to start 1<sup>st</sup> September 2021.
- 1.6 The intended contract term is six years, however the Council will reserve the right to apply variations should there be a significant change in the service during the contract period.

## **2. Financial Implications**

- 2.1 The total value of the contracts per annum is approximately £471,000 for both contracts. For the potential six-year period being requested in this report equates to a total approximate value of £2,826,000. Through the tender process we will seek to consolidate provision and look for efficiencies through joined up services.

## **3. Environmental Implications**

- 3.1 There are no environmental implications

## **4. Supporting Information.**

- 4.1 Direct Payments are monetary payments made to individual customers who request to receive a Direct Payment to meet some or all their eligible care and support needs. Direct Payments provide independence, choice and control by enabling people to commission their own care and support in order to meet their eligible needs.
- 4.2 They provide the platform with which to deliver a modern care and support system and the Council has a key role to play in ensuring people are given relevant and timely information, so that they can be fully informed about the responsibilities attached to requesting to arrange care and support using direct payments.
- 4.3 The Care Act 2014 places a strong emphasis on providing clear and tailored information on direct payments to enable customers and their families to make better informed decisions.
- 4.4 The Council recognises that the successful use of Direct Payments relies on accessible and appropriate advice, information and support, the primary objective of the currently commissioned services is to ensure that customers feel confident to undertake the complexities of using Direct Payments to meet their support needs in being a good employer, operating both legally and efficiently.

## 5. Timescales associated with the decision and next steps

5.1 The timescales for the procurement exercise are as follows;

- March 2021 – tender process commences
- June 2021 – contracts awarded
- September 2021 – Services/contracts start

### Appendices

None

### Background Papers

None

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