

<b>Report to:</b>	<b>CARE TOGETHER SINGLE COMMISSIONING BOARD</b>
<b>Date:</b>	4 October 2016
<b>Reporting Member / Officer of Single Commissioning Board</b>	Clare Watson, Director of Commissioning, Single Commissioning
<b>Subject:</b>	<b>CONTRACT FOR THE PROVISION OF DIRECT PAYMENT SUPPORT SERVICES – INCLUSION ON A LIST OF APPROVED SERVICES</b>
<b>Report Summary:</b>	To present a report to seeking authorisation under Procurement Standing Order F1.3 to extend for a period of twelve months where there is provision to do so in the contract.
<b>Recommendations:</b>	That the contract is extended for a twelve months from 1 November 2016 to 31 October 2017.
<b>Financial Implications:</b> <b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	The proposed extension to the contract will be funded by existing financial resources (2016-17 budget is £86,000). There will be a reduction in these costs after the initial 12 month period as pre-paid cards are introduced which will mean a number of current users of the payroll service will be able to manage their own finances independently or with the help of carers.
<b>Legal Implications:</b> <b>(Authorised by the Borough Solicitor)</b>	The contracts contain an in-built extension provision to extend and to implement this would not contravene the Procurement Rules or be unlawful. Better planning is required in future to ensure that decisions to extend a contract are taken at a more appropriate time as it would otherwise be difficult to re-procure or decommission a service within the remaining contract term.
<b>How do proposals align with Locality Plan?</b>	The service is consistent with the following priority transformation programmes: <ul style="list-style-type: none"> <li>• Enabling self-care;</li> <li>• Locality-based services;</li> <li>• Planned care services.</li> </ul>
<b>How do proposals align with the Commissioning Strategy?</b>	The service contributes to the Commissioning Strategy by: <ul style="list-style-type: none"> <li>• Empowering citizens and communities;</li> <li>• Commission for the ‘whole person’;</li> <li>• Create a proactive and holistic population health system.</li> </ul>
<b>Recommendations / views of the Professional Reference Group:</b>	PRG supported the paper to go through to SCB.
<b>Public and Patient Implications:</b>	None.
<b>Quality Implications:</b>	Tameside Metropolitan Borough Council is subject to the duty of Best Value under the Local Government Act 1999, which

requires it to achieve continuous improvement in the delivery of its functions, having regard to a combination of economy, efficiency and effectiveness.

**How do the proposals help to reduce health inequalities?**

Via Healthy Tameside, Supportive Tameside and Safe Tameside.

**What are the Equality and Diversity implications?**

The proposal will not affect protected characteristic group(s) within the Equality Act.

**What are the safeguarding implications?**

Safeguarding is central to this service.

**What are the Information Governance implications? Has a privacy impact assessment been conducted?**

The necessary protocols for the safe transfer and keeping of confidential information are maintained at all times by both purchaser and provider.

**Risk Management:**

There are no anticipated financial risks given the very low value of the contract. The nature of the framework is such that should one provider experience problems other providers are available to take on the role at short notice.

**Access to Information :**

The background papers relating to this report can be inspected by contacting Dave Wilson, Team Manager, Joint Commissioning and Performance Management, by:



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## **1. BACKGROUND**

- 1.1 Direct payments are an alternative to traditional care and support services. Adult Services provide cash payments for individuals to purchase services that meet their assessed care needs. This allows the person receiving services more choice and control over how their care needs are met.
- 1.2 Recipients of direct payments can choose to employ their own care workers known as Personal Assistants (PA's). As an employer, the individual has the usual employer responsibilities such as providing pay slips and ensuring the correct tax and national insurance payments are made.
- 1.3 The payroll service is designed to assist people who use a direct payment to employ PA's to manage their payroll and tax functions and includes professional unlimited payroll advice.
- 1.4 An enhanced service called a managed account is provided for individuals who are unable, or lack capacity, to open or operate a bank account or where there are risks of financial abuse. With managed accounts the individual's direct payment (cash payment), is paid to the provider who holds the money in a client account and makes relevant payments from this account to employees and HMRC. This facility can also be used to pay invoices from care providers that the service user contracts with.

## **2. CURRENT SITUATION**

- 2.1 There are currently five organisations on the approved list these are:
  - David Howard Ltd;
  - Michael Russell Partnership;
  - Paypacket Ltd;
  - PayPartners;
  - The Rowan Organisation.
- 2.2 There is no guaranteed number of accounts, but commissioners, care co-ordinators and service users and their representatives have access to the list of approved services from which to choose services required.
- 2.3 The list of approved services commenced November 2013 with a three year contract including provision to extend for up to an additional two years.
- 2.4 The 2016/17 budget is £86,000.
- 2.5 The service is performing as required under the contract and there are no contractual compliance issues.
- 2.6 A piece of work is currently being undertaken which will include the use of pre-paid cards for services users personal budgets; this may reduce the need for service users to have a managed account.
- 2.7 Once this piece of work has been completed, there may be a reduction in the total spend on payroll services and a review of the current framework arrangement will be undertaken at that point with a view to ensuring the most appropriate mechanism – in terms of ease of use for service users and best value for commissioners – is in place. Hence, authorisation is sought to extend the current arrangements for up to twelve months to enable this piece of work to be completed.

**3. GROUNDS UPON WHICH AUTHORISATION TO PROCEED SOUGHT**

- 3.1 Authorisation under Procurement Standing Order F1.3 where there is provision within the contract to extend for a period of twelve months from 1 November 2016.

**4. CONCLUSION**

- 4.1 That the information provided in this report is considered and a decision made in relation to approval to move forward with the extension of this service.