

Business Case for Direct Payment Support Service (Peterborough)

1. Proposal Overview

The contract for the Direct Payment Support Service (DPSS) ends on 28th February 2023.

Due to vacancies and ongoing recruitment challenges within the service area, it is not possible to complete the re-tendering of this service within the original timescales and before the current contract expires.

To maintain service provision and allow sufficient time for recruitment and a full tender process, a contract extension of 24 months on a 1+1 basis to the incumbent provider is recommended.

2. Approach/Model

The contract review and research completed by the commissioning team assures them that the incumbent provider's service delivery is appreciated by its users and meeting most contract key performance indicators. Therefore, extension of the contract for 24 months, on a 1+1 basis is recommended to maintain service provision whilst recruitment and retendering can be completed.

3. Strategic Fit

The Council is required to offer personal budgets to people with an assessed care need as part of Care Act requirements. The DPSS supports this statutory offer by providing information and advice to people arranging their own care and support needs.

4. Impact Assessment

- **Benefits (Financial & non-financial)**

Financial - No additional funding implications are identified in relation to this 24-month extension. If people were to cease their direct payments, it is likely their Council-arranged care will be at a higher cost, potentially adding a financial pressure to Adult Social Care budgets.

Non-financial – Recipients of care and support can actively decide:

- how many activities they have in their lives as part of their care and support needs.
- which carer(s) provides their care and support needs.
- to receive care and support in a language that is understandable to them.
- The Council promotes personalisation, choice and control through its direct payment offer

Disbenefits

- There may be an increase in carbon emissions due to staff travel and the facilities within an office. However, this is not currently measured.

5. Resource Requirements

The contract management team will be required to monitor the contract.

6. Risks

The decision to extend the contract which was awarded under the Light Touch Regime may result in legal challenge from interested service providers. If this challenge were to be successful, it may result in the plaintiff being awarded damages and/or reputational damage to Peterborough City Council. A VEAT notice and Modification Notice will be issued in mitigation as per Legal advice.

7. Stakeholder Engagement and Co-production

A stakeholder engagement questionnaire was completed in August 2022. The vast majority of responses were positive regarding service delivery from the incumbent provider.

Suggested changes to the service and its delivery will be considered for implementation during the life of the new contract.

8. High Level Delivery Plan

Proposed indicative timeline for the approved contract to start 1st March 2025:

Key Milestones	Estimated Date
Market Engagement Event	w/c 02/09/24
Issue Invitation to Tender (ITT)	w/c 09/09/24
ITT Clarification Deadline	Specific date during w/c 23/09/24
Deadline for ITT Submissions	07/10/24
Evaluation and Tender Clarifications	14/10/24 – 25/10/24
Moderations	w/c 28/10/24
Finalise Mobilisation/Implementation	w/c 25/11/24
Finalise Contract	w/c 25/11/24
Contract Start Date	01/03/25

9. Options Analysis

Preferred option: Seek 24-month extension on 1+1 basis with incumbent provider to maintain service provision.

Commissioning Action	Date to be completed by
Request final 12-month extension	By 01/11/23

(01/03/24 – 28/02/25).	
Commissioning Team to resume the recommissioning of DPSS.	By 01/07/24

Discounted Options:

Tender the service – It has not been possible to tender the service within the original timescales due to vacancies and recruitment challenges within the service area. Given the length of time needed to recommission a service, it would not be feasible to complete this before expiry of the current contract. To do so would create a gap in provision, resulting in service disruption and a negative impact on people who rely on the DPSS for information and support to maintain their direct payments.

Not extend the service – this option would result in a loss of provision and have a detrimental effect on direct payment recipients and social care practitioners recommending the direct payment option. It would severely affect the Council’s ability to offer personalised budgets and therefore compliance with its statutory Care Act duties.

10. Evaluation Plan & Methodology

Existing key performance indicators (KPIs) and reporting method will remain in place during the extension period.

A stakeholder questionnaire will be circulated with regarding to service delivery with a view of introducing improved KPIs in 2025.