

**ADULT SOCIAL CARE AND PUBLIC HEALTH COMMITTEE****23 JANUARY 2023**

<b>REPORT TITLE:</b>	<b>OUTCOME OF DIRECT PAYMENTS REVIEW</b>
<b>REPORT OF:</b>	<b>DIRECTOR OF CARE AND HEALTH</b>

**REPORT SUMMARY**

The review of Direct Payment support was presented to this Committee on 13 June 2023, and approval was given to explore how a Personal Assistant register could best be delivered with the intention of increasing the numbers of people, carers and families choosing to use a Direct Payment. This report describes the outcomes of the procurement process, and the decision to not proceed with an award of contract. It recommends and describes a more ambitious and longer-term service model that would be better able to achieve the strategic aims of the Council, value for money targets and a more comprehensive offer for potential and current Direct Payment recipients to support the sustainability of the arrangements.

This review has been a collaborative exercise and included, as equal partners, officers of the Council, people with lived experience, and representatives from Cheshire and Wirral Partnership (CWP) NHS Foundation Trust and the Wirral Community Health and Care NHS Foundation Trust (WCHCFT). The latter remain involved, but the relevant staff have transferred to the Council.

The report supports the following theme from the Council's Plan:

- Promoting independence and healthier lives

This affects all wards and is a key decision.

## **RECOMMENDATION/S**

The Adult Social Care and Public Health Committee is recommended to:

- (1) Endorse the proposed service model and outcomes as described in section 3.1 to 3.6 of this report.
- (2)
  - (a) Authorise the Director of Care and Health to commence a procurement process for the appointment of an accredited provider for a merged offer to include a payroll and managed accounts service, information advice and guidance for current and potential Direct Payment recipients and a Personal Assistant register for a three-year contract with an option for a further one-year extension; and
  - (b) Give delegated authority to the Director of Care and Health to award the contract to the successful bidder following the tender process.
- (3) Request the Director of Care and Health to bring a further report to a future Committee to inform Members of the outcomes achieved once the new service model is established.

## **SUPPORTING INFORMATION**

### **1.0 REASON/S FOR RECOMMENDATION/S**

1.1 On 13 June 2023, this Committee approved a one-year pilot, for the delivery of a Personal Assistant register. A procurement exercise was completed in October 2023. The response rate was low, possibly due to the short-term nature of the contract. The procurement process did not attract adequate competition. This report recommends that a procurement process is opened for the procurement of a merged Direct Payment offer. It would include:

- A payroll and managed accounts service;
- Information advice and guidance for current and potential Direct Payment recipients, Personal Assistants and staff undertaking assessments; and
- A Personal Assistant register.

1.2 The recommended model would be more efficient and cost effective than the Personal Assistant register and would have the potential to attract a broader range of providers and offers a single point of entry for Personal Assistants for current and potential Direct Payment recipients. The successful provider would be required to provide a training plan for all staff and improvement targets will be agreed for Personal Assistant Recruitment and Direct Payment recipients.

### **2.0 OTHER OPTIONS CONSIDERED**

2.1 **Other Option One** - Award of contract to a provider offering information advice and guidance to people looking to access a Direct Payment, and a Personal Assistant register. The payroll and managed accounts service would not be included and access to this function would be via a single or a framework of providers. This structure could be fragmented, and two entry routes could be a disincentive to potential Direct Payment recipients.

2.2 **Other Option Two**- To include a Personal Assistant register, a payroll and managed accounts service, information, advice, and guidance as part of the Council's provider arm. Current capacity within this service would prevent the development of the recommended model at the pace and scale required.

### **3.0 BACKGROUND INFORMATION**

3.1 It is proposed that a procurement process is commenced for a merged offer for a three-year contract with an option for a further one year. It is anticipated the proposed length of contract will attract a broad range of providers. This would include a payroll and managed accounts service, information advice and guidance for current and potential Direct Payment recipients and a Personal Assistant register. Performance against metrics would be undertaken for the lifetime of the contract. This is the preferred option.

- 3.2 People with lived experience, have identified delays in Direct Payments being processed and sourcing Personal Assistants with the appropriate skill set as disincentives to opting for a Direct Payment. There is evidence that suggests a lack of support with the responsibilities associated with becoming an employer has led to people opting out of the arrangement. The proposed blended model accelerates the 3 stages of the strategy previously approved by Committee and will help circumvent or reduce these barriers. The successful provider would be required to deliver the following.
- Training for Personal Assistant recipients to support successful recruitment and compliance with employment law.
  - A Payroll and managed accounts function, to enable people to enjoy the flexibility a Direct Payment offers without the responsibility of managing the budget themselves.
  - A Personal Assistant register which would match people with the skill set required to meet assessed needs.
  - Information, guidance and support for Direct Payment recipients, Personal Assistants and social care professionals.
- 3.3 The hourly rate of pay for Personal Assistants would continue to be aligned with that offered in the domiciliary care sector. A resilient care at home offer which enables people to choose a commissioned domiciliary care service, or a Direct Payment would increase self-directed support. Capacity to meet demand would increase, enabling more people to stay at home or to return home from hospital reducing reliance on out of area placements or inappropriate placements in residential and nursing beds.
- 3.4 A business process has been developed to streamline internal processes (there are no resource implications associated with this). Adult Social Care would be required to:
- Complete a Care Act compliant assessment and support plan and where possible, develop a support plan enabling people to self-direct their support;
  - Calculate the personal budget including that start-up costs are correct;
  - Make Team managers responsible for validating the support plan;
  - Provide information and advice about Direct Payments and access to the commissioned Direct Payment support service.
  - Ensure business processes are followed, including any referrals and interface with the personal finance unit for payment set up and recovery of unspent funds via prepaid cards.
  - Undertake statutory reviews and ascertain if a Direct Payment continues to be the best way to meet the person's needs.

3.5 Revenues and Benefits (Personal Finance Unit & Direct Payments Team) would be responsible for:

- Setting up Payment Card accounts and closing where appropriate/in a timely manner;
- Completing audits of all Direct Payment accounts and escalating to the appropriate Social Work teams when non-compliant;
- Recovery of unused funds in a timely manner. This should include monitoring of cases 'transferring' to Continuing Health Care funding or a personal health budget (which can generate significant overlap/invoicing);
- Ensuring the payment run is processed on time and correspondence is sent out informing the recipient of costs; and
- Completing a financial assessment that is compliant with the Council's charging policy, which is publicly available. Provide training to Social Workers to enable them to undertake their role within the Direct Payment process. Responsibility for issuing pre-paid cards.

3.6 The Direct payment recipient is responsible for:

- Using the Direct Payment to meet the needs identified in the support plan only, including the purchase of services, equipment, and Personal Assistants;
- Employing staff and ensuring they are supported, appropriately trained (e.g., safeguarding) and paid (including National Insurance contributions and holiday pay);
- Being complaint with employment law, keeping accounts, and any necessary HM Revenue and Customs reporting requirements.

3.7 A further report to be brought to a future committee setting out the extent to which the recommended service model will have increased accessibility, awareness and knowledge for staff undertaking assessments, Personal Assistants and current and potential Direct Payment recipients. The overall intention is to increase the number of adults and children who opt for a Direct Payment to meet their assessed needs.

#### 4.0 FINANCIAL IMPLICATIONS

4.1 The table below sets out the annual costings of the service reflecting the full 3-year cost of £661,251:

	<b>Year 1</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Total</b>
	<b>2024-25</b>	<b>2025-26</b>	<b>2026-27</b>	<b>3-year</b>
	<b>(£)</b>	<b>(£)</b>	<b>(£)</b>	<b>cost (£)</b>
Payroll Managed Accounts (Wired)	105,000	109,200	113,568	327,768
PA Register	27,000	28,080	29,203	84,283
Supervisor (inc. on-costs)	38,400	40,000	41,600	120,000
Support Worker (inc. on-costs)	31,100	48,000	50,100	129,200
<b>Total Cost</b>	<b>201,500</b>	<b>225,280</b>	<b>234,471</b>	<b>661,251</b>

- 4.2 Salary costs are based on current Wirral pay rates and have been uplifted each year to reflect inflation. An additional 0.5 full time equivalent Support Worker is included in the plan from year 2 as the service grows.
- 4.3 The cost of the service will be met in year 1 by the Adult Social Care Discharge Fund, the current cost of the payroll and managed accounts service is provided by Wired and the contribution from the Better Care Fund.
- 4.4 Efficiencies achieved in growing the Direct Payment offer will ensure the service is cost neutral to the Authority from year 2. 25 care plans commissioned through Direct Payments instead of direct home care is sufficient to cover the cost of the service. This equates to less than 5% growth in the current service. Any further growth will support yearly savings targets. The procurement process will be an open tender.

## **5.0 LEGAL IMPLICATIONS**

- 5.1 If the preferred option is approved for progression, officers will undertake a formal market engagement on the proposed model prior to going out to tender.
- 5.2 It is a statutory duty as defined by the Care Act 2014, to offer a person a Direct Payment as an alternative to a directly commissioned care and support service where a person has been assessed as having eligible needs. This applies both to carers and people in need of care and support. The regulations of the Children's Act also place a duty on Local Authorities to offer a Direct Payment to disabled children. The proposed model will be an adult services commission, but the specification will include a provision to include support for children and their families the within lifetime of the contract.

## **6.0 RESOURCE IMPLICATIONS: STAFFING, ICT AND ASSETS**

- 6.1 There are no resource implications as a result of this exercise.

## **7.0 RELEVANT RISKS**

- 7.1 There is a risk that the number of people in receipt of a Direct Payment does not increase potentially impacting the viability of the commissioned service. A lower response rate to the tender application would lead to a lower number of people in receipt of a direct payment.

## **8.0 ENGAGEMENT/CONSULTATION**

- 8.1 On evaluation of the original tender exercise, the market was advised of the intention to commission a wider specification to include a payroll and managed accounts service, info advice and guidance and a PA register. This was communicated to the providers who engaged in the procurement process, they were advised, due to the landscape changing and Council strategy, a decision to award had not been made.
- 8.2 The model described in the report was produced in consultation with people with lived experience, representatives from CWP and WCHCFT. The latter remain involved, but the relevant staff have transferred to the Council.

## 9.0 EQUALITY IMPLICATIONS

9.1 A new Equality Act Assessment (EIA) has been completed in December 2023 and is located:

<https://www.wirral.gov.uk/communities-and-neighbourhoods/equality-impact-assessments/equality-impact-assessments-january-202-6>.

## 10.0 ENVIRONMENT AND CLIMATE IMPLICATIONS

10.1 It is anticipated that Personal Assistants will be recruited locally, therefore the model proposed will have limited environmental or climate implications.

10.2 Any provider commissioned by the Council is required to demonstrate the ways in which they will reduce the carbon footprint.

## 11.0 COMMUNITY WEALTH IMPLICATIONS

11.1 Increased employment opportunities for people electing to become a Personal Assistant and for those people in receipt of a Direct Payment, due to the flexible nature of this arrangement.

**REPORT AUTHOR:** **Bridget Hollingsworth**  
Head of Integrated Services  
telephone: 0151 666 3609  
email: [bridgethollingsworth@wirral.gov.uk](mailto:bridgethollingsworth@wirral.gov.uk)

## APPENDICES

N/A

## BACKGROUND PAPERS

Direct Payment report to Adult Social Care & Public Health Committee (13.06.23)

## TERMS OF REFERENCE

This report is being considered by the Adult Social Care and Public Health Committee in accordance with Section 2.2(a) and (b) of its Terms of Reference: adult social care matters (e.g., people aged 18 or over with eligible social care needs and their carers) and promoting choice and independence in the provision of all adult social care).

## SUBJECT HISTORY (last 3 years)

Council Meeting	Date
Adult Social Care and Public Health Committee	13 June 2023
Adult Social Care and Public Health Committee	3 March 2022