

# KENT COUNTY COUNCIL – PROPOSED RECORD OF DECISION

## DECISION TO BE TAKEN BY:

Cabinet Member for Integrated Children's Services

## DECISION NO:

23/00102

**For publication** [Do not include information which is exempt from publication under schedule 12a of the Local Government Act 1972]

### Key decision: Yes

Key decision criteria. The decision will:

- a) result in savings or expenditure which is significant having regard to the budget for the service or function (currently defined by the Council as in excess of £1,000,000); or
- b) be significant in terms of its effects on a significant proportion of the community living or working within two or more electoral divisions – which will include those decisions that involve:
  - the adoption or significant amendment of major strategies or frameworks;
  - significant service developments, significant service reductions, or significant changes in the way that services are delivered, whether County-wide or in a particular locality.

### Subject Matter / Title of Decision

Extension of the CYPE Direct Payment Support Service Contract

### Decision:

As Cabinet Member for Integrated Children's Services, I agree to:

A) Authorise additional expenditure to enact a 12-month extension of the Direct Payment Support Service from 1 April 2024 to 31 March 2025.

### Reason(s) for decision:

#### Background

As part of the support planning process, Direct Payments (DPs) are offered to individuals to provide a greater choice and control over their care and support arrangements. They are monetary payments that can be made to individuals to meet some or all of their eligible support needs. The legislative context is set out in the Care Act 2014, section 117(2c) of the Mental Health Act 1983, the Care and Support (DP) Regulations 2014 and the Children and Families Act 2014.

CYPE commissions the Direct Payment Support Service with a not-for-profit provider of Children's and Young People Services. The service is open to:

- Parents and carers of disabled children
- Parents and carers of children with special educational needs
- Young people aged 16-25 with special educational needs
- Young disabled people aged 16-25

The Key Decision to commission the Direct Payment Support Service was taken on the 30 October 2018. The Decision ([Decision - 18/00055 - Direct Payment Support Service \(kent.gov.uk\)](#)) provided for a three-year fixed term with two twelve-month extension periods within a maximum budget of £1.7 million over the five-year term. On the 16 December 2022 the Cabinet Member for Integrated Children's Services took a Decision ([Decision - 22/00104 - Extension of the Direct Payment Support](#)

[Service Contract \(kent.gov.uk\)](http://kent.gov.uk) to authorise additional expenditure to enact the final allowable extension to the contract and increase capacity to meet growing demand.

Consultation with Adult Social Care and Health (ASCH) has also been ongoing to ensure we consider their position and plans for the Adult DP service. As a part of the Making a Difference Everyday programme, ASCH is redesigning their self-directed support offer, and the opportunity to align the two DP services to create an integrated service for both CYPE and ASCH was suggested. The development of a 'whole council approach' to delivering DP services was supported in principle due to potential advantages such as cost efficiencies and a smooth transition between CYPE and ASCH.

Some of the service elements being scoped by ASCH align with the Direct Payment Support Services for Children and Young People. A potential joint commissioning exercise has emerged, which could offer KCC better value for money and create greater cohesion across services.

There is currently insufficient information available about ASCH's future trajectory and therefore, Children's Commissioners cannot make an informed recommendation about whether this option is viable. More time is required to sufficiently scope and engage the market to ascertain if aiming for an integrated service in Kent is feasible.

### **Financial Implications**

The costs for the contract are funded from the Children's Disability 0-18 Commissioning Revenue Budget, with the increase relating to inflationary pressures, to be identified as part of the medium-term financial plan.

The cost of delivering the service over the five-year period, 1 April 2018 – 31 March 2024 is £2,015,087

### **Legal implications**

Direct Payments for parents or carers of disabled children are a statutory duty under the Children Act 1989 as amended by Sections 17A (inserted by the Health and Social Care Act 2001) and 17B (inserted by the Carers and Disabled Children Act 2000)

Legal advice concluded that the Council has reasonable grounds to rely upon Regulation 72(1)(b) PCR 2015 to justify the extension beyond the optional extension periods already expressly provided in the contracts. This is on the basis that a change of providers cannot be made for economic or technical reasons and would cause significant inconvenience for the Council.

### **Equalities implications**

An equality impact assessment has been undertaken and no issues have been identified at this stage. The equality impact assessment shall be kept under constant review as this project continues.

### **Other Alternatives Considered and risks if decision isn't taken.**

The contract will end on the 31 March 2024 and alternative arrangements for the ongoing administration, and support, for Children Young People and Education Direct Payments will need to be developed. Currently there is no internal team that undertake this work for Children and Young People Direct Payments and there is a substantial risk that the Authority will not meet its obligations.

### **Cabinet Committee recommendations and other consultation:**

**The Children's and Young People Cabinet Committee consider the decision on (date)**

**Any alternatives considered and rejected:**

Option 1: Do nothing. The Direct Payment Support Service contract will cease on the 31 March 2024 and CYPE will have to make alternative plans for the administration and support for CYPE Direct Payments. Currently there are no arrangements in CYPE to undertake this function and it would not be possible to develop in-house capacity within the timeframe. This option is discounted.

Option 2: CYPE Commission the Direct Payment Support Service independently of ASCH. There may be a missed opportunity for an integrated service, and lost economies of scale due to separate procurement activity. This option is discounted.

**Any interest declared when the decision was taken and any dispensation granted by the Proper Officer:**

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signed

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date