

Part 2 Specification

Contract Reference

TCSC6222

Contract Title

**Standing List of Providers of Children's
Direct Payments (Payroll/Managed
Account) Service**

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A Overall Scope and Nature of the Requirement

- A1.1 Torbay Council's Children's Services' Direct Payments (DP) Service is seeking a payroll and managed service, to provide assistance to approximately 106 disabled service users, who employ their own staff.
- A1.2 Direct Payments are Social Care and Health payments for people who have been assessed as needing help from Children's Services, and who would like to arrange and pay for their own care and support services instead of receiving them directly from the Local Authority.
- A1.3 The intention of this tender process is to establish a Standing List of Providers of Children's Direct Payments (Payroll/Managed Account) Service, available for people to use, if they choose to do so.
- A1.4 **Applicants should please note that the Local Authority can only recommend the service providers placed on the List, to current and future service users.** But it is each service user's own decision on which payroll and managed service provider they wish to use. Therefore, business use cannot be guaranteed to the successful Applicants appointed to this Standing List.
- A1.5 The Standing List is likely to be re-opened during its lifespan, to enable new Providers to apply to join the List. New Applicants will have to follow the same Tender process in order to be selected for a place on the Standing List.

B Mandatory Pass / Fail Requirements

This section sets out the Authority's mandatory requirements for the successful Applicant to perform the Contract.

Evidence requirements are as set out in Part 5 Mandatory Criteria.

B1 Not Used

B2 Safer Recruitment

B2.1 To ensure the Service creates a safer recruitment culture for clients and staff, the following are mandatory requirements:

- a) At least one member of each interview panel must have undertaken safer recruitment training;
- b) The Provider must have effective procedures in place, that are regularly updated and communicated to staff;
- c) The Provider must set a code for acceptable standards of behaviour for all staff and ensure this is effectively communicated to staff;
- d) The Provider must take seriously all concerns that are raised;
- e) The Provider must, on an ongoing basis, increase awareness and commitment to safeguarding across its organisation.

B3 Data Protection, Information Sharing and Information Security

B3.1 The data collection/processing requirements in respect of this Contract are set out in the table below:-

Role of Supplier	Data Processor acting on behalf of the Council in respect of the processing of Contract Personal Data described below.
Subject matter of the processing	Processing of the Contract Personal Data in connection with the provision of the Services.
Duration of the processing	For the duration of the Contract.
Nature and purpose of the processing	The purpose of the processing is to ensure that families utilising the Direct Payment scheme are able to pay for their own care and support services outlined in a care plan.

	The Provider will be processing personal data of Torbay Council's families who are utilising the Direct Payments Service and the personal data of the workers being paid to support those families.
Type of personal data processed	Names Dates of birth National Insurance Numbers Address Contact Details Bank Account Details Finance Details
Categories of data subjects	Professionals providing a service Service users
The means of processing the data	Applicants are to provide details within their Part 5 Mandatory Criteria response.
Rights and obligations of the controller	As described in the Contract dated [date].
Approved sub-processors and in each case: • Nature and purpose of processing • Location of processing	N/A
Details of approved international transfers of Contract Personal Data together with details of approved transfer mechanisms	N/A
Details of the technical and organisational measures in place to protect contract personal data	Applicants are to provide details within their Part 5 Mandatory Criteria response.

B3.2 To ensure protection for the rights and freedoms of data subjects:

- a) The Council's data must not be transferred to a country or territory

outside the European Economic Area unless that country or territory ensures an adequate level of protection for the rights and freedoms of data subjects in relation to their personal data;

- b) The successful applicant will be required to comply with any changes in data protection legislation.

B4 Climate Emergency

On 24 June 2019, Torbay Council declared a 'Climate Emergency' and are committed to helping to tackle climate change and to become carbon neutral by 2030. We want to ensure the environmental impact of the Council's procurement of goods, services and works is minimised in line with our response to the climate emergency.

B4.1 The Council's expectation is that it's Providers:

- a) know the impact their organisation has on the environment;
- b) have an environmental policy which embeds a culture of reducing negative environmental impacts within their organisation;
- c) ensure their environmental impact is measured, regularly reported and overseen at the highest level;
- d) specifically in relation to this Contract are able to outline how carbon emissions will be minimised, with a clear action plan outlining the work to be undertaken focussing on the biggest impacts, with key targets and timelines to the actions to be undertaken, for example:
 - if travel is used, mileage is reduced. For the miles that are unable to be reduced more environmentally friendly ways to travel are used;
 - if buildings are used, environmental building survey(s) have been undertaken and any negative environmental impacts are mitigated / reduced;
 - if purchasing new vehicles low emission alternatives are considered/
- e) work with their supply chain to know the environmental impact of the goods / services they purchase and mitigate / reduce negative impact, where the negative impact is not able to be reduced offset the impact;
- f) work towards their organisation being Carbon Net Zero by 2030.

B5 Not Used

B6 Health and Safety

- B6.1 All Provider staff who undertake work on behalf of the Council are required to fully comply with their legal duties under health, safety and welfare legislation while at work to ensure the health and safety of themselves and others that may be affected by their acts or omissions.
- B6.2 In recognition of the legal duties imposed upon them all Providers and those Provider staff undertaking work on behalf of the Council under this Contract will:
- a) co-operate with the Council's Director Responsible for Health and Safety, Managers, Supervisors, Corporate Health and Safety Department and their own Employer to enable them to comply with their legal duties;
 - b) comply with ALL requirements of the Council's Health and Safety Policies and other rules and procedures in place;
 - c) not intentionally or recklessly interfere with or misuse anything provided in the interests of health and safety;
 - d) actively promote a positive health and safety culture;
 - e) only undertake work for which they have been trained and are qualified and competent to undertake;
 - f) where applicable, ensure that risk assessments and method statements relating to their work are presented to the Council's authorised officer, prior to commencement of work, if they are not following the Safe System of Work provided by Torbay Council.
- B6.3 The Council's Health & Safety Policy Statement can be found at Appendix F.

B7 Invoicing

- B7.1 The Council will pay the appropriate Provider for each individual direct payment. These sums include account managements and payroll if they are managed accounts.
- B7.2 Payments will be by BACS weekly and remittance advices will be emailed to the Provider (the Provider's appropriate email address must be supplied).
- B7.3 There are instances where funds have to be repaid to the Council, for example if the direct payment is not being used. On these occasions, the Council will raise an invoice for the specified amount.
- B7.4 The debtor invoice is made payable to Torbay Council and must be marked with Torbay Council's name and address, the Provider's name and address and the Council's official purchase order number.
- B7.5 The invoice must be submitted by e-mail to: **invoices@torbay.gov.uk**.
- B7.6 The invoice must contain a full breakdown of costs and must match the agreed pricing stated on the final quotation and official purchase order.

- B7.7 The Council's settlement terms are 30 days from the date of an undisputed invoice, or receipt of goods or service, whichever is the later.
- B7.8 Disputed parts of invoices and invoices not bearing purchase order numbers will not be paid and a corrected invoice will be required.

B8 Not Used

B9 Disaster Recovery and Business Continuity Plans

- B9.1 The Provider is required to submit a Disaster Recovery and Business Continuity Plan for the Council's approval within three months of the contract start date.
- B9.2 As a minimum the Disaster Recovery and Business Continuity Plan should address the following:
- a) Loss of professional registrations / accreditations, specifically regarding the Payroll element of this service
 - b) Destruction or loss of computer data and/or hardware
 - c) Any other reasonably foreseeable event that could prevent the delivery of the contract in full or in part
 - d) Any changes to relevant legislation.
- B9.3 The Provider is required to review the Disaster Recovery and Business Continuity Plan and submit an updated Plan to the Council for approval on an annual basis.

B10 Exit Management

- B10.1 The Provider is required to submit an Exit Management Plan for the Council's approval within three months of the contract start date.
- B10.2 As a minimum the Exit Management Plan should address the following:
- a) Transfer of data held by Provider to Torbay Council, and/or destruction of data held with proof to Torbay Council
 - b) Bank accounts held to be closed down and monies in that specific account(s) transferred back to Torbay Council
- B10.3 The Provider is required to review the Exit Management Plan and submit an updated Plan to the Council for approval on an annual basis.

B11 Not Used

B12 Contract Specific Requirements: HMRC Financial Regulations

HMRC Financial Regulations

The successful Applicant will be required to ensure that they operate in line with HMRC's Financial Regulations and the Financial Conduct Authority and/or the Charity Commission, as far as having procedures in place for the protection of Council payments.

B13 Contract Specific Requirements: Complaints Policy and Procedures

The successful Applicant will be required to demonstrate that they have an up-to-date Complaints Policy and Procedures.

C Core Requirements

This section sets out the Authority's core requirements for this Contract, which Applicants are required to demonstrate within their response that they are capable of meeting.

The successful Applicant(s) must provide a robust overall payroll service to include the following under Sections C1 to C2 of the Core Requirements.

- C1.1 The Direct Payments Service needs to provide assistance and provision of all aspects of payroll including holding managed accounts where required, managing pension auto enrolment and dealing with the Inland Revenue.
- C1.2 The Direct Payments Service will be the first point of contact for all payroll queries which may include but not be limited to over/underpayments, agreed working hours and timesheets.
- C1.3 The Direct Payments Service needs to keep up to date, accurate records for audit purposes. All information will be held securely, will be confidential and the provider is able to assure the Local Authority that they adhere to current data protection legislation. The provider will be required to sign a data processing agreement as part of this contract.

C2 Self-managed Accounts

- C2.1 Self-managed accounts are specific to when service users opt to manage their own account and therefore, the Provider(s) would only be managing the payroll aspect on their behalf for this particular requirement.
- C2.2 Once it has been identified that a service user will be opting for a self-managed account, Torbay Council will provide the Provider with a bank details form (for the employee(s)) and a Written Agreement.
- C2.3 The Written Agreement will be between the Council and the service user; however, it will include what the hourly rate of pay will be for the carer(s), how many hours the carer is expected to work and the proportion of funds that will be ring-fenced for the management of the payroll payable to the Provider as detailed in Section B7.
- C2.4 The Provider(s) will be expected to undertake the following in regards to a self-managed account:
- C2.5 Assist service users in the process of paying for their own care and support services.
- C2.6 The Provider will be expected to provide service users with their own payroll starter pack which is to include:

- Form FB12 (HMRC form authorising payroll provider to use PAYE online services).
- Form 64-8 (HMRC form authorising payroll provider to act as agent dealing with them on tax matters).
- P46/starter checklist

- C2.7 Act as an agent and assist service users with their monthly and tax-year end HMRC forms.
- C2.8 Liaise closely with the Direct Payments Officer for Torbay Council.
- C2.9 Provide payslips to enable service users to pay their carers' wages, to calculate any tax and National Insurance Contributions that may be due as well as providing P60s.
- C2.10 Provide advice on Pension Auto Enrolment and re-enrolment by giving assistance and guidance on form completion and submission.
- C2.11 The service users will provide the Provider with timesheets which record hours worked by the carer to evidence the monies payable to that particular carer.
- C2.12 Provide assistance with calculating holiday entitlement.
- C2.13 Provide assistance and advice to the service user with regards to all aspects of payroll.
- C2.14 Provide links to relevant downloadable FB12 and 64-8 Forms.
- C2.15 Maintain personal data in accordance with current data protection legislation, including the General Data Protection Regulation (GDPR) and the Data Protection Act 2018.

C3 Managed Accounts

- C3.1 This section refers to when a service user opts to have their account fully managed by the Provider.
- C3.2 Once it has been identified that a service user will be opting for a managed account, Torbay Council will provide the Provider with a bank details form (for the employee(s)) and a Written Agreement.
- C3.3 The Written Agreement will be between the Council and the service user; however, it will include what the hourly rate of pay will be for the carer(s), how many hours the carer is expected to work and the proportion of funds that will be ring-fenced for the management of the payroll payable to the Provider as detailed in Section B7.
- C3.4 The Provider(s) will be expected to undertake the following in regards to a managed account:

- C3.5 Manage service users Direct Payment account with the Authority to pay carers' wages or agency invoices, ensuring payments are in line with the written agreement.
- C3.6 Open a bank account on behalf of requesting service users within 4 weeks of the request.
- C3.7 Receive, hold funds, and make all payments on the service user's behalf including milage and expenses where applicable.
- C3.8 Acting as an agent, make all necessary payments to HMRC.
- C3.9 Manage Auto Enrolment Pensions and re-enrolment with the Pension Regulator.
- C3.10 Purchase the service user's preferred level of employer's liability insurance with their identified preferred provider on their behalf.
- C3.11 Acting as an agent, be responsible for the balance on the account, only making payments in line with what is specific in the written agreement.
- C3.12 Issue P45s where a carer employment ceases.
- C3.13 Monitor timesheets on submission to ensure they are in line with the written agreement.
- C3.14 Ensure that timesheets have been authorised by the Direct Payments recipient.
- C3.15 Maintain information held under GDPR.
- C3.16 Reconcile all managed accounts.
- C3.17 Notify the Direct Payments Officer of any inactivity on the account for periods of over three months.
- C3.18 Process redundancy and lay off clause in line with employment law.
- C3.19 Assist with regular audits of accounts and payments made.
- C3.20 Payroll fees are included in the weekly Direct Payment and are paid directly into the recipient's/managed account. Payroll fees include:
 - a) Payroll set up fee
 - b) Managed account/payroll only weekly fee
 - c) Additional Personal Assistants fee
 - d) Pension Auto Enrolment Management Fee
 - e) Year End fee
- C3.21 Through the current service, approximately £576,000 is handled per annum. This figure should be used as an approximate indication of how much may expect to be handled, however, Applicants should not automatically expect this.

C4 Contract and Performance Review Requirements

- C4.1 The successful Applicants must adhere to a schedule for regular service reviews with the Authority, to be agreed upon Award of a place on the Standing List, but which must be held a minimum of once annually.
- C4.2 The successful Applicants will liaise on a regular basis (to be agreed upon Award of a place on the Standing List), with the Authority's Direct Payments officer to review accounts, activity, expenditure and to consider possible reclaims by the Authority.
- C4.3 Management Information in a format to be agreed upon Award of a place on the Standing List (e.g., Microsoft Excel), will be supplied by the successful Applicants, in line with scheduled service reviews (as above).
- C4.4 Minutes of all reviews / discussions will be recorded by the Direct Payments Officer and/or the Direct Payments Audit Officer.
- C4.5 The successful Applicants will have a robust complaints procedure in place which will lend itself to developments in service improvement.

D Additional Requirements

D1 Further Services Offered

In addition, Applicants will be expected to suggest as part of its response to the Evaluation Questions any additional products or services that they may be able to offer as part of this Contract or any other added value that their offer might be able to bring to the Authority. Applicants are expected to build any such offers into their submissions regardless of whether specific questions are asked along these lines or not.

E Not Used

F Scope and Nature of Possible Modifications or Options

F1 Permitted Changes

- F1.1 Changes to the Contract shall be made only where such a Change is
- (a) permitted by the Public Contracts Regulations 2015, Regulation 72(1)(b) to (f); or
 - (b) is in accordance with the permitted changes set out in the Change Control Schedule of the Contract; or
 - (c) is explicitly referred to in section F2 below.

F2 Potential Changes or Modifications

- F2.1 The Authority has identified the following specific changes or modifications, some or all of which may occur over the life of the Contract:
- (a) To move the service onto the pre-paid cards system. This will be dependent on relevance and financial viability. In the instance that pre-paid cars are introduced, there will not be increase in the cost of the overall service.