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Planning

## **Functional Assessment Services (FAS) 2023**

Department for Work and Pensions

F01: Prior information notice

Prior information only

Notice identifier: 2021/S 000-023389

Procurement identifier (OCID): ocds-h6vhtk-02e2d0

Published 20 September 2021, 10:45pm

### **Section I: Contracting authority**

#### **I.1) Name and addresses**

Department for Work and Pensions

1 Hartshead Square

Sheffield

S1 2FD

#### **Email**

[fas.procurement@dwp.gov.uk](mailto:fas.procurement@dwp.gov.uk)

#### **Country**

United Kingdom

#### **NUTS code**

UK - United Kingdom

#### **Internet address(es)**

Main address

<https://www.gov.uk/government/organisations/department-for-work-pensions>

### **I.3) Communication**

Additional information can be obtained from the above-mentioned address

### **I.4) Type of the contracting authority**

Ministry or any other national or federal authority

### **I.5) Main activity**

Health

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## **Section II: Object**

### **II.1) Scope of the procurement**

#### **II.1.1) Title**

Functional Assessment Services (FAS) 2023

#### **II.1.2) Main CPV code**

- 85000000 - Health and social work services

#### **II.1.3) Type of contract**

Services

#### **II.1.4) Short description**

DWP requires a range of functional health assessments. Functional health assessments help by providing advice to DWP Decision Makers to determine eligibility for a range of benefits paid to claimants. Currently, this primarily focuses on Personal Independence Payment (PIP), Employment and Support Allowance (ESA), and Universal Credit (UC).

In July 2020, the Department published a VEAT notice advising the market of its

intention to extend the current PIP and Health and Disability Assessment Services (HDAS) contracts for up to 24 months. This was a result of the impact of Covid-19 on the procurement planned for 2020.

The Department intends to procure Functional Assessment Service (FAS) contracts from 1st August 2023, to provide functional health assessments through a single supplier in each geographical Lot. This is part of the Department's long term plans to transform health assessment services by creating an integrated health assessment service.

Current functional health assessments primarily help to determine eligibility for PIP, ESA, and UC. These benefits may be subject to future changes in Government policy.

As a result of the Government's commitment to improving support for disabled people and people with health conditions, there is the possibility of changes in Government policy relating to delivery and scale of health assessment services during the life of the FAS contracts. Suppliers will hold a partnership role in any reforms and the FAS contracts will be structured to facilitate change, including impacts on volumes and service design.

In March 2020, as part of the Government's long term plans to transform health assessment services, we announced that the Department will initially develop the new single integrated Health Assessment Service (HAS), supported by a single digital platform developed by DWP, on a small scale in a controlled environment known as the Health Transformation Area (HTA). The first site in the HTA launched in London in April 2021. This approach recognises that our claimants include some of the most vulnerable in society and it is critical that we carefully

develop the new integrated HAS.

The HTA will provide a safe environment to test and adapt HAS, whilst learning from new ideas and processes. Our intention is to roll out the HAS and associated learning on a greater scale into pre-defined areas of the country during the life of the FAS contracts, ahead of full roll out into Next Generation contracts. Further details on the HTA and its impact on FAS will be provided in due course.

#### **II.1.5) Estimated total value**

Value excluding VAT: £2,277,500,000

#### **II.1.6) Information about lots**

This contract is divided into lots: Yes

The contracting authority reserves the right to award contracts combining the following lots or groups of lots:

To be confirmed

### **II.2) Description**

#### **II.2.1) Title**

Functional Assessment Services (FAS) 2023

Lot No

To be confirmed

#### **II.2.2) Additional CPV code(s)**

- 85000000 - Health and social work services

#### **II.2.3) Place of performance**

NUTS codes

- UK - United Kingdom

#### **II.2.4) Description of the procurement**

The Department intends to procure Functional Assessment Service (FAS) contracts from 1st August

2023, to provide functional health assessments through a single supplier in each geographical Lot.

Functional health assessment providers support the payment of welfare benefits to some of the

most vulnerable in our society. Functional health assessments currently assess eligibility for

Employment and Support Allowance (ESA), Universal Credit (UC) and Personal Independence Payment

(PIP); focusing on needs arising from a condition rather than the condition itself. These assessments

are only one part of the evidence that the DWP Decision Maker will consider and decisions on

assessment criteria and benefit entitlement will rest with the DWP Decision Maker alone on behalf of

the Secretary of State.

PIP is a DWP benefit intended to compensate for some of the extra costs of those who have long

term ill-health or disabilities. It is available to people whether they are in work, training, education

or not, it is tax-free and is not means tested. PIP also acts as a gateway to other benefits and

support in both DWP administered benefits. Most notably, additional premia in ESA or Carer's

Allowance and also wider services, including the Motability scheme and Local Authority services,

such as the Blue Badge Scheme. Approximately 900,000 assessments are carried out annually under

the current PIP contract (data from 2017/18).

Work Capability Assessments (WCA) currently assess eligibility for ESA and UC. A smaller number of

other assessments assess eligibility to a range of benefits delivered by DWP and other Government

Departments. Approximately 1 million WCA and a minimum of 100,000 other assessments are

carried out annually under the current Health Disability Assessment Services (HDAS) contract (data

from 2017/18).

HDAS and PIP assessment services are currently delivered through separate contracts by separate

suppliers. FAS will deliver both assessment services through one contract with a single supplier, in

each geographical Lot.

DWP will procure a Functional Assessment Service across England and Wales. We are currently working with colleagues in the Department for Communities in Northern Ireland to understand their future commercial requirements. The Department for Communities for Northern Ireland have confirmed Northern Ireland is in scope for these contracts. We will be procuring Work Capability Assessments and some other

assessments in Scotland, the Scottish government will take responsibility for administering a

replacement for PIP assessments from 2022.

We anticipate the use of geographical lotting and will share further details on the structure of these lots at a later date. We anticipate the use of 5 geographical Lots, Lots 1-4 in Great Britain and Lot 5 in Northern Ireland. Further details on the structure of the Lots will be made available during future market engagement.

Contract length and value to be confirmed in due course. Contract length is anticipated to be 5 years with the possibility of a 2-year extension and value will be confirmed in due course.

Our current working assumption is that DWP will provide IT Digital Services (through a managed

service), this approach is to be confirmed in due course.

DWP's approach to the provision of Estate will be confirmed in due course.

### Supplier Event Details

We intend to hold a virtual supplier event on 30th April (further details will be provided in due course).

We intend to hold the following virtual supplier events:

On 29/09/2021 we will hold a session specifically on the proposed payment model for FAS.

On 19/10/2021 we will hold a pre-ITT launch event (further details will be provided in due course). The session will provide information regarding our service requirements, proposed commercial approach and our transformation aspirations.

On 19/11/2021 we will hold a post-ITT briefing event (further details will be provided in due course).

We would request that organisations determine

### **II.3) Estimated date of publication of contract notice**

12 November 2021

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## **Section IV. Procedure**

### **IV.1) Description**

#### **IV.1.8) Information about the Government Procurement Agreement (GPA)**

The procurement is covered by the Government Procurement Agreement: Yes

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## Section VI. Complementary information

### VI.3) Additional information

This service relates to “social and other specific services” listed in Schedule 3 to the Public Contracts

Regulations 2015 (as amended) (PCR) and is therefore subject to the ‘light touch regime’ in accordance

with Chapter 3, Section 7 of the PCR (Regulations 74 to 77).

This PIN is being published for information purposes only (under Regulation 48) in order to notify potential

bidders of the supplier events detailed in section II.2.4 above and proposed procurement opportunity that will be set out in

the Contract Notice, anticipated to be issued in early Summer 2021 Autumn 2021. DWP is still in the planning phases of

this proposed procurement. All information set out in this PIN, including the nature and extent of the

services, as well as the timing and nature of the proposed procurement, could be subject to change.

DWP is not liable for any costs incurred by potential bidders in expressing an interest or in participating in

the supplier event. DWP reserves the right to cancel or change the market engagement event and/or the

proposed procurement (or any part of it) at its discretion.

DWP expressly reserves the rights(i)to use a reverse auction; (ii)to cancel this procurement at any stage;

(iii)to not award any contract as a result of the procurement process commenced by publication of this

notice; (iv)and in no circumstances will DWP be liable for any costs incurred by potential suppliers.

## Suppliers Instructions:

### How to Express Interest in this Tender:

1. Register on the eSourcing portal (this is only required once):

<https://dwp.bravosolution.co.uk> & click the link to register - Accept the terms & conditions & click

'continue' - Enter your correct business & user details - Note your chosen username & click 'Save'. You will

receive an email with your password (keep this secure)

2. Express an Interest in the tender - Login to the portal with the username/password - Click the 'PQQs /

ITTs Open To All Suppliers' link. (These are Pre-Qualification Questionnaires or Invitations to Tender open

to any registered supplier) - Click on the relevant exercise to access the content. - Click the 'Express

Interest' button at the top of the page. - This will move the PQQ /ITT into your 'My PQQs/ My ITTs' page.

(A secure area reserved for your projects only) -You can now access any attachments by clicking 'Buyer

Attachments' in the 'PQQ/ ITT Details' box

3. Responding to the tender - Click 'My Response' under 'PQQ/ ITT Details', you can choose to 'Create

Response' or to 'Decline to Respond' (please give a reason if declining) - You can now use the 'Messages'

function to communicate with the buyer and seek any clarification - Note the deadline for completion.

Follow the onscreen instructions to complete the PQQ/ ITT - There may be a mixture of online & offline

actions to complete (detailed online help available). To submit your reply use the 'Submit

Response' button

(top of the page).

4. Gaining access to the tender Data Room (which will contain key information relating to this tender)– Following expression of interest, a non-disclosure agreement (NDA) will be shared to your nominated point of contact via Jaggaer or email. This NDA must be reviewed, signed and returned to DWP. Once the NDA has been signed by your representative and DWP, access will be granted to the tender Data Room.

For further assistance, please consult the online help, or the eTendering help desk.

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notice; (iv)and in no circumstances will DWP be liable for any costs incurred by potential suppliers.