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Contract

## **Personal Independence Payment (PIP) Assessment Service - Contract Extension - Lot 4**

Department for Work and Pensions acting for and behalf of the Department for Communities (DfC) formerly the Department for Social Development (DSD) in Northern Ireland

F20: Modification notice

Notice identifier: 2023/S 000-026497

Procurement identifier (OCID): ocds-h6vhtk-03fadf

Published 7 September 2023, 2:47pm

### **Section I: Contracting authority/entity**

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

Department for Work and Pensions acting for and behalf of the Department for Communities (DfC) formerly the Department for Social Development (DSD) in Northern Ireland

Hartshead Square

Sheffield

S1 2FD

**Email**

[healthtransformation@communities-ni.gov.uk](mailto:healthtransformation@communities-ni.gov.uk)

**Country**

United Kingdom

**Region code**

UK - United Kingdom

**Internet address(es)**

Main address

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

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## **Section II: Object**

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

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

Personal Independence Payment (PIP) Assessment Service - Contract Extension - Lot 4

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

- 85000000 - Health and social work services

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

Services

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

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

NUTS codes

- UK - United Kingdom

#### **II.2.4) Description of the procurement at the time of conclusion of the contract:**

The objective and independent assessment of the impact of health conditions and disabilities on claimants is central to the process of determining entitlement to PIP. The provider will carry out this assessment and provide information and advice to support the Authority's decision-making processes.

The key elements of the service will include:

- The consideration of a claimant's health conditions or disabilities and the impact on their daily life and mobility,
- Assessing individuals against criteria prescribed by the Authority,
- The delivery of Consultations to support the above,
- The gathering and consideration of evidence to support the above including, where necessary, paying appropriate fees for evidence,
- The completion of reports, including advice, to the Authority,
- The referral of assessment reports and any associated evidence to the Authority,

- Interpretation and advice to the authority on technical evidence,
- Follow up liaison with the Authority in relation to assessments, including the provision of relevant health professional expertise as required,
- The administration and management of the service, including scheduling of Consultations, ensuring that they are completed within timescales set down by the Authority,
- The recruitment, training and ongoing support of Health Professionals, including liaison with relevant professional bodies,
- The development of guidance and training in conjunction with the Authority,
- The provision of an enquiry service for individuals being assessed,
- The provision of a quality control regime, including a complaints function,
- The provision of management information as defined by the Authority,
- Initiatives and liaison with relevant organisations to support the provision of evidence,
- Liaison and collaborative working with local and national partners, including disability organisations, health professional bodies and the devolved administrations.

#### **II.2.7) Duration of the contract, framework agreement, dynamic purchasing system or concession**

Start date

20 November 2012

End date

1 March 2024

#### **II.2.13) Information about European Union Funds**

The procurement is related to a project and/or programme financed by European Union funds: No

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## **Section V. Award of contract/concession**

### **Contract No**

UI\_DWP\_100432

### **V.2) Award of contract/concession**

#### **V.2.1) Date of conclusion of the contract/concession award decision:**

20 November 2012

#### **V.2.2) Information about tenders**

The contract/concession has been awarded to a group of economic operators: No

#### **V.2.3) Name and address of the contractor/concessionaire**

Capita Business Services UK Ltd

London

Country

United Kingdom

NUTS code

- UK - United Kingdom

National registration number

02299747

The contractor/concessionaire is an SME

No

#### **V.2.4) Information on value of the contract/lot/concession (at the time of conclusion of the contract;excluding VAT)**

Total value of the procurement: £152,355,524

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## Section VI. Complementary information

### VI.3) Additional information

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).

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

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.

### VI.4) Procedures for review

#### VI.4.1) Review body

Department for Work and Pensions

London

Country

United Kingdom

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## **Section VII: Modifications to the contract/concession**

### **VII.1) Description of the procurement after the modifications**

#### **VII.1.1) Main CPV code**

- 85000000 - Health and social work services

#### **VII.1.3) Place of performance**

NUTS code

- UK - United Kingdom

#### **VII.1.4) Description of the procurement:**

The objective and independent assessment of the impact of health conditions and disabilities on claimants is central to the process of determining entitlement to PIP. The provider will carry out this assessment and provide information and advice to support the Authority's decision-making processes.

The key elements of the service will include:

- The consideration of a claimant's health conditions or disabilities and the impact on their daily life and mobility,
- Assessing individuals against criteria prescribed by the Authority,
- The delivery of Consultations to support the above,
- The gathering and consideration of evidence to support the above including, where necessary, paying appropriate fees for evidence,
- The completion of reports, including advice, to the Authority,
- The referral of assessment reports and any associated evidence to the Authority,
- Interpretation and advice to the authority on technical evidence,
- Follow up liaison with the Authority in relation to assessments, including the provision of relevant health professional expertise as required,

- The administration and management of the service, including scheduling of Consultations, ensuring that they are completed within timescales set down by the Authority,
- The recruitment, training and ongoing support of Health Professionals, including liaison with relevant professional bodies,
- The development of guidance and training in conjunction with the Authority,
- The provision of an enquiry service for individuals being assessed,
- The provision of a quality control regime, including a complaints function,
- The provision of management information as defined by the Authority,
- Initiatives and liaison with relevant organisations to support the provision of evidence,
- Liaison and collaborative working with local and national partners, including disability organisations, health professional bodies and the devolved administrations,

**VII.1.5) Duration of the contract, framework agreement, dynamic purchasing system or concession**

Start date

20 November 2012

End date

6 September 2024

**VII.1.6) Information on value of the contract/lot/concession (excluding VAT)**

Total value of the contract/lot/concession:

£152,355,524

**VII.1.7) Name and address of the contractor/concessionaire**

Capita Business Services Ltd

London

Country

United Kingdom

NUTS code

- UK - United Kingdom

National registration number

02299747

The contractor/concessionaire is an SME

No

## **VII.2) Information about modifications**

### **VII.2.1) Description of the modifications**

Nature and extent of the modifications (with indication of possible earlier changes to the contract):

Extension of contract term by additional 6 months until 06.09.2024 due to an ongoing procurement process.

The Department for Work and Pensions (DWP) led Functional Assessment Services (FAS) procurement, based on 5 geographic Lots (Lot 5 in Northern Ireland), was launched on 12 November 2021. FAS will replace the services currently provided by the MSS and PIP contracts.

On 15 March 2023, DWP notified FAS bidders of the outcome of the procurement in Lots 1, 2, 4 and 5. Procurement activity in Lot 3 (Southwest England) continues, resulting in a DWP and DfC agreement to delay contract signature in all Lots to support full alignment in FAS transition to 'go-live' in 2024. DfC has a number of dependencies on DWP to enable it to comply with key Authority obligations in relation to FAS Lot 5 service delivery.

It is anticipated that the completion of the FAS procurement exercise in Lot 3 will result in a 6-month delay in the contract signature for Lot 3 and consequently in Lots 1, 2, 4 and 5.

Without an extension there would be a service provision gap, adversely impacting PIP customers and resulting in a failure of DfC to meet its statutory obligations. Furthermore, the absence of continuity in service provision would put at significant risk a vulnerable group of PIP recipients and create further hardship and disadvantage.

### **VII.2.2) Reasons for modification**

Need for additional works, services or supplies by the original contractor/concessionaire.

Description of the economic or technical reasons and the inconvenience or duplication of cost preventing a change of contractor:

DfC considers Regulation 72(1)(b) PCR 2015 applicable. For the reasons in VII.2.1) above, the provision of additional services until 6 September 2024 has become necessary and:

(i) interchangeability issues with a new supplier means these key services could be negatively impacted for technical and economic reasons. The implementation of the contract currently being procured will necessitate a lengthy handover period and make it impossible to introduce a new provider for a short extension period, as this would risk delivery of these services which provide critical statutory benefits to vulnerable people;

(ii) appointing a new supplier to cover a short extension period (which DfC does not consider viable) whilst an incumbent is engaged in handover to a new FAS supplier, would result in significant duplication of costs and a loss of value for money for the taxpayer;

(iii) the value of the contract for the extended period does not exceed 50% of value of original contract

### **VII.2.3) Increase in price**

Updated total contract value before the modifications (taking into account possible earlier contract modifications, price adaptations and average inflation)

Value excluding VAT: £152,355,524

Total contract value after the modifications

Value excluding VAT: £163,461,524