Department for Work & Pensions

Address: Finance Group | Department for Work and Pensions | 5th Floor, Caxton House, Tothill Street, London SW1H 9NA

Website: www.dwp.gov.uk

Date: 18 August 2020

(REDACTED)
Capita Business Services Limited
(REDACTED)
(REDACTED)
(REDACTED)

Dear (REDACTED),

Personal Independence Payments (PIP) Assessment Service Lot 2

Contract Reference: UI_DWP_100430

Subject: COVID-19 Service Impact – Face to Face Reintroduction

I am writing to you to set out how we intend to ensure contractual support for any reintroduction of face to face consultations, following on from the plan you submitted for our consideration on 9 July 2020. Capitalised terms in this letter shall, where applicable, have the meaning given in the contract variation related to Provider relief due to Covid 19 in accordance with Public Procurement Policy Notes 02/20 and 04/20 (the "**PPN Contract Variation**") which is currently being finalised.

As per the email you received from the Department on 30th July 2020, we intend to work with you on a plan to reintroduce face to face consultations within your delivery model from 1st October 2020 taking a phased roll out approach. We continue to impact the costs within the plan you submitted and our response on these will be dealt with via separate correspondence.

Consistent with Stage 2 of the PPN Contract Variation, we want to ensure you have sufficient notice to support the necessary implementation and preparation activity. We trust that this is welcomed and provides the opportunity for us to work together to mobilise the necessary preparation work to be able to meet the planned 1st October 2020 date.

Our email to you on 30th July also detailed three separate piece of work we welcome your support in developing, in order to put in place appropriate guidance in relation to:

- Who is invited back to a face to face assessment
- What happens in a consultation / assessment room
- A claimant's attendance at a centre outside of a consultation / assessment room

We recognise that reintroducing face to face consultations during the Covid Relief Period may impact on areas such as Allowable Covid Costs and performance. You have submitted indicative costs to support your plan to reintroduce face to face assessments. Please accept this letter as confirmation that where costs are agreed and confirmed via separate correspondence, we expect those within the scope of Stage 2 of the PPN Contract Variation to be Allowable Covid Costs which you should then include in your

invoice returns. We acknowledge that your plans are indicative and as such may be subject to some change depending upon how the assumptions you made to arrive at the costings may alter based upon further guidance that we provide to you going forwards.

Whilst we do not expect the reintroduction of face to face consultations to negatively impact on your ability to meet the performance levels we have agreed for the Stage 2 period, we will work with you to consider any reasonable mitigations required with you as per the flexibilities we have included within the Stage 2 of the PPN Contract Variation. We would expect any potential mitigation requests to clearly demonstrate the impact on your ability to meet performance and what activity you have undertaken to best minimise the impact.

You have asked that we confirm how you should manage the impact of this request upon in-flight cases and how these will be paid for. I confirm that any cases where initial review has taken place before the date that Face to face Assessments are reintroduced, that the assessment should continue down the telephony/PBR route as identified by your initial review. After that date, and once initial review has been completed and when the relevant assessment centre is ready to be used to carry out face to face assessments, then the appropriate channel should be selected by Capita (PBR/F2F/TA). For cases that have been transferred to Capita from IAS, these cases should continue as a telephony assessment/PBR as identified by your initial review. With regard to the payment mechanism, payment under the cost plus model will continue as per the detail in Stage 2 of the PPN Contract Variation which has a target end date of October 31 2020. We will need to agree what the payment model is for assessments carried out after that date as part of the Transition Variation.

In order to reflect the change to the Services as currently defined in Stage 1 and 2 of the PPN Contract Variation Temporary Service Specification, we will include this letter in that variation prior to signature as a complete record of requirements within the Covid Relief Period. This change does not impact our Step In under Clause F10 of the contract nor does it constitute completion of Required Action. We expect to consider Step In as part of our exit from Covid 19 arrangements including the requirements and design of the Transition Variation. You will appreciate that this will be a complex piece of work which will develop alongside our building understanding of the impact of Telephone consultations and their role in future delivery. This work will no doubt set the framework for our contract extension discussions so it is important I stress we will not be looking to enter into extension discussions until such time we have gained final approval to extend, agreed PPN Contract Variation and made decisions on the services required as part of Covid exit in any Transition Variation. We appreciate your continued support as we work through these considerations.

In the circumstances we would be grateful if you could acknowledge the contents of this letter by return. Please treat the content of this letter as confidential.

Yours sincerely,

(REDACTED) (REDACTED)
(REDACTED) (REDACTED)