

Report of Benefits Manager

Report to: The Chief Officer Customer Services

Date: 21 June 2017

Subject: Contract Award – LCCITS2000279: eClaim for Housing Benefit, Council Tax Support and Free School Meals.

Are specific electoral wards affected? If relevant, name(s) of ward(s):	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Is the decision eligible for call-In?	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: 10.4 (3) Appendix number: 1- Detailed Price and Score Breakdown. Appendix 1 to this report has been marked as exempt under Access to Information Procedure Rules 10.4 (3) on the basis that it contains information relating to the financial or business affairs of any particular person (including the authority holding that information) which, if disclosed to the public, would, or would be likely to prejudice the commercial interests of that person or of the Council. The information is exempt if and for so long as in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information. In this case the report author considers that it is in the public interest to maintain the exemption.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

Summary of main issues

1. The former Chief Officer for Welfare & Benefits approved the procurement for an eClaim solution for Housing Benefit, Council Tax Support and Free School Meals on 15th March 2017.
2. Following a procurement exercise run in accordance with the Council's Contracts Procedure Rules and the Public Contract Regulations 2015, this report seeks approval to award a single supplier contract to IEG4 Ltd for the supply of an eClaim solution for Housing Benefit, Council Tax Support and Free School Meals.
3. The eClaim for Housing Benefit, Council Tax Support and Free School Meals includes:
 - Software
 - Support and Maintenance.
 - Training.

Recommendations

1. In line with Contract Procedure Rule (CPR) 18, the Chief Officer for Customer Services is requested to approve the award of a contract to IEG4 Ltd for a period of two years from 18 July 2017, with options to extend for three further periods of one year.

1 Purpose of this report

- 1.1 Following the evaluation of tenders received for an eClaim for Housing Benefit, Council Tax Support and Free School Meals, this report seeks approval to award a single supplier contract to IEG4 Ltd, Queens Court, Wilmslow Road, Alderley Edge, Cheshire SK9 7QD.

2 Background information

- 2.1 The contract is for an eClaim solution which includes:

- Housing Benefit, Council Tax Support and Free School Meals software.
- Support and Maintenance.
- Training.

- 2.2 As part of the Council's continued strategy for digital inclusion, minimising paper based applications for benefits is the key objective of this project. An online claim will increase the channel shift towards electronic claims and improve on the administration of Housing Benefit and Council Tax Support.

- 2.3 The need to implement an eClaim is further enhanced as Universal Credit rolls out nationally requiring claims to be made online. By ensuring the eClaim is an integral part of the claim process ahead of Full Service rollout will ensure a smooth transition for working age Housing Benefit customers.

- 2.4 The business case for an Eclaim is based on the strategy for channel shift alongside the Council's Transactional Web Service (TWS) project and the overall Customer Access Programme (CAP).

- 2.5 The benefits of using an eClaim will see a reduction in paper based claim forms which are currently broken down and scanned as an electronic image.

- 2.6 Introducing an eClaim ahead of the Universal Credit Full Service roll will also reinforce the culture of online claiming in readiness for full digital claims. It is likely that Community Hubs, One Stop Centres and the corporate Contact Centre will in the future have a support role in helping and directing customers to make online Universal Credit claims.

- 2.7 The duration of the contract awarded to IEG4 Ltd will be two years, with options to extend for a further three periods of one year. The estimated value of the contract for two years is £90,000.

- 2.8 The evaluation panel comprised of:

Jennifer Ellis – Benefits Manager

Jane McManus – Project Manager (Council Tax Support)

Jayne Ruddock – Section Manager

David Fryer – Section Manager

Graham Smith – Digital and Information Service

Grant Waring – Contractor (Security)

2.9 The following tenderers submitted a response to the Council's Invitation to Tender under the Public Contracts Regulations 2015:

- IEG4 Ltd
- Looking Local
- Victoria Forms

2.10 Tenders from Looking Local and Victoria Forms were rejected as they did not meet the minimum threshold for the qualification evaluation.

Main Considerations and reasons for contract award

2.11 The tender from IEG4 Ltd was evaluated on both quality and price.

2.12 The maximum amount of points available for quality was 500 and was subdivided with thresholds applied as follows:

	Method Statement	Assessment Method	Maximum Points Available	Minimum Score Threshold	Maximum Word Count /Page Limit
1	Question 1	PASS/FAIL	n/a	PASS	n/a
2	Question 2	Scored	50	30	500
3	Question 3	Scored	60	35	1000
4	Question 4	Scored	50	35	1000
5	Question 5	Scored	25	15	n/a
6	Question 6	Scored	50	25	1000
7	Question 7	Scored	65	40	1000
8	Question 8	Scored	75	50	2000
9	Question 9	Scored	25	15	250
10	Question 10	Scored	25	15	300
11	Question 11	Scored	65	35	800
12	Question 12	Scored	10	5	250

- 2.13 The points available for each method statement were related to how important that method statement was to the overall delivery of the contract.
- 2.14 Minimum overall quality thresholds were applied as set out in the table above.
- 2.15 IEG4 Ltd exceeded the minimum quality standards on all of the method statement questions.
- 2.16 The maximum amount of points available for price was 500.
- 2.17 For this tender, the price calculation was based on the tenderer with the lowest total price achieving the highest score available for price and the other tenders a reduced score based on calculating the percentage difference between them and the lowest price and deducting this percentage from the maximum score available.
- 2.18 The list of tenderers and the reason their tenders were not suitable, and the overall price and quality scores for IEG4 Ltd can be found in the Confidential Appendix 1.

3 Corporate considerations

3.1 Consultation and engagement

- 3.1.1 Consultation with key stakeholders was undertaken when the particular procurement route was chosen including:

- Digital and Information Service
- Senior Business Partner for Council Tax and Benefits

No consultation has taken place with key stakeholders as to whether the contract should be awarded to the winning bidder or not as this is determined by the evaluation of the tender received.

3.2 Equality and diversity / cohesion and integration

- 3.3 The Eclaim will support and help improve access to existing Council services and as such has no adverse effects on equality and diversity issues.

3.4 Council policies and best council plan

- 3.4.1 The award of the contract underpins the values in the Best Council Plan, in particular “becoming a more efficient and enterprising council”. In addition, the award of the contract supports the vision for Leeds 2011- 2030 to be the best city for Business.

3.5 Resources and value for money

- 3.5.1 A full procurement process has been undertaken in order to ensure that the council obtains best value for money.

3.6 The price submitted by IEG4 Ltd was lower than any pre tender estimate. In addition, the pricing was reviewed against those tenders that were rejected to confirm it represented value for money.

3.7 Legal Implications, access to information and call In

3.7.1 In line with the council's constitution the Chief Officer for Customer Services is authorised to make the decision to award this contract to IEG4 Ltd.

3.7.2 The information contained in Confidential Appendix 1 is considered confidential as this includes a detailed breakdown of tenderers scores and prices.

3.7.3 The Chief Officer Welfare & Benefits approved a decision on 15th March 2017 to enable this requirement to be tendered, which was an Admin Decision and not subject to call-in. This decision is a consequential decision and is being published as a Significant Operational Decision for transparency and is not subject to call in.

3.7.4 The procurement followed the Open Procedure of the Public Contract Regulations 2015 and a notice was advertised in the Official Journal of the European Union.

3.7.5 In addition, the procurement was advertised on the Council's tendering website, YORtender.co.uk and the Government Contracts Finder website.

3.7.6 In accordance with the Public Contract Regulations 2015, a standstill period of 10 calendar days will be observed before awarding the contract.

3.8 Risk management

3.8.1 The contract risk will be managed by an appointed contract manager who will implement a contract management plan and ensure compliance with governance arrangements.

4 Conclusions

4.1 The successful tenderer has demonstrated its ability to meet the Council's requirements and represents value for money.

5 Recommendations

5.1 In line with Contract Procedure Rule (CPR) 18, the Chief Officer for Customer Services is requested to approve the award of a contract to IEG4 Ltd for an eClaim for Housing Benefit, Council Tax Support and Free School Meals for a period of two years, with options to extend for three further periods of one year.

6 Background documents¹

6.1 Confidential Appendix 1- Detailed Price and Score Breakdown. This document is exempt under Access to Information Procedure Rule 10.4 (3).

¹ The background documents listed in this section are available to download from the Council's website, unless they contain confidential or exempt information. The list of background documents does not include published works.