
Report of Executive Officer Advice Services

Report to Director of Communities and Environment

Date: 28 June 2017

Subject: Leeds Advice Contract

Are specific electoral wards affected? If yes, name(s) of ward(s):	<input type="checkbox"/> Yes x No
Are there implications for equality and diversity and cohesion and integration?	<input type="checkbox"/> Yes x No
Is the decision eligible for call-in?	x Yes <input type="checkbox"/> No
Does the report contain confidential or exempt information? If relevant, access to information procedure rule number: Appendix number:	<input type="checkbox"/> Yes x No

Summary of main issues

1. This report provides an update on the Advice Service Contract which is now in the first year extension following a 3 year contract awarded in April 2014.
2. It evidences the good work that has been undertaken to improve access to advice services and the huge increase in the number of clients assisted since the start of the contract.
3. It highlights the emerging issues in relation to advice which will need to be considered when retendering for this service.
4. To seek agreement to re-tender for an Advice Service for Leeds.

Recommendations

1. To note contract performance to date
2. To agree to re-tender for a new Advice Service for Leeds to commence 1 April 2018
3. To agree that the new contract be awarded initially for a period of 3 years then annually whilst ever funding is available

1.0 Purpose of this report

- 1.1 The purpose of the report is to seek agreement to re-tender the Advice contract for Leeds and in doing so provide an update on the current performance of the Advice Service contract and to highlight areas of good performance as well as challenges, emerging areas of concern, risks relating to the contract and the re-tendering exercise in relation to this service.

2.0 Background information

- 2.1 Following a market sounding exercise undertaken in 2012 and the subsequent Exec Board decision, Leeds Advice Consortium, made up of Citizens Advice Leeds - lead organisation, Citizens Advice Chapeltown and Better Leeds Communities, was awarded a 3 year contract to deliver a new citywide advice service. The aim of the new service was to improve access to advice by increasing opening hours and expanding telephone based advice to help deal with the ever increasing demand.
- 2.2 The initial contract was awarded for 3 years with the option of 2, 1 year extensions and was awarded in April 2014.
- 2.3 Prior to the award of this contract several departments across the Council gave grants to the advice sector to deliver services on behalf of their clients with all monitoring being done independently.
- 2.4 This contract is now managed by the Executive Officer - Advice Services who also manages the Council's in house Welfare Rights Unit. This has enabled a more cohesive approach including, improved partnership working and the sharing of best practice to allow for more effective use of resources.

3.0 Main issues

- 3.1 In response to the Market Sounding Exercise undertaken in 2012 Leeds Advice Consortium members confirmed that during 2011/12 they dealt with a total of 15,788 individual clients.
- 3.2 As part of the Consortiums method statement it was proposed that the key quantitative measurements should be the number of unique clients assisted. This was a change from previous reporting which focused on client contacts including repeat appointments. The target set by the consortium for 2014/15 was to assist 21,530 unique clients. Targets for subsequent years have been agreed mutually between Citizens Advice Leeds and the contract manager with a view to increasing the number of clients assisted each year.
- 3.3 To deal with the ever increasing demand and meet the target to more than double the number of people receiving advice as set out in the Contract, the consortium have had to undertake significant change to improve access to advice across the city. This change has focussed on increasing opening hours, expanding the telephone service and using resources more effectively e.g. making improvements to the way they run their reception and gateway service to deal with more enquiries at the first point of contact.
- 3.4 These changes have clearly been successful as over the first 3 years of the contract, whilst the funding and targets have changed, the number of clients assisted has increased significantly. This information is presented in the following table

Year	Funding	Target	Unique Clients assisted
2014/15	£1,645,018.00	21,530	26,414
2015/16	£1,622,964.00	30,575	28,964
2016/17	£1,651,657.00	34,756	45,553

- 3.5 The data shows that over the 3 years of the contract, whilst funding and targets have increased by .4% and 61% respectively, the number of unique clients assisted has increased by 72% which clearly demonstrates that the significant changes delivered by the Consortium has meant that more people have been helped and the contract has delivered increasing levels of VFM for the Council.
- 3.6 This is a trend we expect to see continued in 2017/18 where funding of £1,534,768.00 and a target of 33,198 unique clients has been agreed however it is likely that given current performance, this target will be exceeded again.
- 3.7 Funders include Communities and Environment, Public Health, Children’s Services, Adult Social Care and the NHS - South and East CCG. Funding allocations can fluctuate but have remained pretty consistent over the past 4 years.
- 3.8 The consortium approach requires a lead organisation and the need for the lead organisation to sub-contract elements of delivery to other partners in the consortium; this takes time and has some cost implications. Also as the client relationship is with the lead organisation this creates a degree of distance between the client and the providers delivering elements of the service.
- 3.9 Because of this, within the specification for the new service it has been suggested a single provider would be preferable.
- 3.10 The tender will appeal to several organisations both local and national and therefore there is a risk that the contract may be awarded to a national organisation which will have a detrimental effect on local organisations such as the Citizens Advice service in Leeds. However there is confidence, given the experience gained by the local organisations in delivering on the current contract, that they will be able to submit a strong bid for consideration and therefore the risk is deemed medium to low.
- 3.11 Despite this, as this contract currently provides the main source of funding for Citizens Advice Leeds, Citizens Advice Chapeltown and not an insignificant amount to Better Leeds Communities the re-tendering exercise will create a period of uncertainty for these organisations.

4 Corporate considerations

4.1 Consultation and engagement

- 4.1.1 Consultation on the re-tender of this contract has taken place with officers from all areas that provide funding for this service.

4.2 Equality and diversity / cohesion and integration

- 4.2.1 This report is not proposing any significant changes to the contract and as such there is no need for an EIA screening document to be completed.

4.3 Council policies and best council plan

4.3.1 The performance information received by the Service Delivery Group allows it to assess and challenge performance in relation to the Advice Services Contract and the in-house Welfare Rights Team in relation to the Best Council Business Plan 2015-20.

4.4 Resources and value for money

4.4.1 The information provided within this report demonstrates how advice across the city has been provided to ensure best use of resources and value for money.

4.5 Legal implications, access to information, and call-in

4.5.1 As the value of the contract exceeds £250k per year then it constitutes a key decision and as such will need to be published on the Council's List of Forthcoming Key Decisions for 28 days it will also be subject to call-in.

4.6 Risk management

4.6.1 In many cases access to advice can help to secure a client's income, reduce indebtedness and help them to remain in their homes. Without this type of service further costs may be incurred not only for the local authority but also for the NHS.

4.6.2 If the contract was awarded to an organisation other than Citizens Advice it could result in the closure of this well regarded service in Leeds.

5 Conclusions

5.1 As a result of this contract more people are accessing advice than ever before. By extending opening hours, expanding the telephone service and introducing other access channels including email and skype the service is also more responsive to client's needs.

6 Recommendations

6.1 It is recommended that the re-tender exercise commences to ensure a new contract is granted and in place for 1st April 2018.

7 Background documents¹

7.1 None

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.