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Report of Advice Services Delivery Group

Report to Lee Hemsworth *Chief Officer - Customer Access*

Date: 6th December 2017

Subject: *Leeds Advice Services Contract*

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 checked="" type="checkbox"/> Yes	<input 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: Appendix number:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

Summary of main issues

1. On 28 June 2017 a report went to the Director of Communities and Environment which provided an update on the Advice Service Contract now in the first year extension following a 3 year contract awarded in April 2014.
2. It evidenced 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 also highlighted the emerging issues in relation to advice moving forward and sought agreement to re-tender for an Advice Service for Leeds to start April 2018.
4. Following a procurement exercise, the Advice Services delivery Group recommend to the Chief Officer, Customer Access, to approve the award of a 3 year contract, with capacity for annual extensions to the Citizens Advice Leeds Consortium to deliver a new advice service for Leeds from 1st April 2018.
5. The initial value of the contract will be approx. £1. 5m per year (£1,046,748 from Citizen's and Communities Directorate, an estimated £114,750 from Children's Services, £49,340 Adult Social Care contribute an estimated £168,930 Public Health and an estimated

£90,000 NHS) however there is scope within the contracts terms & conditions to reduce this level of funding over the term of the contract should the Council wish to do so.

6. The Citizens Advice Leeds Consortium has been subjected to a rigorous procurement process and their proposal to how they intend to satisfy the requirements of the contract specifications are considered acceptable.

Recommendations

1. For the Chief Officer, Customer Access, to approve the award of a 3 year contract with capacity for annual extensions to the Citizens Advice Leeds Consortium to deliver a new advice service for Leeds from 1st April 2018.

1. Purpose of this report

- To update the Chief Officer, Customer Access on the outcome of the procurement process for a new advice service for Leeds.
- To seek authorisation to award the contract to the Leeds Advice Consortium effective from 1st April 2018.

2. 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 Main Considerations and Reasons for Contract Award

- 3.1 Whilst the funding and targets have changed over the life of the contract, the number of clients assisted has increased significantly.

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
2017/18	£1,534,768.00	33,214	23,543 (6 months)

- 3.2 The information in the table clearly shows that Citizens Advice Leeds Consortium has provided value for money.
- 3.3 In August 2017 a PIN (prior information notice) was published in OJEU seeking expressions of interest for an advice contract effective from 1 April 2018.
- 3.4 26 expressions of interest were made from a wide variety of agencies and organisations many with very little experience of delivering such a service. To ensure they were aware of the Council's requirements under this contract they were each sent an email asking them to confirm that they could meet the stringent selection criteria. Following this only 3 agencies / organisations confirmed their interest however by the tender closing date only 1 bid was received from Citizens Advice Leeds.
- 3.6 On 15 November 2017 an evaluation panel made up of officers from Adults and Health, Communities and Environment, Children's Services and the NHS met to carry out a 'consensus' approach scoring exercise.
- 3.7 Although in some areas it was felt the bid could have been better it was positive that Citizens Advice Leeds explained how further development of the service would take place to ensure customers were assisted to get on line and indeed have the facility to use online services to maintain their benefit claims when Universal Credit is rolled out in Leeds.
- 3.8 The evaluation panel concluded that Citizens Advice Leeds's bid satisfactorily met the specified minimum quality thresholds.
- 3.9 In terms of the financial evaluation, an independent assessment of their tender concluded that Citizens Advice Leeds would effectively manage the budget, including potential funding reductions, whilst still delivering the same level of service.

4 Corporate Considerations

4.1 Consultation and Engagement

- 4.1.1 Consultation was ongoing with those officers on the service delivery group and a workshop was held with a wider group of interested parties on 27.1.17 to consider the service requirements for the new contract. A presentation was also provided to attendees at the South Leeds Debt forum and a questionnaire was issued to a variety of officers and 3rd sector organisations to gather feedback on the proposed service.
- 4.1.2 Following the initial draft of the specification officers from the service delivery group were asked for their comments and appropriate changes made.

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4.2 Equality and Diversity / Cohesion and Integration

- 4.2.1 The new advice service will be delivered across the city, but will aim to meet the specific needs of some of our most vulnerable neighbourhoods and client groups e.g. those areas with the most people affected by welfare changes, and people with mental health conditions and physical disabilities and those with children under 5.
- 4.2.2 A variety of access channels, including telephone, face to face appointments in the city centre and at various locations across the city, email, skype and webchat will be available to meet the differing needs of clients.
- 4.2.3 An EIA form is attached.

4.3 Council Policies and City Priorities

- 4.3.1 The new advice service will contribute towards the delivery of Council priorities, particularly those within the following city priority plans: - the Children & Young People's Plan and the Health & Wellbeing Strategy. It is also a key contributor to the Best Council Plan and our vision for Leeds to be a compassionate, caring city that helps all its residents benefit from the effects of the city's economic growth by tackling poverty and reducing inequality.

4.4 Resources and Value for Money

- 4.4.1 The service should continue to deliver improved value for money by reaching more clients, within the same budget allocation. This will be achieved through better use of technology and by targeting and promoting services more effectively.
- 4.4.2 The proposed merger between Citizens Advice Leeds and Citizens Advice Chapelton should realise some back-office efficiencies and allow more of the Council's investment to be allocated to direct delivery of advice services. The merger should also result in more efficient and effective monitoring and reporting of performance.

4.5 Legal Implications, Access to Information and Call In

- 4.5.1 The Chief Officer- Customer Access has the delegated authority under the Council's Sub-delegation Scheme to approve the award of the contract to Citizens Advice Leeds.
- 4.5.2 In accordance with the Public Contracts Regulations 2015, the Council would normally observe a ten day standstill period to allow unsuccessful bidders the opportunity to challenge the decision. However, as only one bid was received the Projects, Programmes and Procurement Unit (Procurement Category Manager) has advised it is not necessary to observe a standstill period.

4.5.2 As required under the Council's Decision Making protocols, the decision to procure was taken as Key Decision having been published on the List of Forthcoming Key Decisions and could be implemented as of 6.08.2017. This decision to award the contract to Citizens Advice Leeds, therefore, constitutes a Significant Operational Decision and is not subject to call-in.

4.6 Risk Management

4.6.1 All key risks associated with the development and commissioning of the new advice service have been recorded, tracked and updated via a project risk register.

5 Recommendations

5.1 To award a 3 year contract with provision for annual one year extensions to the Citizens Advice Leeds to deliver an advice service for Leeds from 1st April 2018.

6 Background documents¹

- 6.1 Equality Impact Assessment
- Privacy Impact Assessment Screening Form
- PM lite risk register

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.

