

Report to: **STRATEGIC COMMISSIONING BOARD**

Date: 20 February 2018

Officer of Strategic Commissioning Board Sandra Whitehead, Assistant Director (Adults)

Subject: **TAMESIDE CITIZENS ADVICE BUREAU**

Report Summary: Tameside Citizens Advice Bureau (CAB) provides free, confidential, impartial and independent support and advice for residents of Tameside. The current funding levels of CAB are not sustainable and the organisation is potentially running at a deficit of £16,766 in 2017/18. In addition to this, funding from the National Lottery is due to come to an end in March 2018 and this will further impact sustainability as this funding contributes to core overheads and management hours

The current contract with CAB concludes on 31 March 2018. A procurement exercise without additional funding and a commitment beyond current budgetary requirements is unlikely to result in the provision of a local organisation that can provide the current levels of service and additional value. At best, provision of sessional advice could be expected.

The direct award of a contract with initial additional funding is proposed to give time for the organisation to reorganise and bid for additional funding to ensure their sustainability.

Tameside CAB is embedded within Tameside communities and has extensive experience as a provider of information, support and advice that is free, impartial and confidential. They have a track record of delivering services and have attracted additional funding and services into the Borough. Their approach delivers excellent social value for the Borough.

Direct award of contract will maintain the continuity of a proven and valued organisation that is a key asset in the Borough particularly for vulnerable members of the community. It is proposed that a waiver to standing orders is granted to allow the direct award of contract to be made to Tameside CAB for a period of three years with a year one value of £140,000 and with values for years 2 and 3 to be confirmed during the contract subject to budget availability.

For year one this represents an increase in funding of £35,600 on current funding levels. This will enable CAB to -

- remain solvent and to budget at break-even rather than the current 2017/18 deficit of £16,766;
- meet its commitments to other funders in terms of contract monitoring and reporting;
- restructure to reduce overheads;
- provide additional investment through the recruitment of a project co-ordinator to seek additional funding streams and managing bids.

Funding sources for year one only are -

- £78,000 Neighbourhood Services;
- £38,000 Population Health;

- £24,000 Adult Social Care improved Better Care Fund

Recommendations:

That a waiver to standing orders is granted to allow the direct award of contract to Tameside CAB for a period of three years with a year one value of £140,000 and with values for years 2 and 3 to be confirmed during the contract subject to budget availability.

Financial Implications:

(Authorised by the statutory
Section 151 Officer & Chief
Finance Officer)

ICF Budget	S 75 £'000	Aligned £'000	Total £'000
TMBC Adult Services	24	-	24
TMBC Population Health	38	-	38
TMBC Neighbourhood Services	-	78	78
Total	62	78	140
Section 75 - £'000 Strategic Commissioning Board			62
TMBC – Aligned - £'000 TMBC Executive Cabinet			78
Value For Money Implications – e.g. Savings Deliverable, Expenditure Avoidance, Benchmark Comparison As detailed in section 4 of the report			
Additional Comments The annual recurrent budget available for this contract is £116,000 with the remaining £24,000 for year one of the contract funded from the non-recurrent Adult Social Care improved Better Care Fund grant. It is essential that the level of recurrent funding is considered when setting the value of the contract for years 2 and 3. In addition to the existing and proposed contract value it should be noted that the Council spent £9,720 with CAB to provide support with the Universal Credit Scheme.			

Legal Implications:

(Authorised by the Borough
Solicitor)

The Council is obliged to follow its own procurement standing orders which include provision to make a direct award where there are exceptional circumstances to justify such a course of action and it will not contravene any legal obligation.

The services concerned are subject to a light touch under the Public Contracts Regulations 2015 and the contract is below the threshold for such services (currently £615,278).

Procurement Standing Order F1.4 permits a direct award where our requirements can only be met by a single bidder because competition is absent for technical reasons. In this case this is the specialist localised experience of the service provider combined with the integration with other fundamental services offered to members of the public. A direct award is considered minimal risk due to the absence of a competitive marketplace.

How do proposals align with Health & Wellbeing Strategy?

The proposals align with the Developing Well, Living Well, Ageing Well and Dying Well programmes for action

How do proposals align with Locality Plan?

The service is consistent with the following priority transformation programmes:

- Healthy Lives (early intervention and prevention)

How do proposals align with the Commissioning Strategy?

The service contributes to the Commissioning Strategy by:

- Empowering citizens and communities;
- Target commissioning resources effectively

Recommendations / views of the Health and Care Advisory Group:

Not applicable

Public and Patient Implications:

The funding of services will enable members of the public to obtain advice and assistance that would otherwise be unavailable.

Quality Implications:

None

How do the proposals help to reduce health inequalities?

The information, advice and support delivered by Tameside CAB, both directly funded under contract and provided under funding arrangements secured by CAB from other sources, is essential in supporting Tameside residents to address the impacts of welfare reforms and poverty.

What are the Equality and Diversity implications?

The proposal will not affect protected characteristic group(s) within the Equality Act.

What are the safeguarding implications?

None

What are the Information Governance implications? Has a privacy impact assessment been conducted?

None

Risk Management:

The relationship with the CAB will be managed through the contractual relationship thereby mitigating risk.

Access to Information :

The background papers relating to this report can be inspected by contacting Richard Scarborough, Planning and Commissioning Officer:



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1. BACKGROUND

- 1.1 Tameside Citizens Advice Bureau (CAB) provides free, confidential, impartial and independent support and advice for residents of Tameside. The core service is delivered from Clarence Arcade where they have both office space and customer facing space alongside the Council's customer services. Outreach is also provided across the Borough.
- 1.2 The current contract with Tameside CAB commenced on 1 April 2016 for a period of two years and was awarded following a waiver to procurement standing orders to enable a direct award. Current funding is 40% less than the funding level in 2014 and is no longer sufficient to sustain the organisation.
- 1.3 Tameside CAB is a company limited by guarantee, with its own trustee board and overseen by the Charities Commission. Tameside CAB has been funded by Tameside Council for 51 years and is a trusted and recognised brand in the Borough for advice and information.
- 1.4 Tameside CAB subscribes to membership from National Citizens Advice and this provides their information system, insurance, access to specialist advice lines and a platform to raise social policy issues. It also provides a pathway to government funding for example to provide consumer advice and debt advice. The bureau is also part of an informal consortium arrangement with other Greater Manchester bureaux which operates independently from Tameside bureau. The consortium, with its own trustee board, facilitates bids for national projects at a devolved Manchester level. Tameside CAB also enables other specialist organisations to provide services from their premises such as housing, immigration and community care and rental income is generated from this. A separate arrangement through Pennine West Citizens Advice keeps back office costs to a minimum. This includes discounted training for volunteers, a shared website, IT support and access to technical supervision.
- 1.5 In addition to funding from Tameside Council, Tameside CAB successfully bids for funding from other sources including the National Lottery and local housing providers. These additional services are dependent upon the core service being funded.
- 1.6 The current funding levels of CAB are not sustainable and the organisation is potentially running at a deficit of £16,766 in 2017/18. In addition to this, funding from the National Lottery is due to come to an end in March 2018 and this will further impact sustainability as this funding contributes to core overheads and management hours.
- 1.7 Current core funding levels are insufficient to sustain other funding streams as there is insufficient resource to monitor and report on these or to bid for replacement funding. Under the current delivery model the core funding sustains the organisation by providing funding for the majority of overheads as well as funding core service; this allows for further funding to be bid for to supplement and enhance the service offer. Funding bids include management costs and overheads wherever possible but resources are still required to make bids and sustain the organisation.
- 1.8 Core funding presently provides a manager, supervisor and half time reception. Core funding also includes the provision of half time specialist employment advice. Volunteers are used to provide the gateway/triage at drop in and some generalist advice, although housing, debt and employment is provided from paid workers. A typical week would see around 108 volunteer hours being provided into the service.
- 1.9 CAB provide access to all main foodbanks through vouchers and CAB fund their own foodbank through fundraising which operates on Fridays. 113 food parcels were provided directly by CAB last year and an additional 92 vouchers for clothing. Around £1000 a year is donated by staff and management to facilitate this. Help is also provided where there have been domestic incidents through access to clothing and kitchen utensils from the CAB clothing and charity shop. The clothing and charity shop generates approximately £15,000

per annum additional income which all goes back into the bureau to provide advice and assistance to residents.

- 1.10 The Bureau currently has 19 paid staff and 26 volunteers. Volunteer hours totaled 5527 hours in 16/17 which carries a public value of £244,422.
- 1.11 Nationally there has been a fundamental review of welfare with a number of key reforms implemented over last few years, with further reforms envisaged throughout the period up to 2020 and beyond. The introduction of Universal Credit (UC) along with a number of other welfare reforms in recent years, such as the Under Occupation Charge (Bedroom Tax), the Benefit Cap, Tax Credits restrictions and Personal Independence Payments have had a significant financial impact on claimants across the Borough.
- 1.12 Tameside residents will continue to be affected by the welfare reform agenda and the continued co-ordination of information and advice is key to responding to the challenging range of issues facing the Borough. To be sustainable our response must build and strengthen community and citizens assets.

2. AIMS AND OBJECTIVES OF THE SERVICE

- 2.1 Tameside CAB provides free, confidential, impartial and independent information, support, advice and casework to residents of Tameside. CAB also provides access to its information and advice services via its website at www.tamesidecab.org.uk.
- 2.2 The aims of the service are:
 - To ensure that individuals do not suffer through lack of knowledge of their rights and responsibilities or of the services available to them or through an inability to express their needs effectively.
 - To exercise a responsible influence on the development of social policies and services both locally and nationally.
- 2.3 Access to Tameside CAB services is through drop-in at its offices on Stamford Street, Ashton-Under-Lyne and outreach services at -
 - Women & their Families Support Centre;
 - Big Local Hub, Stalybridge;
 - Haughton Green Centre;
 - Acresfield Community Building, Newton, Hyde;
 - The Rowans Mossley Youth Base;
 - The Hub, Hattersley.
- 2.4 Tameside CAB provides a free, confidential service that is open to everyone in the Borough. Staff are trained and qualified to give information on a wide range of issues, including:
 - Welfare Benefits;
 - Debt;
 - Employment;
 - Consumer Rights;
 - Housing;
 - Neighbourhood Disputes;
 - Education and Healthcare;
 - Immigration and Residency Issues;
 - Human Rights;
 - Family and Personal Issues.

- 2.5 They aim to provide customers with all the facts and possible outcomes of different options to allow them to make the decision that's right for them. If needed, they can also offer practical support, such as help with filling in forms, writing letters or negotiating with third parties.
- 2.6 There is a well established relationship and referral pathway with the council's welfare rights and debt advice service for those clients who require help in appealing negative benefit decisions. Likewise, referrals are also made to the council for specialist help for people with rent or mortgage arrears who have a court hearing.
- 2.7 Telephone advice is provided twice weekly and there are plans in place to move towards a GM advice line model. The benefits of the GM model are outside of the sessions, callers will be provided with telephone advice through other bureaux. For those Tameside residents who then need face to face advice, they are placed in a work queue at the Tameside bureau which is likely to increase the numbers of residents who need access to the service.
- 2.8 Tameside CAB can currently provide specialist help in the following areas:
- Housing through Manchester CAB
 - Debt – funded by Money Advice Service (national funding)
 - Employment

3. CONTRACT HISTORY

- 3.1 A contract was awarded to Tameside CAB from 1 April 2011 until 31 March 2014 on a three year basis plus an additional two years at a value of £152,260 per annum. The contract was extended until its full term up to 31 March 2016.
- 3.2 From April 2013 Tameside CAB took on additional responsibility to provide information, advice and support to residents who have suffered discrimination and harassment contrary to the Equality Act 2010. This was previously provided by Tameside Racial Equality Council and Tameside CAB received an additional £20k in funding to accommodate this additional responsibility.
- 3.3 From 1 April 2014 the contract value was reduced from £176,070 to £156,070, a reduction of 11.3%.
- 3.4 In December 2015 a waiver was granted to award the current two year contract from 1 April 2016 to 31 March 2018. The award was on the basis of further contract price reductions
- 2016/17 £116,000 (£78k from Neighbourhoods and £38k from Public Health);
 - 2017/18 £104,400 (£66.4k from Neighbourhoods and £38k from Public Health);

4. FINANCIAL APPRAISAL

- 4.1 The total income of CAB in 2017/2018 was £434,960 of which Tameside MBC provided £104,400. The budget for 2017/18 is in deficit by £16,766.
- 4.2 For every £1 the council provides in core funding, Tameside CAB generates £3.16 additional funding into the service.
- 4.3 Additional funding is obtained by CAB from a range of different sources. All additional funding is dependent upon provision of contract monitoring and reporting. The additional funding bought in 2017-18, £ 330,560 in total, is dependent on sustainable core-funding:
- £104,000 Money Advice Service Debt Advice Project (MASDAP)
 - £152,000 Big Lottery

- £14,000 Energy Best Deal (EBD)
 - £10,718 TMBC/DWP/PBS – for personal budgeting support referrals for Universal Credit Claimants funded via the DWP through the LA.
 - £33,992 Various Housing Providers (RSL's) to deliver drop in sessions
 - £15,850 income generation, donations and shop income.
- 4.4 Current Lottery funding of £152,000 concludes on 31 March 2018. This income stream currently covers 30% of management costs, 10% of admin and 22% towards overheads. Most of these are fixed costs that will need to be found from core budget.
- 4.5 The core funding allows for other funding bids to be applied for which extends the service out to benefit more residents generally through outreach.
- 4.6 Tameside CAB currently occupy premises in Clarence Arcade having previously been located within the Tameside Administration Centre. Current rent, payable to the Council, is £17,800. It is planned that the service will transfer to the new administration building currently being built and it is anticipated that this level of rent will be charged in the new building.
- 4.7 Tameside CAB has been effective in already reducing overheads and salary costs. This has included reduction of an outreach worker, reduced management hours which will reduce further in 2018/19 and the reception function has been absorbed into other staff functions. Back office costs have been reduced significantly through the arrangement with Pennine West.
- 4.8 Insufficient core funding has a range of impacts upon the organisation including:
- Contracts such as the Face to Face debt advice contract worth £104,000 may become unstable if there is insufficient core resource to monitor and report on provision to the funders and to bid for extension funding;
 - Core resources are required to bid for additional outreach projects and to monitor and manage successful bids;
 - There will be less volunteers if there is less money to spend on training, supervising and retainment (including less money to pay expenses);
 - There would be reduced home visits available for our more vulnerable residents.
- 4.9 Financial modelling provided by national CAB (appendix 1) demonstrates the social value of the organisation and suggests that in 2016/17 the Tameside Bureau had
- a fiscal benefit of £2.31 for every £1 invested;
 - a public value of £13.64 for every £1 invested;
 - a value to the people they help (financial outcomes) of £19.16 for every £1 invested;
 - Fiscal benefit to the Local Authority of £2.14 for every £1 spent;
 - Savings to the NHS of £230,407 (reducing use of mental health and GP services and keeping people in work);
 - Savings to Housing providers of £348,832 through preventing evictions.

5. CONTRACT PERFORMANCE

- 5.1 The Tameside CAB contract is closely monitored by the Team Manager of the Welfare Rights and Debt Advice Service. CAB provides comprehensive quarterly monitoring information including both qualitative and quantitative information.
- 5.2 Quarterly performance meetings take place with TCAB whereby work levels, client numbers, issues and outcomes are discussed. The services outlined in the contract specification have been delivered and information relating to the performance indicators specified is provided in

advance of every contract monitoring meeting. The Contract Performance Officer reports no issues with the performance of the contract.

- 5.3 In 2016/17, 4074 new clients were seen in the Bureau with 12834 new issues. CABs analysis show the financial value of outcomes in this year was £1,880,989.

6. PROPOSAL

- 6.1 It is proposed that a waiver to standing orders is granted to allow the direct award of contract to be made to Tameside CAB for a period of three years with a year one value of £140,000 and with values for years 2 and 3 to be confirmed during the contract subject to budget availability.
- 6.2 For year one this represents an increase in funding of £35,600. This will enable CAB to -
- remain solvent and to budget at break-even rather than the current 2017/18 deficit of £16,766;
 - meet its commitments to other funders in terms of contract monitoring and reporting;
 - restructure to reduce overheads;
 - provide additional investment through the recruitment of a project co-ordinator to seeking additional funding streams and managing bids.
- 6.3 Funding sources for year one only are
- £78,000 Neighbourhood Services
 - £38,000 Population Health
 - £24,000 Adult Social Care improved Better Care Fund.

7. ALTERNATIVE APPROACHES

Cease to provide a CAB Service

- 7.1 The CAB service provides an essential service to the most excluded and marginal members of our communities. It helps to tackle social inequality and financial exclusion and for many is their last line of defence. Ceasing the service would have significant impact on local communities. Tameside CAB is a trusted and recognised brand in the Borough for advice and information

Conduct an open tender exercise to procure a service based on current or lower funding levels

- 7.2 Current funding levels are unlikely to be sufficient to fund provision of a local service and are therefore likely to be based on a delivery of sessional services from a remote base. This approach is unlikely to be able to sustain the continuation and development of the services currently provided through alternative sources of funding and will result in minimal service delivery compared to the current model.
- 7.3 It is estimated that at an amount of £104,400 this would provide for a full time manager, 30 hour supervisor and 25 hours admin. There would be limited capacity to recruit and manage volunteers. There would be no capacity to bid for or monitor external funding which would reduce the outreach provision and ability to provide home visits. Our most vulnerable residents would be significantly affected, especially those unable to travel into Ashton

Conduct an open tender exercise to procure a service based on slightly increased funding levels

- 7.4 A small increase in funding levels for the first year of the contract is unlikely to impact upon the level of provision offered due to the level of uncertainty and risk to longer term funding.

8. GROUNDS UPON WHICH WAIVER /AUTHORISATION TO PROCEED SOUGHT

- 8.1 A waiver to standing orders F1.4 is sought to enable the direct award of contract without competition. The services provided by CAB fall within the remit of the light touch regime and the total contract value of is below the threshold for Social and Other Services under the Public Contracts Regulations 2015 (currently £615,278)
- 8.2 A procurement exercise without additional funding and a commitment beyond current budgetary requirements is unlikely to result in the provision of a local organisation that can provide the current levels of service and additional value. At best, provision of sessional advice could be expected.
- 8.3 The direct award of a contract with initial additional funding is designed to give time for the organisation to reorganise and bid for additional funding to ensure their sustainability.
- 8.4 Tameside CAB is embedded within Tameside communities and has extensive experience as a provider of information, support and advice that is free, impartial and confidential. They have a track record of delivering services and have attracted additional funding and services into the Borough. Their approach delivers excellent social value for the Borough.
- 8.5 Direct award of contract will maintain the continuity of a proven and valued organisation that is a key asset in the Borough particularly for vulnerable members of the community.
- 8.6 Research for other local Authority procurement activity for Welfare rights services showed 1 tender, by Wigan council, with a value of £446,231.60 per annum (This service appears to be similar to ours other than the addition of tier 4 representation at decision making bodies such as appeal tribunal, civil court or panel hearings.) Bournemouth and Poole announced a market engagement event for joint service however this was cancelled and no further information has been published.

9. REASONS WHY USUAL REQUIREMENTS OF PROCUREMENT STANDING ORDERS NEED NOT BE COMPLIED WITH BUT BEST VALUE AND PROBITY STILL ACHIEVED

- 9.1 Tameside CAB have provided services under contract to the Council for a number of years. Contracts have been closely monitored and performance against contract has always been exceeded. They are able to demonstrate a clear social and economic value to the borough.
- 9.2 Tameside CAB have a strong track record of leveraging in additional funding and resources by using the core funding to support the organisation and provide the infrastructure for additional services.
- 9.3 Tameside CAB is a well-recognised and respected local organisation. The services provided under the terms of this contract, and the additional services they are able to secure funding for from other funders, are well used and valued by the people who use them and produce a range of outcomes key to the local health and social care economy.
- 9.4 The loss of Tameside CAB would result in a cessation of services for which they have been able to attract additional funding.
- 9.5 The services provided by the CAB in respect of benefits and debt advice are congruent with the Council's policies in preventing homelessness and tackling indebtedness. It also provides a quality assured volunteering opportunity, and facilitates active citizenship.
- 9.6 Tameside Citizens Advice Bureau is part of a national network of bureaux, which local and national government rely on as a mechanism for articulating the needs of excluded communities.

9.7 The Bureau currently has 19 paid staff and 26 volunteers, Volunteer hours totaled 5527 hours in 16/17 which carries a public value of £244,422

10. RECOMMENDATIONS

10.1 As stated on the report cover

Headline statistics 2016/17

Name of local Citizens Advice member

Tameside District
Citizens Advice

Reported funding to local Citizens Advice	£448,570
Reported funding to local Citizens Advice from LA	£116,035
Reported funding (confirmed or unconfirmed)	Confirmed

**We use the latest funding data you have sent us to complete this model. If your status is unconfirmed, we are using interim funding data for 2016/17.*

1) Overall financial value to society in 2016/17

Overall value (advice and volunteering)	
Fiscal benefit total	£1,036,081
Public value total	£6,119,304
Value to the people we help (financial outcomes) total	£8,592,802

For every £1 invested:	
For every £1, £x in fiscal benefits	£2.31
For every £1, £x in public value	£13.64
For every £1, £x in value to the people we help (financial outcomes)	£19.16

2) Making specific arguments to key stakeholders

Local authority- by preventing homelessness and housing evictions	
Savings to local authority total (fiscal benefits)	£166,735
For every £1 of LA funding, £x in fiscal benefit to local authority	£2.14

**N.B. Most local Citizens Advice do not breakeven on their LA funding - this is because we only put a financial value on preventing homelessness.*

NHS - by reducing use of mental health and GP services, and keeping people in work	
Reducing use of health services	£212,877.18
Keeping people in work	£17,530.43
Total saving to NHS	£230,407.61

Other government departments	
Department of Work and Pensions (by keeping people in work)	£274,643.41

Criminal Justice System (by preventing housing evictions and homelessness)	£15,462.24
Housing Providers (by preventing housing evictions)	£348,832.67

Wider economic and social benefits - NOT tangible public savings	
Public value of improving clients' wellbeing (emotional wellbeing and positive functioning)	£4,253,399
Public value of volunteering (part of public value total)	£244,422