

**Report to:** EXECUTIVE CABINET

**Date:** 25 November 2020

**Executive Member:** Councillor Allison Gwynne – Executive Member (Neighbourhoods, Community Safety and Environment)  
Councillor Eleanor Wills – Executive Member (Adult Social Care and Population Health)

**Clinical Lead:** Dr Jane Harvey – Clinical Lead (Public Health)

**Reporting Officer:** Ian Saxon – Director, Operations and Neighbourhoods

**Subject:** **PROVISION OF GENERALIST SOCIAL WELFARE INFORMATION AND ADVICE AND SPECIALIST EMPLOYMENT ADVICE**

**Report Summary:** The Council has had a contract with Citizens Advice Tameside for many years to deliver generalist social welfare advice and specialist employment advice.

The current contract ends on 31 March 2021 and the report describes the options available for the re-commissioning of the contract.

A soft market test has been undertaken to explore whether there are other providers in the market. This report informs the outcome of the soft market test and proposes a way forward.

**Recommendations:** It is recommended that:

- i) approval is given to tender the provision of generalist social welfare information and advice and specialist employment advice to commence 1 April 2021
- ii) delegated authority is afforded to the Director of Operations and Neighbourhoods to award the tender and enter into all necessary contract arrangements

|                                                                                                                        |                                                                               |                                                                                                      |
|------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| <b>Financial Implications:</b><br><b>(Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b> | <b>Budget Allocation (if Investment Decision)</b>                             | £116,000 (£78,000 – Operations and Neighbourhoods : £38,000 – Population Health)                     |
|                                                                                                                        | <b>CCG or TMBC Budget Allocation</b>                                          | TMBC Budget                                                                                          |
|                                                                                                                        | <b>Integrated Commissioning Fund Section – s75, Aligned, In-Collaboration</b> | £78,000 – Aligned Budget - Operations and Neighbourhoods<br>£38,000 – Section 75 - Population Health |
|                                                                                                                        | <b>Decision Body – SCB Executive Cabinet, CCG Governing Body</b>              | £78,000 – Executive Cabinet<br>£38,000 – Strategic Commissioning Board                               |

**Additional Comments**

There is existing revenue budget for this contract with £78,000 budget in Operations and Neighbourhoods and £38,000 budget in Population Health Directorates. However, Members should note that there is no provision for any cost increase above these values such as inflation.

This budget will be available for the full three year period subject to any savings that the Council will need to deliver. It is therefore essential that the revised contract has appropriate break clauses.

The report will require approval by both the Executive Cabinet (£78,000 budget for Operations and Neighbourhoods that is within the Aligned section of the Integrated Commissioning Fund) and the Strategic Commissioning Board (£38,000 budget for Population Health within the Section 75).

**Legal Implications:  
(Authorised by the Borough  
Solicitor)**

The report comprehensively sets out the background to the delivery of the services which over the years has been via grant and direct award.

It is understandable during these current challenging times that a further direct award may be appealing.

Quite correctly STAR advised that soft market testing should be undertaken which revealed that there are potentially other interested organisations in the market who consider that they could deliver the service. Therefore there are no grounds on which a direct award could be made without the risk of challenge which could potentially have an impact on the delivery of services as this most critical of times.

In addition whilst not a criticism of the current provider taking the service provision back to the market will assure Members and officers that the new provision represents good value for money.

The service has already engaged with STAR in good time which should ensure a compliant and transparent tender exercise is undertaken to deliver a service to meet the needs of residents and provide good value for money to the Council.

**How do proposals align with  
Health & Wellbeing Strategy?**

The proposal aligns with the Living Well and Ageing Well programmes

**How do proposals align with  
Locality Plan?**

The service links into the Council's priorities for People:-

- Improve Health and wellbeing of residents
- Protect the most vulnerable
- Increasing self-sufficiency and resilience of individuals and families

**How do proposals align with  
the Commissioning  
Strategy?**

The proposal supports the 'Care Together Commissioning for Reform Strategy 2016-2020' commissioning priorities for improving population health and wellbeing of residents.

**Recommendations / views of  
the Health and Care Advisory  
Group:**

N/A

**Public and Patient  
Implications:**

The proposed service model has been informed by data on customer satisfaction and engagement on social policy issues.

**Quality Implications:**

The provider will be required to maintain Advice Quality Standards (AQS) accreditation at the general help level for welfare benefits and debt and specialist level in relation to employment law advice throughout the duration of the contract. Services commissioned via the contract will be subject to ongoing quality monitoring.

**How do the proposals help to reduce health inequalities?**

The provision of advice and information is essential in reducing poverty which can help reduce stress and anxiety and improve health outcomes.

**What are the Equality and Diversity implications?**

There are no equality and diversity implications associated with this report, see **Appendix 1**.

**What are the safeguarding implications?**

There are no safeguarding implications associated with this report.

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

Personal data relating to users of the service will be held by the provider. The provider must comply with the provisions of the General Data Protection Regulation and the Data Protection Act 2018 in relation to their handling of this data. A privacy impact assessment has not been conducted.

**Risk Management:**

Any risks of poor service delivery will be mitigated by requiring the provider to supply quarterly management information and attend quarterly contract monitoring meetings.

There is a significant risk that ceasing the provision of this service would mean that residents would not have access to independent advice and information. This would very likely lead to poverty, homelessness and poor health outcomes and subsequently increase demand on statutory services.

**Access to Information:**

The background papers relating to this report can be inspected by contacting Janine Yates, Team Manager, Welfare Rights and Debt Advice Service



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## **1. INTRODUCTION**

- 1.1 It is well reported that income deprivation has damaging effects on residents' health, affecting their ability to satisfy basic needs such as food, and housing and to participate in their community. Health outcomes in Tameside are poor with healthy life expectancy at 58.1 years for males and 57.6 years for females (6.2 years below the England average for females, and 5.2 years below for males). The levels of stress, anxiety and depression associated with low income can increase or lead to mental health issues.
- 1.2 Poverty is a significant public health issue, which will be further exacerbated by the immediate and longer term economic impact of Covid-19, with those groups already in financially precarious positions likely to be more affected. Supporting individuals to regain control of their financial situation can give relief to symptoms of stress and anxiety that adversely impact on health. Provision of advice can reduce the impact of debt and financial issues on the physical and mental health of individuals and their families.
- 1.3 Tameside is relatively deprived overall (28th most deprived out of 317 local authorities) and has pockets of nationally significant levels of deprivation, with 29 Lower Super Output Areas (LSOAs) which fall within the worst 10% nationally. Nearly a fifth of children aged under 16 (18.9%) are in low income families – this is compared to 17.0% in England. Levels of dependency on the public sector in Tameside are high and the shift away from funding authorities on the basis of need has hit us hard. The community and voluntary sector are essential in how we work together to address inequalities and deprivation within our borough; the provision of information and advice on welfare benefits, debt advice and employment rights are one aspect of addressing such issues.
- 1.4 The Council has had a contract with Citizens Advice Tameside for many years to deliver generalist social welfare advice and specialist employment advice.
- 1.5 The contract was last reviewed in 2018 when a waiver to standing orders was granted to allow the direct award of a three-year contract to Citizens Advice Tameside. The current contract period comes to end on 31 March 2021 therefore consideration is being given to the provision of this service moving forward. A soft market test has been undertaken to explore whether there are other providers in the market. This report informs the outcome of the soft market test and proposes a way forward.

## **2. CURRENT PROVISION**

- 2.1 The current service is provided by Citizens Advice Tameside, also known as Tameside Citizens Advice Bureau Ltd (CAB). The service is operated from an office based in Tameside One and complemented by various outreach provision funded by other organisations. Citizens Advice Tameside is a registered charity and a social policy campaigner for some of our most vulnerable residents. It provides free, confidential, impartial and independent support and advice for all residents of Tameside. Their ethos, to empower clients to deal with the everyday issues in their lives, creating happier and healthier local communities.
- 2.2 Citizens Advice Tameside currently provides a range of advice services under a contract with the Council. This arrangement has been in place for many years and services provided by Citizens Advice Tameside are seen to be complementary to and supportive of the Council's advice services. The advice typically includes debt, welfare benefits, housing, consumer, discrimination, education, immigration, tax and legal issues as well as specialist employment advice.
- 2.3 The contract agreement enables Citizens Advice Tameside to meet the core costs of delivering the advice service including the salary costs of a small number of managerial, advice and administrative staff. The contract also acts as a conduit for leveraging in external

funding and during 2018/19 this amounted to an additional amount of £272,918 that provided additional advice and support services to Tameside residents.

- 2.4 Prior to Covid-19 the delivery model was centred predominantly around a daily drop-in advice service from Tameside One, telephone advice through the GM telephone advice line and by face to face appointments. Additionally specifically funded projects to deliver debt advice, Universal Credit Help to Claim, social prescribing and advice appointments at outreach venues. Since March 2020, the service has been delivered remotely by telephone, email and webchat.
- 2.5 In 2019/20, the service advised 4681 new clients and reported £1,920,564 in additional income gains for Tameside residents which included successful claims for benefit, energy switches, grants and compensation payments. An additional £407,889 of debt was written off in the same period through negotiation with creditors and insolvency proceedings and a further £138,767 in repayment amounts rescheduled. £68,892 was also reported in other financial outcomes including prevention of bailiff action, energy referrals, moratoriums on debts and blue badge entitlement.
- 2.6 The service assisted 336 clients with employment advice in 2019/20 with 130 clients advised by the employment caseworker. This caseworker is funded through the current contract to provide 18 hours a week of specialist employment advice. Advice includes helping people realise their rights, assisting with dispute resolution, raising grievances, challenging dismissals and assisting with employment tribunals.
- 2.7 As well as paid staff, the service is supported greatly by volunteers and 23 new volunteers were recruited and trained in 2019/20 along with 3196 volunteer hours worked across the year.
- 2.8 The contract is managed quarterly with performance figures provided on time and includes demographic data, numbers of clients helped, outcomes, complaints, customer satisfaction and social policy issues. There have been no areas of concern raised throughout the contract period.

### **3. FUTURE PROVISION**

- 3.1 The current contract fulfils all the requirements to support residents of Tameside seeking information and advice and it is proposed that any new contract specification includes the same areas of social welfare law and debt advice. It is also proposed that any new contract includes a requirement to deliver 18 hours a week of specialist employment advice to include assistance with tribunals. The rationale for this requirement is that the economic benefits of being in employment are a priority for the Council and it is expected that the provider assists people to understand their employment rights and how to solve work related problems including discrimination, pay, disability, dismissal and redundancy. This will be of particular significance with the end of the current furlough scheme and reduced help available with any replacement schemes and the on-going impact of job losses.
- 3.2 Due to the limited amount of funding it is expected that the provider will utilise the core contract funding to develop the service offer and make the organisation sustainable by securing additional external funding.
- 3.3 As COVID-19 restrictions may still be in place any new contract will allow for advice to be delivered flexibly in order to keep staff and members of the public safe. This will include remote delivery of advice through telephone, web chat and email.

## 4. OPTIONS APPRAISAL

4.1 Previously a direct contract has been awarded to Citizens Advice Tameside by a waiver to standing orders. The current contract ends on 31 March 2021 and advice was sought from STAR as multiple waivers had been agreed with no market testing. STAR provided a report that outlined three options for the re-commissioning of the contract that ensured the Council remained compliant with Contract Procedure Rules (CPR).

### **Join the GM collaborative Citizens Advice contract**

4.2 A collaborative Citizens Advice contract has been in place since 2019 for Stockport, Trafford and Rochdale and delivered by Pennine West CAB. The contract term is five years and provides planned contract breaks to allow other Local Authorities to join; the next one being 1 April 2022. A one-year extension to the current contract or a tender process for one year would be necessary if this option was pursued.

4.3 Each authority pays a third contribution to the cost of the joint core service and then additional cost of individual requirements. It was noted that whilst the core contract included staffing provision it did not provide for any specialist employment advice, which has been included in the Tameside contract specification for many years. It is recognised that access to specialist employment advice, without any means test requirement is important, especially during Covid-19 and it would therefore be prudent for this to be included in any future contract.

4.4 Some exploratory calculations were carried out using the pricing matrix of the collaborative contract. It transpired that the cost for the core service alone would exceed the budget that the Council has available and it was therefore determined that this option was not financially viable.

### **Direct award of contract to Citizens Advice Tameside**

4.5 Consider directly awarding the contract to Citizens Advice Tameside for 3 years from 1 April 2021. Rationale for considering a direct award was based around the current climate and not wanting to disrupt the sector during the Covid-19 pandemic.

4.6 STAR advised against this route as the market had not been tested for many years and could leave the Council open to challenge from other potential providers. In order to rely on the exemption rule and make a direct award the Council would need to demonstrate that no genuine competition can be obtained in respect of the purchase of the service. In order to provide the evidence a soft market test must be carried out. This would then determine whether the relevant exemption rule could be relied on or whether the soft market test determined that there are other suppliers within the market, which would then mean that this exemption rule could not be relied upon.

### **Tender the contract by procurement exercise**

4.7 Consider tender of the contract by initially carrying out a soft market test to determine whether a direct award was appropriate or if a procurement exercise should be undertaken.

4.8 In order to satisfy Contract Procedure Rules it was determined that a soft market test was the most appropriate option to establish whether or not there were providers other than Citizens Advice who could deliver the contract. The soft market test was carried out between 18 September and 13 October 2020 and seven providers initially expressed an interest in delivering the contract. Two of these providers completed the necessary paperwork and made formal representations.

4.9 The soft market test determined that the exemption rule could not be relied on as there are other suppliers within the market.

## 5. THE WAY FORWARD

- 5.1 Having considered the options above and the outcome of the soft market test; the Contract Procedure Rules requires the authority to demonstrate value for money through a competitive tender exercise. It is proposed therefore that a tender exercise is undertaken to enter into a contract for the provision of generalist social welfare information and advice and specialist employment advice. The benefits of a tender exercise will also demonstrate that the Council is legally compliant and therefore avoid potential challenge from other providers
- 5.2 Should it be determined that a tender exercise is appropriate a Project Initiation Document has been completed and is available at **Appendix 2** to the report.
- 5.3 Following completion of a successful tender exercise, it is proposed that consideration is given to delegate authority to the Director of Operations and Neighbourhoods to award the tender and enter into all necessary contract arrangements.

## 6. FINANCE

- 6.1 The cost of the current 3 year contract with Citizens Advice Tameside is £372,000.
- 6.2 Over the 3 year period this amount was:

Year 1 – £140,000  
Year 2 – £116,000  
Year 3 – £116,000

An increased amount was awarded in Year 1 due to a contribution of £24,000 from Adult Social Care Improved Better Care fund. This additional investment was provided to enable the recruitment of a project co-ordinator to seek additional funding streams and manage contract bids.

- 6.3 It is proposed that following a successful tender a contract is awarded for a 3 year period at a cost of £116,000 per annum (£78,000 Operations and Neighbourhoods and £38,000 Population Health, Tameside MBC). This represents an overall reduction of £24,000 based on the last contract value. It is felt that this is the minimum amount of core budget that an organisation can realistically be expected to be able to deliver a meaningful service and meet residents demand.
- 6.4 With a budget of this amount there is the expectation that the organisation will need to leverage in other funding to develop a sustainable model and increase capacity to meet increased demand likely in the current Covid-19 climate.
- 6.5 Currently Citizens Advice Tameside manages this by utilising a volunteer model, but it will be up to any new provider to determine how this would work and demonstrate the model within their tender.

## 7. RISK MANAGEMENT

- 7.1 Any risks of poor service delivery will be mitigated by requiring the provider to supply quarterly management information and attend quarterly contract monitoring meetings.
- 7.2 There is a significant risk that ceasing the provision of this service would mean that residents would not have access to independent advice and information. This would very likely lead to poverty, homelessness and poor health outcomes and subsequently increase demand on statutory services.

## **8. EQUALITIES**

- 8.1 It is not anticipated that there are any adverse equality and diversity issues with this proposal, see Equalities Impact assessment available at **Appendix 1** to the report. The proposal is intended to reduce inequality.

## **9. CONCLUSION**

- 9.1 The Council has had a contract with Citizens Advice Tameside for many years to deliver generalist social welfare advice and information to residents. The current contract is due to end on 31 March 2021 and the soft market test has determined that there are other providers who could potentially deliver the service.
- 9.2 Failure to provide the service would result in residents being unable to access to advice and information. This could lead to un-necessary and costly demand on statutory services as a result of increased poverty, homelessness and poor health.
- 9.3 It is proposed that permission is granted to conduct a tender exercise to the amount of £116,000 per annum for a 3 year period. Following the successful tender exercise it is proposed that the Director of Operations and Neighbourhoods is afforded delegated authority to award the tender.

## **10. RECOMMENDATIONS**

- 10.1 As set out at the front of the report.