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| CABINET MEETING – 9 OCTOBER 2013 EXECUTIVE SUMMARY SHEET – PART I | | | | | | | | | |
| Title of Report: Contract Provision for Welfare Rights Advice | | | | | | | | | |
| Author(s): Executive Director People Services | | | | | | | | | |
| Purpose of Report: The purpose of this report is to seek agreement to commence the procurement of the Welfare Rights Advice Service, and to seek approval to award the contract(s) to the successful independent sector providers. | | | | | | | | | |
| Description of Decision: Cabinet is recommended to agree to commence the procurement process and award contracts to provide welfare rights advice/information for the period 1 April 2014 – 2017 on the basis that the value of these contracts will be over £75,000 in total. The budget for the contracts is £1,060,000 over a period of 4 years | | | | | | | | | |
| Is the decision consistent with the Budget/Policy Framework? Yes | | | | | | | | | |
| If not, Council approval is required to change the Budget/Policy Framework | | | | | | | | | |
| Suggested reason(s) for Decision: The Cabinet's decision will ensure that Sunderland residents continue to access support with their benefits, debt and budgeting skills issues, as part of the Council's advice delivery model and welfare reform response. | | | | | | | | | |
| Alternative options to be considered and recommended to be rejected: <div style="margin-left: 40px;"> 1. To discontinue this provision entirely 2. To deliver the service in house </div> These alternative options are not recommended for reasons set out at paragraph 6 | | | | | | | | | |
| Impacts analysed: <table style="width: 100%; border: none;"> <tr> <td style="border: none;">Equality</td> <td style="border: 1px solid black; padding: 2px 10px;">Yes</td> <td style="border: none;">Privacy</td> <td style="border: 1px solid black; padding: 2px 10px;">N/A</td> <td style="border: none;">Sustainability</td> <td style="border: 1px solid black; padding: 2px 10px;">N/A</td> <td style="border: none;">Crime and Disorder</td> <td style="border: 1px solid black; padding: 2px 10px;">N/A</td> </tr> </table> | | Equality | Yes | Privacy | N/A | Sustainability | N/A | Crime and Disorder | N/A |
| Equality | Yes | Privacy | N/A | Sustainability | N/A | Crime and Disorder | N/A | | |
| Is this a “Key Decision” as defined in the Constitution? Yes Is it included in the 28 Day Notice of Decisions? Yes | Scrutiny Committee: | | | | | | | | |

REPORT OF EXECUTIVE DIRECTOR OF PEOPLE'S SERVICES

CONTRACT PROVISION FOR WELFARE RIGHTS ADVICE

1. Purpose of the Report

- 1.1 The purpose of this report is to seek agreement to commence the procurement of a commissioned Welfare Rights Advice Service, and to seek approval to award the contract(s) to the successful providers.

2. Description of the Decision

- 2.1 To seek approval from Cabinet to commence the procurement process and award contracts to provide welfare rights advice/information for the period April 2014-2017 on the basis that the values of the contract(s) will be worth over £75,000 in total.

3. Introduction/Background

- 3.1 Welfare rights advice provision covers the provision of information, guidance, advice and specialist advice across a spectrum of social welfare categories – welfare benefits, debt, employment and housing.
- 3.2 The provision of welfare rights advice is delivered through an agreed delivery model across 4 support levels (self-serve, mediated access first tier provision and specialist services), which is consistent with the Customer Access Strategy.
- 3.3 The model is supported by the delivery of community 'in reach' activity to promote access to self serve and mediated access as a way of managing demand on council operated and/or contracted services; whilst effectively meeting the needs of a growing number of people. This work primarily focuses on engaging with customers either directly or via agencies working with specific target groups, to enable them to self serve on a range of issues and access the correct level of support for those circumstances when self serve is not possible.
- 3.4 Development plans include the growth of more/different self-serve tools to cover wider financial inclusion support and budgeting skills as it is acknowledged that a welfare rights response alone is not sufficient.
- 3.5 By working with partners to provide services in this way the Council is using the model as a key tool to respond to the demand for welfare rights services as well as promoting customer confidence and independence.
- 3.6 Work also continues to develop and make best use of our own and partner specialist services which seek to meet the complex needs that cannot be met elsewhere in the model.

- 3.7 This report and contract however relates to First Tier Provision only.

4 Current Position

- 4.1 The demand for welfare rights advice is continuing to rise due to the unprecedented changes to welfare reform, including the introduction of Universal Credit, under the Coalition Government's welfare reform programme. These changes to the social security system are already impacting upon local communities. Levels of personal debt are rising and the people in the city are becoming poorer and are now having to look for alternative sources of support.
- 4.2 The current contract is focused on casework and providers have developed more responsive local services, making advice available from outreach locations, reducing waiting times and signposting to the Council's website pages.
- 4.3 The providers are extremely busy dealing with over 18,000 telephone calls and offering 3,216 casework appointments in the last 10 months. 57% of these customers are from the most deprived Super Output Areas.
- 4.4 The current contract comes to an end on the 31 March 2014 and it has been acknowledged that demand will increase further.

5 Reasons for the Decision

- 5.1 For this next round and given the current financial situation, a budget of £1,060,000 over a period of 4 years (2+1+1) is proposed, so as to minimise any potential risk to the Council.
- 5.2 In addition a contract will be created to
- Take account of the next phase in the development of the advice model which has an even greater emphasis on demand management
 - Remove all work that can be done elsewhere in the model
 - Fund first tier triage specifically to prevent casework time being used for this function
 - Acknowledge the changing needs of customers as a result of the impact of welfare reform, and that customers need more than a welfare rights solution (financial capability/budgeting skills support)
 - Acknowledge the unprecedented increase in demand
 - Support the cultural change required for customers to take more responsibility

6 Alternative Options

- 6.1 Do not procure the service at all and discontinue. This would mean that the citizens of the city are denied assistance that has been recognised as playing a vital role in helping to reduce poverty, inequality, and deprivation levels. Such support can also help people into and to retain employment, and improve their health and wellbeing, especially mental health.
- 6.2 Deliver the service in-house. This does not follow the agreed operating model for advice, information and guidance. In addition the provision required is non-specialist and needs to be locally delivered

7.0 Impact Analysis

7.1 Equalities

Following Cabinet approval an Equality Assessment Matrix will be completed and an impact equality assessment is currently being drawn up and will be completed prior to the tender being advertised.

7.2 Privacy Impact Assessment (PIA)

A privacy impact assessment is not required for this intention to procure. This exercise does not change the collection of information for casework or the governance around storing this information securely.

7.3 Sustainability

A Sustainability Matrix will be completed to identify any issues

8.0 Other Relevant Considerations / Consultations

8.1 Financial Implications / Sunderland Way of Working

The creation of the Procurement Principles was done in line with the Sunderland Way of Working – these are used for every Procurement exercise now carried out

8.2 Policy Implications – Impact of Welfare Reforms

Comparisons between the Benefit Service caseload and Mosaic has shown that there may be 20,000 households likely to be at risk of severe indebtedness, supporting previous research on the high prevalence of financial exclusion within the city. The provision of this service will in part help to mitigate the impact

8.3 The Public

Following approval, there will be a series of consultation events with prospective bidders.

- 8.4 There have been various consultation exercises with the public around the advice model and what first tier providers deliver
- 8.5 Feedback and updates have been taken to Area Boards, and there are planned visits to return to the Boards before any local contract is awarded

9.0 List of Appendices

- 9.1 No appendices included.

10 Background Papers

- 10.1 Hitting the Poorest Places Hardest – Research carried out by Sheffield Hallam University
- 10.2 Full dataset, by benefit, for Sunderland Local Authority