

CABINET – 5 OCTOBER 2011

EXECUTIVE SUMMARY SHEET

Title of Report:

Contract Provision for Welfare Rights Advice.

Author(s):

Executive Director of Health, Housing and Adult 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:

To seek approval from Cabinet to commence the procurement process and award contracts to provide welfare rights advice / information for the period 2nd August 2012 - 31st March 2014 on the basis that the value of these contracts will be over £75,000 in total. The budget for the contracts is £192, 000.00 per annum.

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, employment and housing issues, as part of the councils overall approach to advice / information being implemented through the ongoing Information, Advice & Guidance Review.

Alternative options to be considered and recommended to be rejected:

1. To discontinue this provision entirely
2. To deliver the service in house

These alternative options are not recommended for reasons set out at paragraph 6.

Is this a "Key Decision" as defined in the Constitution? Yes

Is it included in the Forward Plan? Yes

Relevant Scrutiny Committee:

Health and Wellbeing

Report of the Executive Director of Health Housing & Adult 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 the Welfare Rights Advice Service, and to seek approval to award the contract(s) to the successful independent sector providers.

2 Description of 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 2nd August 2012 on the basis that the value of the contract(s) s will be worth over £75,000 in total. The budget for the contracts is £192, 000.00 per annum.

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. This assistance has been recognised as playing a vital role in helping to reduce poverty, inequality and deprivation levels, and in combating the impact that these would otherwise have on local people and communities. Such support can also help people into and to retain employment, and improve their health and well being, especially mental health.
- 3.2 The delivery model developed over the past two years will ensure that support is offered at all levels and the work linked to the Information, Advice & Guidance (IAG) review will further strengthen this approach. The model will compliment the need for locally accessible advice – which offers active involvement from welfare rights advisers, and where people's issues or circumstances make self help and supported self help inappropriate.

There will also continue to be the need for specialist advice and casework support which will continue to be provided by the Council's Welfare Rights Service.

- 3.3 The Council currently has five advice contracts in place – each covering one local committee area.
- 3.4 In the two years to end March 2011 these contracts dealt with 33,000 individual enquiries, and they also provided additional support to residents during the initial economic downturn through one off Working Neighbourhood Fund (WNF) funding.

- 3.5 The current contracts have allowed for increased flexibility with regard to how each provider meets the contract specification. There has been emphasis on innovation and providers have been encouraged to provide telephony and self serve materials as well as to provide more traditional face to face services. Ongoing monitoring and support has been in place throughout.
- 3.6 The contracted providers have also contributed to the delivery of a number of actions within the Council's Strategic Advice Plan for Welfare Rights (2008-11). These include;
- Developing an active network of advice providers with the shared aim of improving access to their services; the network is called libra and has its own website and provider directory.
 - Developing more responsive local services. This includes making advice available from more locations, reduced waiting times, and the development of improved on line information.
 - Creating clearer pathways into and between the city's advice services - through agreed referral processes and public information.
 - Increasing access channels for people needing advice - including telephone advice and online provision.
- 3.7 However, the demand for welfare rights advice has continued to rise and is projected to rise further due to the impact of the ongoing welfare reform programme and personal debt levels. At the same time local and national public sector funding pressures present real challenges to how this demand on services can be managed.
- 3.8 These issues are being addressed by the Council through the development of an improved welfare rights advice and financial inclusion delivery model – that can better meet demand from within existing overall resources, and also result in customer confidence and independence.
- 3.9 This advice model is being developed across the city and has been the foundation of wider council Information, Advice and Guidance (IAG) review.
- 3.10 Whilst this model is being developed city wide, responding to the need's of local communities is recognised as essential with provision coordinated and managed on an area basis with locally responsive operating standards. Extensive consultation has been undertaken to develop this approach. This has included sessions and briefings with
- Area VCS Networks
 - Area Committees
 - Advice providers
- Further work is planned with
- members of the Sunderland Compact
 - the Local Strategic Partnership
 - community e-champions

- 3.11 In addition, an extensive programme of consultation is almost complete with residents and service users to identify and understand customer needs, priorities, preferences, capabilities and expectations in relation to different situations and access channels.
- 3.12 The Council is committed to working effectively with all commissioned service providers and agencies it funds , and to implement this model it is intended that a toolkit will be developed to embed the principles of the Advice Model within the Commissioning, Procurement and Grant Provision Frameworks of the Council.
- 3.13 The Council is pivotal to leading and continually supporting this improvement journey in partnership with a wide range of service providers from both the private and community and voluntary sectors.

4 Current Position

- 4.1 The current contracts between the City Council and local providers are for a two year period, ending on 1 August 2012.
- 4.2 For this next round, and given the current financial situation, a period of 2 years is proposed, so as to minimise any potential risk to the council.

5 Reasons for the Decision

- 5.1 These contracts will help to support a number of the Council's new strategic and corporate improvement priorities (within the new Outcomes Framework). and will also help deliver outcomes against the council wide Health Inequalities Service Assessment Review (HISAR) and IAG reviews. Reasons for the decision also include;
 - 5.2.1 Ensuring that the proposed new Advice model works at all levels by maintaining a level of welfare rights service provision for the people unable to effectively access self serve or mediated access;
 - 5.2.2 Supporting residents to manage transitions linked to welfare reform, to manage their finances , and to provide additional support for those entering work;
 - 5.2.3 Supporting the Council's commitment to partnership approaches to service delivery, and the value of community/locality based advice provision;
 - 5.2.4 Encouraging local innovation in relation to service delivery and ensure services deliver according to the needs of the local areas.

6 Alternative Options

6.1 To discontinue this provision entirely.

6.1.1 As detailed above the provision currently assists significant numbers of people and demand for this type of advice is projected to rise further. The type of provision is a small but necessary part of the overall provision being developed within the new advice model, and accords with the council's core values and preferred outcomes with regard to People and Place.

6.2 To deliver the service in house.

6.2.1 This would be a retrograde and more costly step and is against the principles of the Sunderland Way of Working. There is no requirement or need (based on current contract outcomes) for the Council to be the deliverer as well as the commissioner of these services. Previous consultation exercises linked to the Councils Strategic Advice Review (2008) also showed that residents wanted choice around their advice provision and wanted local access for more basic enquiries.

6.2.2 The councils own Welfare Rights Service is continuing to establish itself as a specialist advice provider and will be providing the resources to take forward both mediated access and in reach activity , to enable the delivery of the new advice model.

7 Relevant Considerations / Consultations

7.1 Public sector funding for such services is under severe pressure due to competing priorities. In addition independent advice providers are finding it more difficult to secure money from other funding streams.

7.2 National funding for specialist advice services is also at risk.

7.2.1 The Department of Business, Innovation and Skills had stepped in to provide one year funding from April 2011, for the national face to face debt advice service provided primarily by Citizens Advice Bureaux. This replaced the funding provided through the now ended Financial Inclusion Fund. BIS announcements encourage other organisations to look at picking this up thereafter.

7.2.2 Similarly a Ministry of Justice consultation exercise has recently ended but includes proposals for removing benefits, debt and some housing issues from being within the scope of Legal Aid – and could come into effect from April 2012.

- 7.3 Additional funding for some advice services for some customer groups may become available through for example, the Big Lotteries Improving Financial Confidence Programme. This however is aimed at the development of preventative rather than crisis services, cannot be used to replace existing funding, and is not due to come on line until after the current contracts end.
- 7.4 All of these changes are being factored into the model and approach being implemented by the council.

8 Sustainability Impact Assessment

- 8.1 Advice Services support the objectives of the Sustainability Community Strategy through stimulating economic growth and assisting residents to get back into employment.

9 Background Papers

- Briefing-Level Explanations Final20110525 – covering the 4 different levels within the new Advice Model

