
REPORT OF

The Strategic Director for Community Health and Social Care
TO
Executive Lead Member for Adults & Older People (for briefing)

On
14 January 2015

And
TO
Procurement Board (Decision)

ON
9th February 2016

9th March 2016

TITLE: Commissioning Information and Advice Services for Salford, Part of the V.C.S.E. Review

RECOMMENDATION:

It is recommended that:

1. The Executive Lead for Adults & Older People notes and comments on the following:
- 2 The Chair of the Procurement Board, in exercise of the powers contained within the City Council Constitution, approves the following on behalf of the Procurement Board
 - (a) Approves an exception to Contractual Standing Orders to award a contract to Salford CAB for Advice and Information Services outlined in the body of the report in accordance with Paragraph 3.1 as follows :-
 - Where the council can demonstrate that an integrated or strategic approach to procurement is being implemented and there is a requirement to align services or contracts to co-terminus end dates.
 - There is value for money reasons justifying an exception.

- (b) Approve a three year contract to deliver on the combined advice & information specification commencing on the 1 April 2016 to 31 March 2019, with an option to extend for a further 24 months (1 April 2019 to 31 March 2021). This will be subject to the results of a planned wider review, funding available and satisfactory performance. The detail within the contract and service specification will ensure there is adequate flexibility for the council to make any changes required to this service in line with the recommendations from the wider review of advice and information, ensuring COMPACT compliance.
- (c) Current Contract values in scope: Health and Wellbeing service £273,993 of which Community Health and Social care Directorate contribute £116,941) High Street service £243,205
- (d) The expected efficiency for the redesigned service is £50,000
- (e) Notes that Salford CCG wishes to invest in Salford CAB for the delivery of a specialist Mental Health Service (currently delivered by Mind) and will commence discussions with CAB in the near future.

Details

Detail required	
Title/Description of Contracted Service/Supply/Project	Information and Advice Services
Name of Successful Contractor	1. Salford CAB
Supplier Registration Number <i>(to be supplied by Corporate Procurement)</i>	1.
Type of organisation <i>(to be supplied by Corporate Procurement)</i>	1. Registered Charity 2.
Status of Organisation <i>(to be supplied by Corporate Procurement)</i>	
Contract Value	1. £517,198 (Current value) 2. £467198 p.a. x3 years(Proposed Contract)
Contract Duration	Three years £1,401,594 Total Contract Value
Contract Start Date	1 st April 2016
Contract End Date	31 st March 2019
Optional Extension Period 1	31 st March 2019 to April 2021
Optional Extension Period 2	
Who will approve each Extension Period?	Procurement Board
Contact Officer (Name & number)	Sandra Derbyshire Nigel Johnson 0161 793

	2570/2191	
Lead Service Group	Community, Health & Social Care	
Reason for CSO Exception <i>(select all that apply)</i>	The need for the goods, services or works is so urgent that the time needed to comply with the rules would be prejudicial to the Council's interests	
	Specialist services/supplies which are available only from one supplier. For example, specialist niche consultants or suppliers where there is a sole supplier of patented or proprietary articles, materials or services exclusively provided by a statutory undertaker or other bodies	<input type="checkbox"/>
	For reasons of compatibility with existing services/products – for example, equipment that needs parts from its own manufacturer	<input type="checkbox"/>
	Where any of the standing orders are inconsistent with any legislative requirements, in which instance the provisions of the appropriate legislation shall prevail	<input type="checkbox"/>
	Where the Council can demonstrate that an integrated or strategic approach to procurement is being implemented and there is a requirement to align services or contracts to co-terminus end dates	<input checked="" type="checkbox"/>
	There are value for money reasons justifying a CSO Exception	<input checked="" type="checkbox"/>
	School Governors: in relation to the Local Management of Schools (LMS), where schools have adopted their own standing orders	<input type="checkbox"/>
	The shared legal service, in respect of the appointment of counsel	<input type="checkbox"/>
	Strategic Director of CHSC: contracts for the provision of personal care services or facilities pursuant to the National Health Service and Community Care Act 1990	<input type="checkbox"/>

3. Notes that prior to the end of the period of time covered by the exception as indicated in above, the Strategic Director will determine whether the service is to be decommissioned or, in consultation with the Corporate Procurement Team, will agree to undertake a compliant procurement process to re-let the contract by the end of the exception period.

EXECUTIVE SUMMARY:

1.1 Salford CAB is a provider that falls within the council's review of the financial relationship with the voluntary sector, community groups and social enterprises (V.C.S.Es). As part of this review, commissioners were asked to review all current contracts with V.C.S.Es with a view to delivering savings from within existing contracts.

1.2 The outcome of this review is that savings of £20k were achieved in 2015/2016 from the High Street Advice and Information Service which Salford CAB is commissioned to deliver. Negotiations with CAB also identified that there was scope to deliver further efficiencies in 2016/17, by re-specifying the two main existing contracts the council has with Salford CAB.

1.3 The current contracts with Salford CAB that are the subject of this report total £517,198 and are due to expire March 2016. However, in accordance with the V.C.S.E review, negotiations have been entered into with the provider (Salford CAB) to seek further savings of £50,000 from these contracts for 2016/17 and thereafter.

1.4 As a result of this work, a new single specification incorporating the High Street Service and the Health and Wellbeing (Care Act) Service has been developed, securing the provision of a recognised provider able to operate a High Street Service to support the preventative community resilience objectives required by council policy and the Care Act. A key objective will be for Salford CAB to use its Lottery funded Salford Advice and Information Network (SAIN) as the basis of developing a role as the core information and advice provider to vulnerable Salford citizens wishing to approach a "high street" service.

1.5 NHS Salford CCG have been involved in the re specification of this service and it is their intention to engage with Salford CAB in the near future to discuss the delivery of a specialist Mental Health service which will compliment the redesigned advice & information service..

BACKGROUND DOCUMENTS:

A review of the council's financial relationship with the voluntary sector community groups and social enterprises (V.C.S.E) – update report- City Mayors Budget Briefing 8th June 2015.



VCSE Mayors budget briefing Report 8.6.1!

“Approval for an Extension of Contract for Advice Services” Procurement Board 27 May 2015



CAB Report extension
of contract for 15-16 (

Salford CAB Services: <http://salfordcab.org.uk/>

KEY DECISION: **YES**

Yes - if total value of contract (i.e. value over full cycle of contract including any potential extension period) is greater than £350,000

DETAILS:

1. Background

- 1.1 During October and November 2014, the City Mayor, Assistant Mayors and Corporate Management Team (CMT) received a report detailing work carried out by officers and Salford CVS over the past 4 years with the Voluntary and Community Sectors. The report highlighted the overall expenditure of the City Council on the sector, the developing commissioning approach from grant funding to strategic commissioning, the impact of austerity and budget savings on the sector and developing opportunities to support the sector.
- 1.2 The City Councils financial relationship with VCSE's in 2014/2015 was approx £13.5m and included approx £1.7m of investment from the CCG.
- 1.3 At the meeting on 21 October 2014 CMT identified a further budget efficiency target for the sector of £250k which was to be delivered through a more coordinated lead commissioning approach.

2. Lead Commissioner Review

- 2.1 A further report was submitted to CMT on 21 October 2014 which was accompanied by the funding schedule showing Council and CCG investment with VCSE's to be £13.5 million in 2014/15 and this schedule informed the decision to identify a further £250k of efficiency savings through the implementation of a Lead Commissioner approach which commenced on 1 February 2015.
- 2.2 At an early stage in the process, a number of contracts were excluded from the review as not in scope for further savings, leaving £6.6m in scope. It is

important to note that approximately £720k of this is CCG funding, leaving £5.8m of council investment.

In scope for Lead Commissioner review analysed between directorates

Directorate	Value £
CCG (part investment)	719.345
Public Health	1,716.114
CH&SC	2,171.569
Children	1,332.015
Environment	516.662
Corporate Business	95,841
Total In Scope for savings	6,551,546(excl CCG Funding =£5,832,201)

2.3 A Lead Commissioner was allocated to each of the contracts classed as in scope at this stage. The identification of Lead Commissioner was based on the greatest source of funding from each Directorate.

2.4 This paper and recommendation forms part of the Community Health and Social Care Directorate's proposals from the above review.

3. Information and Advice Service

3.1 The Lead Commissioner review identified that the Salford CAB service was delivered under two primary contracts. One Service forms part of the social care offer in line with the Personalisation Commissioning Strategy. It now forms part of the services offered under the Care Act 2014. This "Health and Wellbeing Service" is funded jointly by Salford City Council and Salford CCG through the Alliance Agreement. The total value of this contract is £273,993 of which £116,941 is allocated by CH & SC and £157,052 is invested by the CCG.

3.2 The other main contract is for the "High Street" service to citizens of Salford £243,205 in 2015/16. It was this contract that was the subject of a previous report outlining efficiencies made for the current financial year. The work on this aspect also indicated that a further review may enable further efficiencies to be made overall by developing a new specification which builds on the work done in the Lead Commissioner Review to establish a common customer pathway for Information and Advice services. Making the best use of the overall offer to citizens particularly those economically or socially vulnerable.

3.3 As part of the review process, it was also essential to consider the services delivered by the Council Welfare Rights and Debt Advice Service. In particular to assess the uniqueness of each provider and also to ensure there was no duplication in service provision.

3.4 In order to assess services as described in 3.3, an assessment was undertaken involving both the Councils Welfare Rights and Debt Advice Service and Salford CAB. The findings of this assessment are as follows:

Uniqueness of service provided by Salford CAB

- Delivering a High Street Services Across 6 sites
- Delivers a service 6 days per week
- All levels of advice (1 to 6) provided – 10 subject headings
- Significant Social Value volunteering programme
- Private Housing Advice Service
- Secures approx £500k in other sources of funding for services they would not be able to deliver without the High Street Service

Uniqueness of services provided by SCC Welfare Rights and Debt Advice (W

- Statutory duty to deliver charging assessments
- Close working relationship and use same IT systems as Social Workers etc

Areas of potential duplication

- Both Salford CAB and SCC Welfare Rights and Debt Advice Service are currently working across the 6 levels of service as defined by Community Legal Service (see current customer pathway attached)



Advice & Info
Customer Pathway 1

- Both providers deliver free, impartial advice and case work re welfare rights
- Both providers are developing areas of expertise supporting the requirements of The Care Act
- Both providers are currently delivering advice and information in GP's surgeries
- Both providers deal with Debt Relief Orders/authorisations
- Both providers deal with Councillor, MP and City Mayor referrals

3.5 The review process also included consideration of other information and advice services within the city. Salford CAB had funding from National Lottery to establish a city wide network with specialist advice and information providers. This is called SAIN (Salford Advice and Information Network <http://www.salfordadvice.org.uk/>) and places the High Street Service in a good position to implement a city wide information and advice offer in which the customer can be quickly directed to the most appropriate place for information and advice through a form of initial "triage" by the first contact organisation.

4. Proposal for new service

- 4.1 In redesigning a new service for Advice and Information in Salford, it was essential that we also develop a clear customer pathway, with appropriate triage for service users.
- 4.2 Again, using the 6 levels of advice described by Community Legal Services, a new customer pathway has been developed. (see inserted document).



Advice Info
Customer Pathway FI

- 4.3 The customer pathway essentially will triage all services users at level 1 to 4 via Salford CAB, and those requiring services at a more specialist level 5 and 6, through the Council Welfare Rights and Debt Advice Service. Most importantly, the redesigned service will provide a much clearer customer pathway significantly reducing duplication of current provision.
- 4.4 CAB will however be required to continue to deliver services at level 5 and 6 in relation to challenges against the council. This would include housing, homelessness; care needs assessments and housing/environmental enforcement issues.
- 4.5 NHS Salford CGG has been involved in the re-specification and wishes to invest in Salford CAB for the delivery of a specialist Mental Health service which will fit within the pathway at the core of the new specification. This service is currently hosted by Salford MIND following the withdrawal of its previous provider.

5. Social Value

- 4.1 Salford CAB is currently one of the largest volunteering organisations in Salford with a minimum of 80 volunteers working across the bureau at any one time, The national investment involved in training volunteer advisors with CAB is estimated to be worth £1600 per volunteer and the extensive programme also plays a significant part in meeting the city's broader Worklessness Strategy.
- 4.2. CAB's volunteer programme also provides a therapeutic work environment for a significant number of people with long term mental health, health or dependency problems with CAB acting as an intermediary into the regular workplace.
- 4.3. Salford CAB dealt with over 20,000 clients and 40,000 issues in 2014/2015 with many clients receiving life changing advice in the areas of:
- Universal Credit
 - Benefit Sanctions
 - Housing

- Environment
- Transport
- Immigration & Asylum

6. Salford CAB Performance

5.1 A robust tendering process had previously taken place which explored all the following:

- Managing demand at a time of reducing resources;
- Collaborative working with partners in the pursuit of excellence in the delivery of advice services in Salford;
- Working with key partners and other services that deliver advice services, establishing strong working relationships to develop referral processes;
- Effective targeting to reach all sections of the community in Salford particularly those communities who services have traditionally found hard to reach, for example BME communities;
- Processes for people presenting with Debt (from issue to solution);
- Future plans for the use of self help and the use of online tools;
- Social value, particularly providing opportunities for volunteers;
- The ability to maximize access to and secure external funding;
- The ability to deliver services across numerous categories of advice;
- User involvement and person centered planning;
- Employment of a variety of outreach methods and engagement approaches appropriate to the needs and requirements of different communities and groups and to demonstrate that they are assertively outreaching to maximize engagement and service take up.

5.2 Salford CAB currently delivers all of the following and has continued to perform satisfactorily and deliver all KPIs and outcomes as per the service specification;

- A generic welfare rights and debt advice service accessible to all residents in the city.
- A Care Act related Health and Wellbeing information and advice service
- A service provider which is accredited, experienced and with a sufficiently strong brand to provide credible initial and specialist advice
- Service provision set in the context of other advice needs such as employment, immigration, legal, relationships and family
- A service provider capable of maximising levered resources such as volunteer and external funding

6. Conclusions

6.1 As part of the review process an assessment has been undertaken on the two contracts currently commissioned with Salford CAB and the Council's In house Welfare Rights and Debt Advice Service which concluded that there is currently some duplication in service provision across the two providers.

- 6.2 Merging the two current contracts with Salford CAB will enable efficiencies of £50,000 to be achieved in 2016/17.
- 6.3 Salford CAB currently delivers significant added value for the level of council investment and value for money, whilst providing a high level of advice and information to Salford residents.
- 6.4 There are no alternative providers with a broad enough knowledge and expertise in the areas of advice and information, which are also a recognised High Street accredited provider that is able to deliver the required diverse services in the medium term.
- 6.5 The implementation of the proposed redesigned service will provide a clearer customer pathway for advice and information level 1 to level 6 for service users and as such will reduce duplication of current provision significantly. The Health and Wellbeing element will be enhanced in particular by CAB taking a more prominent position in receiving referrals and ensuring contacts are referred on, internally or to the other information and advice providers in the local offer. Supporting the Health and Wellbeing Strategy in supporting resilience and reducing need for more intensive services.
- 6.6 There is a planned wider review of the information and advice offer in Salford . This is noted in the service specification as a indicator that within the security of the three year contract a variation in the contract may be required within its time envelope.any changes will be dealt with in accord with the Voluntary sector Compact.Salford CAB is fully engaged in the review process.
- 6.7 It is therefore concluded/ recommended that:
- The two current contracts for advice and information be merged with a further contract awarded to Salford CAB for three years (1 April 2016 to 31 March 2019) with an option to extend for a further 24 months subject to funding available, satisfactory performance and the results of the wider review of advice and information in Salford.

KEY COUNCIL POLICIES:

- Salford Compact
- Family Poverty Strategy
- Financial Inclusion Strategy
- Health Inequalities Strategy
- Delivering services fit for people
- Worklessness Strategy
- Health and Wellbeing Strategy
- Personalisation Commissioning strategy

<http://www.salford.gov.uk/commissioningstrategy.htm>

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:-

Not Applicable.

ASSESSMENT OF RISK: Low risk.

SOURCE OF FUNDING: CHSC

LEGAL IMPLICATIONS Supplied by: the Shared Legal Service
Tony Hatton, Principal Solicitor, tel. 219 6323

Ordinarily, when commissioning contracts for the provision of goods, services or the execution of works, the Council must comply with the provisions of the Public Contracts Regulations 2015 (the Regulations). The Regulations require that contracting authorities treat candidates equally and in a non-discriminatory way and act in a transparent manner. In addition, the Council is required to comply with the requirements of its own Contractual Standing Orders (CSO's), failing which the award of a contract may be subject to legal challenge. .

Whilst exceptions to CSO's may be authorised by a decision notice from Procurement Board, as detailed in Part 5 of the Council Constitution, there is still a risk of challenge from aggrieved providers if the usual procurement process has not been followed. The risk of challenge increases in tandem with the value of the contract (and/or proposed length of any extension to a contract). In this instance, the usual argument that full tender and competition would bring the benefit of lower prices and better quality thus achieving better value for money is not necessarily so, as evaluating bids is costly and more bidders may not necessarily lead to lower prices, and the administration cost of running a full tender could be significant.

Other reasons for the exception request are set out in the report, such as aligning contracts to avoid duplication of work, and the fact that CAB has a wealth of experience in providing these services in conjunction with the Council, and is the only provider capable of providing the level of advice services of such breadth in a high street setting.

The Council will be reluctant to use a new provider as any failure in the procurement or commissioning process may jeopardise the ability of the Council to provide the services and will have potentially significant detrimental effects on service users. The contract award to the CAB on the added basis of its reputation and proven ability to meet the requirements of the service, together with the knowledge of the market which the Council possesses, and existing links with the community would be argued to be more cost effective and efficient under the circumstances.

The Council is also under a best value duty to carry out its functions economically, efficiently and effectively with the objective to achieve value for money in all public procurement. The Council has considered the circumstances in this matter and concluded that the recommendation to award the contract to CAB is considered to be of least risk and of most benefit to the Council.

Once approved the contract will commit the Council to the period detailed in the report, and Legal Services will assist in preparing any necessary contractual documentation to engage CAB upon receipt of instructions to ensure that the Council's interests are protected.

FINANCIAL IMPLICATIONS Supplied by:

FINANCIAL IMPLICATIONS Supplied by: Chris Hesketh, strategic finance manager, x2668

The revised, combined contract would generate a net efficiency of £50,000 pa compared to existing contracts as set out below.

CAB contract(s)	Current £000 pa	Proposed £000 pa	Saving £000 pa
Health and well-being service	274	incl in total	
High street advice service	243	incl in total	
Mental health	<u>not provided</u>	incl in total	
Total contract(s) value	517	533	
less CCG contribution [mental health]		-66	
Total SCC contribution	517	467	50

PROCUREMENT IMPLICATIONS: Supplied by: Andrew Briffa

The report outlines a proposal to issue a new contract from the 1 April 2016 to 31st March 2019, with the potential to offer an extension, to Salford CAB to deliver advice and information throughout the City. There is currently no provision to extend the existing contracts so a recommendation is presented to Procurement Board for an exception to contractual standing orders.

If Procurement Board approve the proposal, a saving of approx £50 000 will be achieved in addition to the Provider delivering a significant number of volunteering opportunities.

There are procurement risks to approving the exception, as outlined in more detail within the legal comments, in terms of challenges from Providers in this market due to

not opening up competition through tender process for the contract. However, the risk should be considered against the current high standards of service delivery, the niche market the current Provider operates and the wider benefits, as outlined in the report, which could be achieved.

OTHER DIRECTORATES CONSULTED: Corporate Business

CONTACT OFFICER: Sandra Derbyshire & Nigel Johnson

WARD(S) TO WHICH REPORT RELATE(S): All WARDS
