

Part 1: Open to the public
Or
Part 2: Closed to the public

REPORT OF

Lead Member for Adults, Health and Wellbeing

TO

Procurement Board

ON

7th December 2022

TITLE: Approval for an Extension of Contract for Information and Advice Services

RECOMMENDATION:

That the Procurement Board:

- (1) Approves an exception to Council Standing Orders to agree to a 12-month extension of a contract for Information and Advice Services following the contract end date on 31 March 2023, as detailed in the table below, in order to progress the service and financial strategy that will be taken for a decision to Locality Board in January 2023:
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Detail required	Answers
Title/Description of Contracted Service/Supply/Project	Information and Advice Services
Name of Successful Contractor	Citizens Advice Salford
Supplier Registration Number <i>(to be supplied by Corporate Procurement)</i>	
Type of organisation <i>(to be supplied by Corporate Procurement)</i>	Charitable Trust
Status of Organisation <i>(to be supplied by Corporate Procurement)</i>	SME
Contract Value	£565,726 Per Annum (estimated average)
Contract Duration	12-months
Contract Start Date	01/04/2023
Contract End Date	31/03/2024

Optional Extension Period 1	
Optional Extension Period 2	
Who will approve each Extension Period?	Procurement Board (extension > £150k)
Contact Officer (Name & number)	Lauren Fairey 0161 793 2251
Lead Service Group	People Services
Reason for CSO Exception (select all that apply)	The goods / services / works are only obtainable from one provider and there is no other provider available to allow genuine competition <input type="checkbox"/>
	The execution of works or the supply of goods or services is controlled by a statutory body <input type="checkbox"/>
	Delivers Best Value to the Council <input checked="" type="checkbox"/>
	Special education, health or social care contracts, if it is considered in the Council's best interests and to meet the Council's obligations under relevant legislation <input checked="" type="checkbox"/>
	The execution of works or the supply of goods and services is required so urgently as not to permit compliance with the requirements of competition <input type="checkbox"/>
	Security works where the publication of documents or details in the tendering process could prejudice the security of SCC and Salford residents <input type="checkbox"/>
	Procurements made through, or on behalf of, any consortium, local authority, statutory or similar body, provided that tenders or quotations are invited and contracts placed in accordance with national or EU legislation. <input type="checkbox"/>
Funding Source	Choose an item.
Ethical Contractor	Mayor's Employment Charter <input checked="" type="checkbox"/>
	Committed to sign up to the Charter <input type="checkbox"/>
	Accredited Living Wage Employer <input checked="" type="checkbox"/>

EXECUTIVE SUMMARY:

The purpose of this report is to request a 12-month extension to the contract for Information and Advice Services that is provided by Citizens Advice Salford. The current contract is due to end on 31 March 2023. The 12-month extension would be from 1 April 2023 to 31 March 2024 and will enable the development and delivery of the service and financial strategy that will be taken for a decision to Locality Board in January 2023.

BACKGROUND DOCUMENTS:

The paper has been shared at the following meetings:

- Adult Service Directorate Management Group, Thursday 13 October 2022
- Salford System Finance Group, Tuesday 18 October 2022
- Lead Member Briefing, Wednesday 09 November 2022

KEY DECISION: Yes

DETAILS:

The purpose of this report is to request a 12-month extension to the contract for Information and Advice Services in order for the service and financial strategy options to be taken for decision to Locality Board in January 2023 and then to provide sufficient time to deliver the agreed options within statutory and policy frameworks.

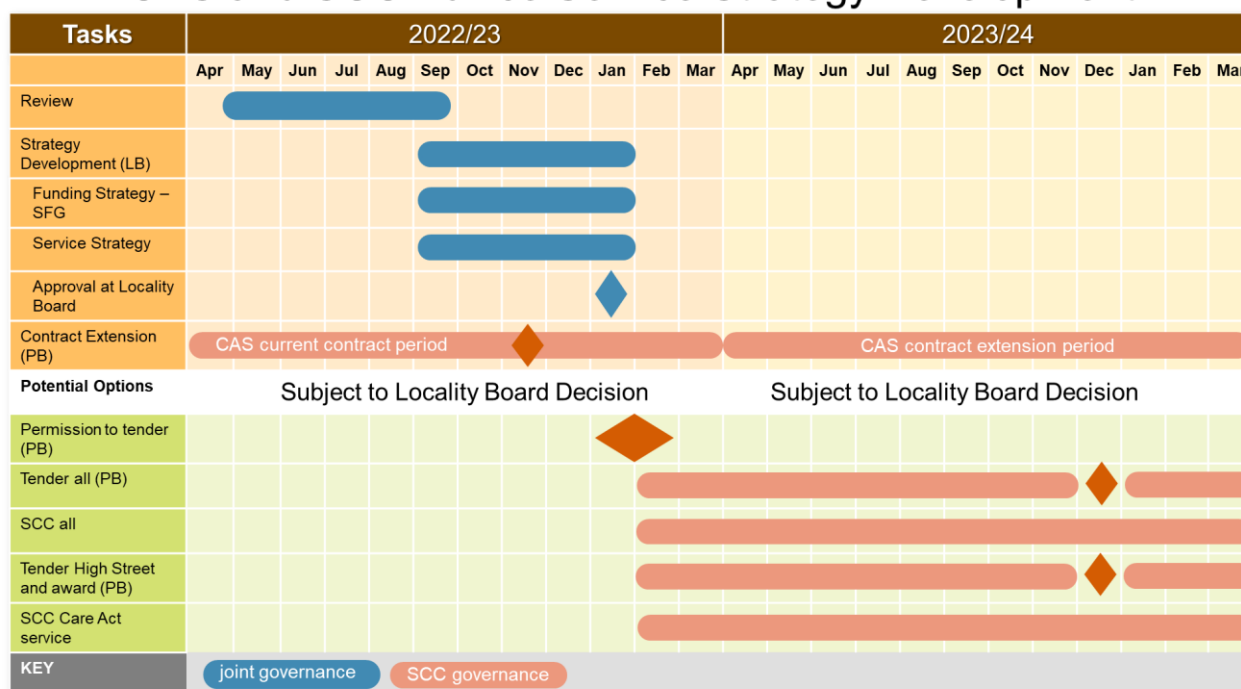
Salford City Council and NHS Greater Manchester Integrated Care Salford (GMICS) have a longstanding commitment to the provision of services that support financial resilience in the city and the contract for the provision of Information and Advice currently provided by Citizens Advice Salford (CAS) is one of the components of a citywide service.

In March 2016, Salford City Council Procurement Board approved a 3-year contract for the provision of a High Street and Health and Social Care Service - April 2016 to March 2019, with an option to extend for a further 12 months (1 April 2019 to 31 March 2020) and then a further 12 months (1 April 2020 to 31 March 2021). Procurement Board approved a further 2-year contract extension (1 April 2021 to 31 March 2023) The provider of this service is CAS.

Since the award of the original contract in 2016, there have been 3 variations to the contract to include Mental Health, Disabled Children/Expectant Families and Palliative Care Provision.

As part of the request for the CAS 2-year contract extension (1 April 2021 – 31 March 2023) a commitment was made to conduct a review of the Information and Advice services provided by CAS. As the majority of the funding for the CAS services sits in the Integrated Fund and under current agreed governance, the Locality Board has delegated authority to make decisions on the service and financial strategy associated with investments. The current status of the programme of work associated with this is detailed in the below CAS and SCC Advice Service Strategy Development diagram.

CAS and SCC Advice Service Strategy Development



Procurement Board is advised on the status of the project and that the purpose of seeking a one-year extension to the CAS contract is to enable Locality Board to arrive at an agreed position with regard to the service and financial strategy for the provision of associated advice and information services. It will also enable council officers to progress the necessary actions following the Locality Board decision within statutory and policy frameworks.

Current contract arrangements with CAS

Table 1 shows an overview of the services provided by CAS.

Service	Description
High Street	Provides both general and specialist advice, from form filling to legal representation (where appropriate).
Health and Social Care	Provides health and social care general information and advice service that supports, informs, and enables clients to access information that is relevant to their individual needs. This service forms part of the council's statutory duty under the Care Act 2014.
Disabled Children	Provide specialist benefits advice for Salford families with a disabled child receiving treatment at Pendleton Gateway and other appropriate venues in Salford. This advice may cover welfare benefits as a specialism, and general advice about employment, debt, housing, health and community care.
Expectant Families	Provide specialist advice about maternity benefits and maternity and paternity employments rights to expectant families, including teenagers, throughout the pregnancy in appropriate settings for Salford patients.
Palliative Care	Financial advice and support to patients identified as being in the last year of life. This may also extend to family members/carers during the bereavement phase.
Mental Health	This service is contracted to MIND in Salford. It ensures that people experiencing mental ill-health have access to a range of free, impartial, confidential and independent advice. The service will enable clients to interpret, understand and apply information to best meet their needs and enables them to be more effective decision makers.

Table 1: Overview of the services provided by Citizens Advice Salford

Whilst services are in part funded by the Non-Integrated budget and in part by the Integrated budget, the contract for all services sits with Salford City Council and are due to expire on 31 March 2023.

Table 2 shows the annual budget for the services commissioned by SCC and CCG. The table also shows the budget streams that they are funded through.

Service	Budget	Annual Budget (£)
High Street	Non-integrated fund	193,205
Health and Social Care	Integrated fund	273,993
Mental Health	Integrated fund	55,928
Disabled Children	Integrated funding	28,000
Expectant Families	Integrated funding	
Palliative Care	Integrated fund	14,600
Total:		£565,726

Table 2: Citizens Advice Salford Annual Budget

As part of the request for the CAS 2-year contract extension (1 April 2021 – 31 March 2023) a commitment was made to conduct a review of the Information and Advice services provided by CAS. The review (appendix 1) showed that the High Street, Disabled Families, Expectant Families, Palliative Care and Mental Health Information and Advice services are providing value for money, exceeding the commissioned targets and it is a well-regarded service by the people of Salford that access it. The review highlighted that the Health and Social Care service would benefit from an options appraisal to go out to tender at the contract end date or develop a SCC delivered Health and Social Care Information and Advice Service. The options appraisal has been completed.

Both the review and the options appraisal highlighted that removing the Health and Social Care Information and Advice funding would destabilise the Information and Advice services and CAS.

The information also indicated that there is excess demand for the High Street service which is consistent to the national picture and pressure on services following the COVID pandemic, cost of living crisis, changes to the benefit system and the impact of leaving the EU.

The review further identified that the excess demand for High Street service was being met through resource re-allocation from other service areas, principally the Health and Social Care contract, which explained the lower activity levels in this element of the contract and represents a circa £200k funding gap. This matter will be reflected in the service and finance report that will be tabled at Locality Board.

The options appraisal also considered the Adult Social Care reforms and the implementation of the Liberty Protection Safeguards that is likely to have an impact on the Health and Social Care Information and Advice service.

The Department of Health and Social Care (DHSC) are in the process of implementing significant Adult Social Care (ASC) reform. It is anticipated that the reforms will 'go live' from October 2023. Local authorities (LA) are still waiting for DHSC to publish additional operational and planning guidance to support with preparation for implementation of the ASC reforms. The timetable of works detailed in an 'example local delivery plan' developed by DHSC indicates that LA's will be undertaking actions to get ready for October 2023 throughout 2022/23 and up until Q2 2023/24. This includes recruitment, comms, update to policies, changes to systems etc. The ASC reforms will have an impact on the information and advice services as they will play an important role in supporting and informing Salford people about the changes and what this will mean for them. The 12-month extension will inform how the information and advice services will support ASC reform.

The government is reintroducing inspections of local authority's adult social care functions. The inspections will be carried out by the Care Quality Commission (CQC) from April 2023 and will assess local authorities' delivery of their adult social care duties. As providing information and advice is a requirement of the Care Act 2014 this area will be under review as part of the CQC inspection to ensure Salford City Council are carrying out their duties. It is therefore important to extend CAS contract to help support this and ensure our duties continued to be met.

The review and the options appraisal have both identified that further work is required to inform commissioning intentions for the Information and Advice services contract. Having the 12-month extension will enable that work to be carried out and ensure what is developed is right for the people of Salford. It will also ensure that the Information and Advice services and the market remain stable for the Salford people that access them during in this period of uncertainty.

Prior to and during the 12-month contract extension period SCC officers will continue to work with CAS to ensure that there are improvements to the reporting information and service quality. It is anticipated that the redevelopment of the performance framework will help inform commissioning intentions for the new contract.

Extending the contract for 12 months supports the following Great Eight priorities:

- Tackling poverty and inequality
- Creating vibrant places and spaces
- Skills and education through CAS volunteer programme
- Affordable housing and reducing homelessness
- Creating an economy for all
- Tackling health inequalities and providing the best possible care

The recommendation is to extend the CAS Information and Advice Contract for 12- months to:

- Provide stability to the people of Salford accessing CAB in this time of uncertainty with the cost-of-living crisis, Adult Social Care reform and changes to benefits.
- Provide appropriate time for Officers to work through the agreed recommendations from Locality Board.
- Continue to fulfil the council's duty under the Care Act 2014 to provide Health and Social Care Information and Advice services.
- Redevelop the quarterly monitoring framework for the duration of the contract to support with commissioning decisions.
- To ensure SCC remains compliant with statutory/legal and policy frameworks.

KEY COUNCIL POLICIES:

- Salford Compact
- Family Poverty Strategy
- Financial Inclusion Strategy
- Health Inequalities Strategy
- Delivering services fit for people
- Worklessness Strategy
- Volunteering Strategy
- VCSE Strategy
- Anti-Poverty Strategy
- The Great Eight

EQUALITY IMPACT ASSESSMENT AND IMPLICATIONS:

Not applicable at this stage.

ASSESSMENT OF RISK:

Low risk if the contract extension is approved as there will be continuity in service.

High risk if the contract extension is not approved due to issues highlighted in the paper.

SOURCE OF FUNDING:

Voluntary Sector Revenue Budget – Cost Centre S7053 & S8040

LEGAL IMPLICATIONS: Supplied by the Shared Legal Service

The starting point with such extensions should be that when commissioning contracts for the procurement of goods, services or the execution of works, the Council must comply with the requirements of the Public Contracts Regulations 2015 (PCR) and its own Contractual Standing Orders (CSO's), failing which a contract may be subject to legal challenge from an aggrieved provider.

It is an established principle that an existing public contract is capable of being extended, and an exception to the Council's Contractual Standing Orders (CSO's) may be approved by the Procurement Board to allow for contract extensions to be made where the original contract does not make provision for such an extension of the original term. There is, however, always a risk that any extension, is outside of the original award process and could be subject to challenge by an aggrieved provider, on the basis that it ought to have been put out to tender and advertised in accordance with the Public Contract Regulations 2015 (PCR). In this instance the contract has already been extended for a 2 year period to expire in March 2023.

Any risk of challenge increases in tandem with the nature, value and proposed length of the contract (or extension) and the number of providers able to deliver the services. In the current circumstances, an review of the services has been undertaken together with an options appraisal (as set out in the report) which has concluded that further work is needed during the proposed extension period to much better inform commissioning intentions, with proposals for ongoing performance monitoring during that time.

It appears that the options to test the market now are very limited due to timescales but the proposed extension of the contract for Salford's CAB Services referred to in the report must be put in place to ensure continuity of the services. In those circumstances it would seem appropriate that the contract is extended for a period of time whilst that exercise to properly test the market, and subject to the outcome of that, the service is then properly advertised and open to competition. That market testing exercise could include the Council publishing a PIN Notice to gauge the level of interest from providers.

As noted in the report, the proposed extension term is relatively short, and to further mitigate the risk, it could be argued that these proposals are merely a delay in the competitive process, not avoidance, whilst the Council completes work to complete market testing and options appraisals/service review.

Also depending on the outcome of the review, further advice may be needed to consider possible TUPE, Information Governance, and financial implications for the Council should any elements of the service be deemed appropriate and suitable for insourcing.

FINANCIAL IMPLICATIONS: Supplied by the Finance Team

Stephen Thynne, Strategic Finance Manager,
Tel 0161 778 0244

This report requests an exception to Council Standing Orders to agree to a 12 month extension from 1 April 2023 for the Information and Advice Services contract held by Citizens Advice Salford. The annual value of the contract is £565,726 and the majority of funding is within the integrated fund for adults. There is no change to the existing contract value and is within existing budgets.

PROCUREMENT IMPLICATIONS: Supplied by: The Corporate Procurement Team Christine Flisk

The reasons for the proposed exception to extend the contract for a further 12 months is outlined in the report and meet the criteria set out within the council's CSOs. During this time the commissioners will be undertaking a review as part of the Innovate programme to determine how this service might be delivered going forward. There is always a risk of an aggrieved supplier challenging an award of contract without competition, but it is our intention to test the market and go out to competition during this time so the risk of challenge is reduced.

HR IMPLICATIONS: Supplied by:

Not applicable.

CLIMATE CHANGE IMPLICATIONS: Supplied by:

Not applicable

OTHER DIRECTORATES CONSULTED:

Procurement, Finance,

CONTACT OFFICER: Lauren Fairey
TELEPHONE NUMER: 0161 793 2251

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

All wards.
