1. **SUMMARY**

1.1 This report seeks Cabinet approval to commence the procurement process for an Information, Advice, and Advocacy Services contract in accordance with the Council's Contract Procedure Rules and the Public Contract Regulations 2006.

1.2 In view of the current anticipated contract value (£2m) this report also seeks Delegated Authority for the Chief Executive in consultation with the Director Neighbourhoods and Commissioning and the Portfolio Lead Member to award the contract to the successful supplier.

2. **RECOMMENDATIONS**

2.1 Cabinet is recommended to:

2.1.1 Approve the proposed procurement programme for the provision of the Information, Advice and Advocacy Services contract to commence on 01/09/2015.

2.1.2 Delegate Authority to the Director Neighbourhoods and Commissioning and the Portfolio Lead Member to agree the final specification and equality impact assessment following the outcome of public consultation.
2.1.3 Delegate Authority to the Chief Executive in consultation with the Director Neighbourhoods and Commissioning and the Portfolio Lead Member to award the contract to the successful supplier.

3. PROPOSALS

3.1 Information Services include general information provided in written publications or websites, assessments to determine eligibility, providing goods or interventions directly to meet a person’s need, or education and training services. Information Services communicate knowledge and facts regarding care and support (Care Act 2014).

3.2 Advice Services can be understood as ‘organised services helping to identify choices and/or providing residents with recommendations and guidance on meeting their needs’ (in line with the Care Act, 2014). Advice may be delivered by a range of providers including national, local, private and the Voluntary and Community Sector (VCS), as is currently the case within Waltham Forest.

3.3 Advocacy Services support vulnerable residents to access and understand the relevant information and services, express their needs and wishes, secure their rights, represent their interests and obtain the care and support they need (in line with the Care Act 2014).

3.4 Advice and Advocacy are areas of strategic importance of both statutory and non-statutory services. Spend on services identified within scope of this procurement exercise is currently approximately £2m per annum, with approximately £3.5m total spend on all relevant services when including those out of the scope of the procurement process exercise, but still to form part of the operating model.

3.5 A review of the Council’s Advice and Advocacy Services concluded there is a significant duplication and fragmentation in the commissioning of economic wellbeing services including separate commissioning of similar services from the same provider, separate commissioning of similar services from multiple providers, and local commissioning of services which may duplicate national provision (e.g. Money and Debt advice). Provision and delivery of services was also found to be fragmented with multiple access points and limited guidance around which service is best placed to meet an individual’s needs. There is a risk that residents go to the closest or easiest channel, rather than the ‘right’ place.

3.6 This fragmented approach also highlights the inconsistent approach to managing multiple providers leading to inconsistencies in the quality of service provided and/or any indication that the services are meeting outcomes. There is therefore a risk that the Council will not meet new legislative requirement resulting from the Care Act unless a new delivery model is established.

3.7 This is one of the first major projects that has been developed within the Service Design Hub ensuring a more integrated approach to the commissioning, design and procurement of services. This has been demonstrated through incorporating best practice examples from
elsewhere, findings from market engagement and understanding of future needs of residents.

3.8 In the new model it is proposed the Council would consolidate all of its advice services into a 3 tier model as illustrated below.

3.9 The first point of contact (Tier 1a), follows the Council’s digital-by-default aims to signpost and support residents to self-serve. Where it is not possible to address residents’ needs by this approach the new delivery model will have in place a coordinated approach to both delivering and reporting on the advice offered to the resident, channelled through the general advice provider.

3.10 Tier 1b will provide general advice, before advice is split into 4 ‘pillars’ (Housing; Money & Debt; Health & Wellbeing; Business, Employment & Skills). It is currently anticipated that one provider may deliver the more specialist tier 2 advice in each pillar, however this will be determined through the procurement process which could include single provider or consortia arrangements within the market being deemed most appropriate to meet resident need. The model will be flexible enough to address potential future demands eg Universal Credit.

3.11 There are some identified contracts (such as those related to Housing advice), whilst being outside of the scope of the procurement exercise, will be part of the operating model in terms of delivering consistent services to residents and coordinated data returns to the Council. This will be clarified further in the Tender documentations.

3.12 This model has been implemented at other Local Authorities and has realised improvements in the customer journey and savings to the Authorities.

3.13 It is estimated that by moving to a new delivery model will realise efficiencies of £0.5m-£1.0m (a percentage of these savings include in-contract negotiations with those providers that are out of the scope of
the procurement process exercise, but will be a part of the operating model), whilst improving service delivery for residents.

3.14 The rationale behind the implementation of the new service model is to:

(a) Ensure the demand can be managed through a ‘digital by default’ approach – users will be signposted to the correct service required;

(b) Facilitate central commissioning and contract management by the Council, creating a single point of contact for service users/providers in the Council;

(c) Allow the Council to align the outcomes of the Service to the Borough-wide strategy and facilitate monitoring of demand and performance of each service;

(d) Account in terms of the Council spend, outcomes, KPIs and impact on residents;

(e) Improve customer journey through clearly signposted referral channels;

(f) Predict future demand and accustom service provision to any changes.

3.15 In considering the scope of services the project team have taken into account compliance with the Care Act. The Care Act requires the Council to provide an information and advice service relating to care and support for adults and support for carers. The information and advice service must cover the needs of all its population, not just those who are in receipt of care or support which is arranged or funded by the local authority. Similarly, the Act requires the Council to arrange independent advocacy for people who have substantial difficulty in being involved in assessments and support planning and when there is no appropriate person available to act on the person’s behalf.

3.16 Consultation on the proposed model is ongoing with residents, service users and providers. Any material changes to the model will be subject to further Cabinet approval.

3.17 The procurement process will be conducted under the new legal framework for Public Sector procurement (Public Contracts Regulations 2015). This Service area is now subject to the new ‘light touch’ regime to reflect its’ limited cross border interest. The light touch regime allows the authority to be flexible about the procurement approach adopted but it must comply with the essential principles of the EU Treaty (i.e. ensuring transparency, equal treatment, non-discrimination etc.)

3.18 It is proposed that a restricted process will be followed. This will include a Pre-Qualification-Questionnaire (PQQ), followed by a tender process (ITT). Other local authorities contacted are adopting the same procurement process to tender for this service area.
3.19 The evaluation criteria will be agreed as part of the tender documentation development, following consultation outcomes and market engagement. However, it is anticipated that this will reflect the importance of ensuring a quality service which delivers value for money to the Council.

3.20 Officers believe that TUPE will apply and a fully compliant consultation timetable will be produced to take into account these implications.

4. OPTIONS & ALTERNATIVES CONSIDERED

4.1 Consideration was given to retendering the existing services ‘as-is’ with no change. This was dismissed for the reasons outlined in section 3.

4.2 Some of these providers may join to establish a consortium, provide the service provision themselves, or the Council may procure it separately within its own consortium or framework. At present meetings are being scheduled with key service providers and further market engagement will be held in advance of the issue of PQQ.

5. SUSTAINABLE COMMUNITY STRATEGY PRIORITIES (AND OTHER NATIONAL OR LOCAL POLICIES OR STRATEGIES)

5.1 The proposed model supports the Council 2015 – 2018 priority to ‘help all of our residents enjoy a good quality of life’. The model will enable residents to access advice and information that is relevant to them in an efficient manner, whilst ensuring the needs of the most vulnerable residents are met.

5.2 The Care Act requires that Local Authorities provide and information and advice about care and support for adults and support for carers and the proposed model enables Waltham Forest to meet its legislative requirements.

6. CONSULTATION

6.1 Internal Council stakeholders have been involved in the development of the proposed model.

6.2 Pre-procurement consultation has taken place with current service providers and with other authorities around the feasibility of the approach.

6.3 Public Consultation is ongoing from 27th February 2015 for 6 weeks. Public Consultation will include promotion of the Consultation (on the Waltham Forest website, e-bulletin, 2 half-page adverts on Waltham Forest newspaper, posters and flyers in public resident areas, e.g. libraries, and through the current service providers) and facility to allow residents and service users to respond via e-mail and in writing. Any material changes to the model will require further Cabinet approval before the specification is finalised

7. IMPLICATIONS

7.1 Finance, Value for Money and Risk
7.1.1 The Information, Advice and Advocacy Services considered within the scope of this tender are currently estimated as £2m per annum. This figure was derived from SAP accounts payable data and current contract values and has been validated by the respective heads of departments during the creation of the SSP. The total value of this contract across the period of five years is therefore estimated to be up to a maximum of £10m.

7.1.2 It is estimated that by moving to a new advice services delivery model an annual saving of £0.5m - £1.0m (15%-30%, a percentage of these savings include in-contract negotiations with those providers that are out of the scope of the procurement process exercise, but will be a part of the operating model) can be achieved when compared to the current baseline (including the services out of scope of this procurement exercise taking the total spend baseline to approximately £3.5m), with future services being rationalised in line with Council priorities.

7.1.3 The cost of procurement activity is expected to be a one off cost in the region of 20% of the annual savings.

7.1.4 The proposals outlined in this report are expected to provide the best value for money for the Council.

7.2 Legal

7.2.1 The Council has a number of statutory duties to provide information and advice about a range of services coupled with a duty in certain circumstances to provide independent advocacy: these duties are supplemented by a range of powers to provide advice and assistance. The required services can either be provided directly by the Council or by third parties providing the services under contractual or other arrangements with the Council.

7.2.2 Under the Public Contracts Regulations 2015 (the Regulations), these contracts fall within the “light touch” regime provisions of the Regulations and therefore the Council does not have to follow one of the procedures in the Regulations to award the contract but it is required to conduct a fair, transparent and non-discriminatory process. Public notice of the intention to award the contract is required together with an award notice at the end of the process.

7.2.3 The Council must also comply with its own Contract Procedure Rules, which are set out in the Constitution and require procurements of this size to be approved prior to Cabinet decision by the Strategic Procurement Board.

7.2.4 Authority is being sought to delegate the award decision to the Chief Executive in consultation with the Director Neighbourhoods and Commissioning and the portfolio lead member. As the contract will be valued at over £1M the award decision will be a Key Decision and need to be on the Forward Plan.

7.2.5 If it is necessary to extend any of the contracts in order to complete the procurement process, they will have to be extended in accordance with the Council’s Contract Procedure Rules and the appropriate waiver of
the Rules relating to competition will have to be given if the contract does not contain a provision for extension.

7.2.6 The Council will complete appropriate contract documentation with successful tenderers in accordance with the Council’s procurement rules.

7.3 Equalities and Diversity

7.3.1 An initial assessment of the equality impact of this decision was undertaken and relevant actions were taken to avoid or mitigate any negative impact (appendix 2). If any material changes to the model, including any negative impact on equality groups, are identified, then further approval will be sought – including a revised equalities impact assessment.

7.3.2 An equality assessment will be undertaken of all interested suppliers at the PQQ stage. The suppliers will need to demonstrate that they are able to comply with the requirements under the Equality Act 2010 and pass certain equality criteria (to be defined in consultation with the Council’s Insight and Performance function before they can progress to the next stage of the procurement.

7.4 Sustainability (including climate change, health, crime and disorder)

7.4.1 Through this contract we will seek to ensure that we maximise benefits for the local economy, environment and socially to comply with the Sustainable procurement Policy. Specifically we will seek to ensure that the contractors:

a. Provide proposals that reflect the needs of the local community

b. Where possible look to use local labour and volunteer development

c. Propose further ideas for community benefits

d. the single provider or the consortium will aim to reduce CO2 emissions from its activities to provide general advice to the residents

BACKGROUND INFORMATION (as defined by Local Government (Access to Information) Act 1985)