

**CABINET MEETING: 23 NOVEMBER 2023**

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**ADVICE SERVICE CONTRACT RECOMMISSIONING**

**TACKLING POVERTY, EQUALITY & PUBLIC HEALTH  
(COUNCILLOR PETER BRADBURY & COUNCILLOR JULIE  
SANGANI)**

**AGENDA ITEM: 4**

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**Reason for this Report**

1. To provide an update on the current arrangements for advice provision in the city.
2. To set out the proposed procurement arrangements for the advisory services contract from 1<sup>st</sup> April 2024.
3. The report seeks Cabinet's agreement to delegate authority to the Director of Adults, Housing and Communities, in consultation with the Cabinet Member for Tackling Poverty, Equality and Public Health, to determine all aspects of the procurement process (including finalising the evaluation criteria, commencement of the procurement process, the award of the contracts and all ancillary matters pertaining to the procurement of the Advice Service Contract).

**Background**

4. Advice Services in Cardiff are currently provided through a mix of directly delivered 'in-house' provision through the Council's Advice Services and via contracted out provision, currently delivered by Citizens Advice and The Speakeasy Advice Law Centre. The current contract for Advice Services ends on 31<sup>st</sup> March 2024, therefore these services are required to be recommissioned ahead of April 2024.

**Council Advice Provision**

5. The amount of Advice given by in-house teams has increased over the past 7 years, since the last contract was commissioned, due to team expansion and the realignment of internal teams into the Advice Service, with recent additions including Welfare Liaison (money and debt support for council contract holders), Housing Solutions, Homelessness Prevention and Assessment.

6. The Council's Money Advice Team provides a wide range of advice, including generalist welfare benefit advice, budgeting and low-level debt advice. The team links in closely with the Into Work Advice Service and Housing Advice teams to provide a solution-based approach for customers. A substantial expansion of the wider Advice Team has been possible as the team have been successful in securing external funding including the UK Government's Shared Prosperity Fund, DWP's Local Supported Employment project and the Children and Communities Grant, over the past 12 months.
7. The Advice Service also includes a comprehensive Employment and Reskilling provision, which includes Adult Learning, a Community Digital Service, the Onsite Construction Academy, Cardiff Cares Academy and the Council's in-house agency, Cardiff Works – together with its recent Cardiff Works For You paid placement initiative. The Money Advice Team has also benefitted from Shared Prosperity Funding, to employ a dedicated Young Person's Money Advisor, to support specifically young people leaving care and the operation of the Basic Universal Income Pilot.
8. There have been considerable advantages to providing advice in-house; council Advice Officers work closely with Hub, Housing and Benefit Staff who provide support on a wide range of council issues including housing allocations, waiting list interviews and housing benefits. The teams work together on a daily basis to resolve issues at the first point of contact. Advice Officers have direct access to council systems, such as Housing Benefit/Council Tax Reduction, Housing Rent Recovery and Housing Waiting List systems. With customer consent, staff can directly access data from these systems to identify the latest information and resolve issues at an early stage.
9. Staff work closely with officers within the Benefit Assessment team, to ensure that customers who are affected by the Benefit Cap and Universal Credit are fully supported. The Advice Team are empowered to make decisions on Discretionary Housing Payments and Together for Cardiff funding applications.
10. The team have excellent relationships with Registered Social Landlords and, with the customer's consent, liaise with them directly to resolve issues including rent arrears. The team also work closely with Council Tax Recovery and are able to provide support with Council Tax debt, recently facilitating the use of the Welsh Government's Cost of Living Discretionary Scheme funding to clear priority debts. Whilst personal data is protected and information is not given without client consent, this close interdepartmental working can prevent further recovery action and evictions.
11. The Council also provides advice through the Independent Living Service, including Information, Advice and Assistance to older people and those with disabilities to help them remain independent in the community.

12. The Money Advice Team provides services from Central Library Hub and across the city in Community Hubs, Food Banks, Schools, Temporary and Supported Accommodation settings, but also provides support through a dedicated Advice Line and online through the website and webchat.
13. The Money Advice Team saw a 58% increase in the number of people requiring help during 2022/23, with over 16,000 customers being supported with budgeting, debt, and help to apply for grants, discounts and discretionary funding. Over £21.3 million in additional weekly benefits were identified, surpassing the previous year's total of £17.2 million.
14. From September 2022 to March 2023, the Money Advice Team supported 15,388 Cardiff residents to access the £2.1million Cost of Living Discretionary Fund, to help those in most need including carers, people in priority debt and fuel poverty. The team created and deployed Fuel and Food Poverty Champions across Community Hubs to provide advice and support people with rising living costs.
15. The Money Advice Team launched a wide-reaching publicity campaign in Autumn 2022 to raise awareness of the support and help available from the service in light of the Cost-of-Living Crisis. The campaign included radio adverts, social media, adverts on Spotify, Wales Online and South Wales Echo articles, adverts on buses, the use of iVans in communities across Cardiff advertising in community languages. Every household in the city was also written to and received information on help available through the Money Advice Team and wider Advice Services. An updated campaign has been launched ahead of this year's winter pressures.
16. An increase in demand for support with specialist benefits led the Money Advice Team to bid for additional funding, to create a dedicated Disability Support Team earlier this year. The Team offers a variety of specialist advice and support with Child Disability Living Allowance, Employment and Support Allowances, Limited Capability with Universal Credit and Personal Independence Payments. The team can also help with completing claim forms, Mandatory Reconsiderations and appeals and where appropriate provide representation at tribunal hearings.
17. The Advice Service's dedicated **Advice Line** has tripled in size since the pandemic; with face-to-face provision stopping during lockdown, the Advice Services moved all support to the phone line to ensure that the needs of vulnerable residents could still be supported. However, on return to face-to-face support, it was evident customers still required the service especially for those struggling to leave their homes. Funding was secured to grow the service, to carry out low level initial advice on a range of topics including benefit checks, food bank vouchers, housing waiting list queries, and facilitate the completion of online applications. The Advice Line handled over 48,000 calls during 2022/23 with the most common queries concerning the Cost-of-Living Crisis and the Winter Fuel Support Scheme.

## **Contracted Advice Provision**

18. The current Advice Contract is with the “Cardiff Advice Service”, which is a partnership between Citizens Advice and The Speakeasy Advice Law Centre. The current cost of the service is £300,000 per year. The contract is due to end on 31<sup>st</sup> March 2024.
19. In line with the Welsh Government’s Information and Advice Quality Framework, the contract currently provides 5 different levels of advice:

### Information

Information “Describes a service which gives clients the information they need for them to know more and do more about their situation. It can include providing information about policies, rights and practices; and about local and national services that may be able to offer the client further help. Responsibility for any further action rests with the client”.

### Guidance

Guidance “Describes a service which may discuss the advantages and disadvantages of different options without making specific recommendations. It may include making and receiving referrals, identifying emergencies and prioritising issues”.

### Advice

Advice “Describes services which diagnose the client’s legal problem and any related legal matters; identifies options and relevant legislation and decides how it applies to a client’s specific circumstances; includes identifying the implications and consequences of such action and grounds for taking action; includes form filling; provides information on matters relevant to the problem such as advising on next steps and identifying dates by which action must be taken to secure the client’s rights. Advice may take place on more than one occasion.”

### Advice with Casework

Advice with Casework “includes all elements of an advice service and also involves taking action on behalf of the client with third parties on the telephone, by letter or face to face”.

### Specialist Casework

Specialist Casework “Describes services where the adviser or the service as a whole undertakes advice and casework at a level where very detailed knowledge of the law and case law is required. Usually this means it is delivered by advisers who have the necessary depth of legal knowledge and expertise to undertake representation for clients through the court or tribunal”.

The different types of advice provided under the contract are listed below:

- Welfare Benefits
  - Budgeting/Debt
  - Housing
  - Consumer Advice
  - Employment Advice
  - Immigration Advice
  - Family/Relationship Advice
  - Discrimination Advice
20. Having a single contract for Advice Services has worked well over the past 7 years, allowing for effective communication and clear contract management arrangements, including monthly Contract Monitoring Meetings between provider Account Managers and council Advice Managers.
21. Performance over the lifetime of the contract has been of a good standard. During 2022/23:
- 4,271 customers were supported under the contract
    - *1,191 for Information & Guidance*
    - *753 for Advice*
    - *925 for Advice with Casework*
    - *1,402 for Specialist Casework*
  - 93% of customers who were supported with Information, Guidance & Advice, had their issue resolved at first contact.
  - Over £2 million in weekly benefits gained.
  - 90% of Tribunal cases were successful.
  - 95% of customers surveyed were satisfied with the service.
22. The way in which customers access contracted and in-house advice provision has changed considerably over recent years. The introduction of a dedicated phone line has allowed people to access services more easily, which was particularly beneficial during the pandemic, allowing vulnerable customers to continue to receive support. As services return to pre-pandemic delivery, the demand for face-to-face provision has increased. The current contracted service is provided from Central Library Hub and accommodation is provided free of charge for this purpose. This includes both customer facing and back office provision. Both the Council's Advice Service and advice provided under the contract will continue to be co-located.
23. The current contract, awarded in 2016, saw the funding reduced on a phased basis, from £410,000 in Year 1 to £300,000 in Year 5. This reduction was based on the Council's in-house services providing a wide range of generalist advice, including signposting to other relevant services. The in-house services are not currently able to provide advice on more specialist matters including serious debt and immigration, hence the need for contracted provision in order to cover the gap in support. An element of independent advice is also required, for customers who do not wish to access council provision. The Council's Advice Service and current Advice Partner have worked together to prevent duplication of support provided to customers. Under the new contract, a robust triage

process will be introduced to ensure that customers are directed to the correct level of support according to the nature of their enquiries, first time. It is anticipated that this additional triage will generate ongoing efficiencies, reducing the work of the external provider, and therefore it is proposed that the contract value should remain fixed during the period of the new contract.

## **Issues**

24. As the current advice contract comes to an end on 31st March 2024, there is a requirement to recommission services ahead of this date.

## **Proposed External Advice Partner**

25. As stated above, whilst the Council's Advice Services can provide a range of quality, robust advice to all residents of Cardiff, it is imperative that should citizens require more specialist or independent advice, this is available through a 3<sup>rd</sup> party, separate to the Council.
26. It is therefore proposed that an 'Advice Partner' is commissioned who will work with the Council to provide complimentary services and advice which isn't available through the Council's Advice Services such as Serious Debt, Independent Housing Advice and Immigration Advice.
27. Given the success of the current arrangements, it is proposed to continue with a single contract for Advice Services. However, bids will be welcomed from single providers, consortia or by a lead provider with subcontractors – which is the current arrangement.

## **Proposed Procurement Arrangements**

28. It is proposed to carry out this recommissioning via open procurement, utilising sell2wales and in line with public contract regulations. The high level evaluation criteria will be based on 100% Quality, due to the yearly contract value being fixed for the duration of the contract.
29. The procurement process will include 'functional' and 'performance' related evaluation criteria. As part of the evaluation process, providers will provide a breakdown of their expected performance against key performance indicators identified in the Contract Specification. This will include
  - Number of Advisor Hours delivering direct provision
  - Number of Advisor Hours delivering telephone advice
  - Number of Volunteer Hours providing Information and Guidance and Generalist Advice
  - Numbers assisted for Information & Guidance, Advices, Advice with Casework, Specialist Casework
  - Percentage of individuals who issue was resolved at first contact
  - Percentage of individual whose first appointment is within allotted timescales
  - Percentage of people satisfied with the service

- Amount of previously unclaimed benefit/grant successfully claimed additional ongoing benefit and additional lump sum awards
  - Amount of Debt negotiated/written off
  - Percentage of tribunal/court cases that are successful
30. Providers will be asked to submit an indicative unit cost per customer, for each level of support that is available under the contract, to ensure value for money.
31. In addition, providers will complete a series of methodology questions, which are broken down in the following sub criteria sections:
- Annual Service Level and Purchase of Additional Services – 40%
  - Equalities – 5%
  - Efficiencies, Effectiveness & Partnership Working – 20%
  - Outcomes and Quality Measures – 30%
  - Implementation – 5%
32. It is proposed that a 5 year contract will be awarded, with the option to extend for a further 2 years should this be required. It is anticipated that a longer term contract will provide stability and sustainability to the Advice Partner. The maximum value of the contract will be £2,100,000 over the 5 years plus 2 year extension period, equating to £300,000 per annum.
33. As set out above it is anticipated that effectively reducing the amount of support provided under the 'Information', 'Guidance' and 'Advice' categories, will allow an increase in the number receiving 'Advice with Casework' and 'Specialist Advice'. This will reduce further reduce duplication, making best use of resources, including staffing and cost savings. A Matrix will be included as part of the Contract Specification, setting out the minimum number of customers to be supported in each of the advice categories. It is expected the minimum level of Specialist Advice with Casework given will not fall lower than 20% of the overall number assisted.
34. Despite inflationary pressures, the proposed funding (£300,000pa) will remain the same each year throughout the lifespan of the new contract. This is due to the removal of duplication which will allow for a reduced target for the number of people being supported with lower level advice by the procured provision. The Advice Partner will work in partnership with the Council's Advice Team to ensure customers are accessing the correct level of provision from the right service.
35. In addition to the Annual Contract Value above, the Council will continue to provide space within Council owned buildings free of cost where required, including front facing offices and back office space in Central Library Hub.
36. The incumbent Advice Partner would also be required to bid for additional funding from external sources to supplement the council funding, while not duplicating existing provision. There will also be the

opportunity for the Council to award further work under the contract, should extra funding be available for advice purposes.

## **Consultation**

37. With minimal proposed changes to the new contract and a high level of customer satisfaction (95% of customers 'extremely satisfied') with the current service, a public consultation was not considered necessary. However, to encourage feedback from partners, a face to face stakeholder consultation was held on 13<sup>th</sup> September 2023. Positive comments were received on the current 'One Stop Shop' model of delivery, having both the external contracted services and council services co-located under one roof. Partners also communicated positively about customers having access to independent advice, separate to Council Services.
38. The event encouraged open conversations on what needed to be improved and what would add value to a future contract. Partners expressed the requirement for fully face to face provision, both drop-in and appointment based, in Central Library Hub but also in other accessible locations. Partners also discussed the increased need for more specialist advice for complex cases, with less emphasis on general information and advice. A need for a more efficient referral system/advice pathway also came high on the agenda for partners, as a number found accessing provision confusing and not knowing which service took responsibility for what area of advice.
39. As a result of these recommendations, a new referral system will be put in place in readiness for the start of the new contract, together with a refreshed triage system to ensure customers are directed to the correct level of support first time. A full implementation programme will be required from the new provider which will include briefings for stakeholders and council front line staff, along with a joint publicity campaign with Council Services, to raise awareness of the support available. Accessible accommodation for face to face provision will be available to the provider as outlined in the Contract Specification.
40. An Equality Impact Assessment has been carried out on the above proposals; no issues were raised.

## **Reason for Recommendations**

41. To obtain agreement for the approach to the recommissioning of the Advice Services Contract, and to gain the necessary approval in order to commence the procurement process to invite tender from the open market.

## **Financial Implications**

42. Revenue base budget funding is currently available at a level that would support the costs outlined in paragraph 31. In considering any tender returns as part of any delegation to be exercised, further financial advice



will need to be sought including the approach to increasing costs over the term of the contract to ensure the commissioning of advice services is managed within the Medium-Term Financial Plan. In accordance with the issues highlighted in the report in respect to lessons learnt, clear performance metrics should be collated and reviewed to minimise duplication and ensure any additional requests for advice are managed in agreed in line with the provisions of the contract to ensure advice services remain within the budget available.

43. Where external grant funding is used to support advice services, any expenditure should be in accordance with the terms and conditions of that grant and be sustainable over the contract period being entered into.

#### **Legal Implications (including Equality Impact Assessment where appropriate)**

44. The report recommends Cabinet to approve the procurement of the external Advice Services (as detailed in the body of the report).

The report also recommends that authority is delegated to the Director of Adults, Housing & Communities in consultation with the Cabinet Member with responsibility for Tackling Poverty, Equality & Public Health, to determine all aspects of the procurement process (including approving the evaluation criteria to be used, commencement of the procurement process, the award of the contracts and all ancillary matters pertaining to the procurement). Full legal advice should be sought on the proposals, the procurement process and in relation to the drafting of the draft terms and conditions of contract, as the same are developed.

45. The report notes the completion of a stakeholder consultation. This gives rise to a legitimate expectation that the findings of the consultation shall be given due regard in the decision-making process.

46. Funding

It is understood that the some of the services may be reliant upon grant funding from various sources. The decision maker must be satisfied the proposed way forward complies with the conditions attached to the relevant grants/funding from the various sources.

47. TUPE

It is noted that currently the existing provider for external Advice Services and accordingly, TUPE may apply to the award of the new contract. Legal advice should be sought in relation to any resulting TUPE implications.

48. Equality Duty

The Council has to satisfy its public sector duties under the Equality Act 2010 (including specific Welsh public sector duties) – the Public Sector Equality Duties (PSED). These duties require the Council to have due

regard to the need to (1) eliminate unlawful discrimination, (2) advance equality of opportunity and (3) foster good relations on the basis of 'protected characteristics'. The 'Protected characteristics' are: • Age • Gender reassignment • Sex • Race – including ethnic or national origin, colour or nationality • Disability • Pregnancy and maternity • Marriage and civil partnership • Sexual orientation • Religion or belief – including lack of belief.

### Well Being of Future Generations (Wales) Act 2015

49. The Well-Being of Future Generations (Wales) Act 2015 ('the Act') places a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible.
50. In discharging its duties under the Act, the Council has set and published wellbeing objectives designed to maximise its contribution to achieving the national wellbeing goals. The wellbeing objectives are set out in Cardiff's Corporate Plan 2023-26. When exercising its functions, the Council is required to take all reasonable steps to meet its wellbeing objectives. This means that the decision makers should consider how the proposed decision will contribute towards meeting the wellbeing objectives and must be satisfied that all reasonable steps have been taken to meet those objectives.
51. The wellbeing duty also requires the Council to act in accordance with a 'sustainable development principle'. This principle requires the Council to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that Council decision makers must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Council must:
  - Look to the long term
  - Focus on prevention by understanding the root causes of problems
  - Deliver an integrated approach to achieving the 7 national well-being goals
  - Work in collaboration with others to find shared sustainable solutions
  - Involve people from all sections of the community in the decisions which affect them
52. The decision maker must be satisfied that the proposed decision accords with the principles above; and due regard must be given to the Statutory Guidance issued by the Welsh Ministers, which is accessible using the link below: <http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

### General

53. The decision maker should be satisfied that the procurement is in accordance within the financial and budgetary policy and represents value for money for the council.
54. The decision maker should also have regard to, when making its decision, to the Council's wider obligations under the Welsh Language (Wales) Measure 2011 and the Welsh Language Standards.

### HR Implications

55. There are no HR implications arising directly from this report.

### Property Implications

56. There are no specific property implications in respect of the Advice Service Contract Recommissioning Report. Where there are any property transactions or valuations required to deliver any proposals, they should be done so in accordance with the Council's Asset Management process and in consultation with relevant service areas.

## **RECOMMENDATIONS**

Cabinet is recommend to

1. To approve the overarching approach for the procurement of the external Advice Service provision.
2. To delegate authority to the Director of Adults, Housing & Communities in consultation with the Cabinet Member with responsibility for Tackling Poverty, Equality & Public Health, to determine all aspects of the procurement process (including finalising the evaluation criteria to be used, commencement of the procurement process, the award of the contracts and all ancillary matters pertaining to the procurement).

<b>SENIOR RESPONSIBLE OFFICER</b>	<b>Jane Thomas Director Adults, Housing &amp; Communities</b>
	17 November 2023

*The following appendix is attached:*

### **Appendix 1 – Single Impact Assessment**