

<b>Report to</b>	Cllr Gwyneth Ellis, Lead Member for Finance, Performance and Strategic Assets
<b>Date</b>	10th October 2023
<b>Lead Officer</b>	Paul Barnes / Rachel Thomas, Contracts & Performance, Finance & Audit
<b>Head of Service</b>	Steve Gadd, Head of Finance & Audit
<b>Report author</b>	Rachel Thomas, Contracts & Performance, Finance & Audit
<b>Title</b>	Proposal to tender for consumer and financial advice from 1 <sup>st</sup> April 2024

## **1. What is the report about?**

- 1.1. Our current contract for these services ends 31st March 2024 and we propose to go out to tender for a new contract, to ensure continuity of service.

## **2. What is the reason for making this report?**

- 2.1. We are seeking approval from our Lead Member to go out tender on this contract under their delegated decision powers.

## **3. What are the Recommendations?**

- 3.1. That officers proceed to go out to tender on this contract.
- 3.2 That the Well-being Impact Assessment (Appendix 1) has been read, understood and taken into account.

## **4. Report details**

Background

- 4.1. The Authority has a 5 year contract for Consumer and Financial Advice, currently with Citizens Advice Denbighshire. This provides an independent, confidential and free consumer and financial advice service to Denbighshire residents. It is designed to prevent and reduce the issues faced by our residents in relation to areas such as the full range of benefits and entitlements, debt, budgeting, energy and fuel, housing, employment, consumer matters and family/relationship issues.
- 4.2 The current contract is due to end on 31st March 2024 and we propose to go out to formal tender for a new contract. This will ensure that we have tested the market place and have a new contract in place for 1<sup>st</sup> April 2024 with a provider who is capable of ensuring a high quality delivery of these important services.
- 4.3 The existing contract value is £1,170,000 (ie £234k per annum x 5 years). We propose to retain the contract value at this price due to the current budget constraints. However to ensure that we do not experience a drop in service delivery, we will be working towards improving our own internal processes to strengthen the quality and focus of referrals and so help manage demand.
- 4.4 Over recent years officers have worked closely with other DCC teams who have a variety of smaller projects with the provider. These are bespoke projects with a specific service need and are funded by separate funding streams, but nonetheless share many features which are similar to the main contract. As such, officers contract managing the main contract have forged informal working arrangements with the relevant DCC teams. This has facilitated a much greater understanding of the collective services procured by the Authority with the provider, so giving us a One Council approach with greater powers to maximise harmonisation and innovation whilst removing any duplication.

#### New contract proposal

- 4.5 With the procurement of the main contract due, we now have this window of opportunity to include the renewal of these other existing DCC projects in one tender / one contract going forward. This formalises the current collaborative working arrangements and so improve the benefits. This also saves officer time on procurement processes as one process will run rather than several. Contract management for the other projects will also be undertaken and this is a very

minimal impact on resources as officers will meet with the provider regularly anyway for the main contract.

- 4.6 This is a crucial contract at any time, as it provides an intervention to support our residents before issues escalate. During this period of a cost of living crisis it is even more important to provide that intervention and so reduce the call on DCC frontline services. Some more details of the importance of this work and how it directly relates to Corporate priorities is in the next section, Section 5.

#### Procurement position

- 4.7 We have been working closely with DCC Procurement who have advised that as the contract value is between £1m and £2m (maximum will be £1.61m), in line with DCC's Contract Procedure Rules, the official process to be followed is delegated decision by Lead Member (with agreement from Head of Service / Section 151 Officer and the Monitoring Officer). See appendix 2.

#### 4.8 Proposed timescales

- Sept / Oct – formal approvals & preparation of documentations
- 1<sup>st</sup> Nov – out to tender / 1<sup>st</sup> Dec – closing date
- Dec – evaluation of bids
- Early January – notification letters to successful and unsuccessful bidders
- Mid January – award of contract (to allow for TUPE if new provider)
- 1<sup>st</sup> April – contract start date

## **5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?**

- 5.1. A prosperous Denbighshire - this provision will ensure that the residents of Denbighshire have the best opportunity to manage money and maximise their income. This will have a positive impact on the prosperity of that individual and in turn the local economy. The provision will make the best use of modern technology and contribute to a low carbon society. The provider will be expected to give community benefits which offer work related opportunities.
- 5.2. Housing - the contract will be directly supporting those in homelessness or at risk of homelessness.

- 5.3. A fairer, safe, and more equal Denbighshire - This will directly support the most vulnerable and disadvantaged including those with protected characteristics, ensuring they receive appropriate advice and guidance. The service is also critical to tackling poverty in Denbighshire both as a service itself but also the provider will be working in partnership with DCC and other partners to address challenges from the cost of living crisis and the longer term economic forecast.
- 5.4. A well run high performing council – by testing the market place we ensure that we secure a contract with a quality partner who can help the council deliver on relevant priorities. The collaborative approach of one contract for a number of teams will be a highly effective way of ensuring efficiency in processes and spend.

## **6. What will it cost and how will it affect other services?**

- 6.1. The estimated contract value is £1.61m for the 5 year period (please see appendix 2 for more details). This contract is critical to preventing and reducing demand on the Authority's frontline services and the associated costs. Both the main contract and the other projects are currently running at the same price, so this is not new expenditure.
- 6.2. The additional work to procure collectively with the main contract and then manage the contract holistically going forward requires minimal extra officer time and can be managed within existing resources ie no additional cost.
- 6.3. No negative impact on other services. Officers will work with the other services to ensure that they receive the best possible value from the contract.

## **7. What are the main conclusions of the Well-being Impact Assessment?**

- 7.1. By providing a free, independent and impartial consumer and financial advice service, accessible to all across Denbighshire, residents are more likely to have access to all of their relevant benefits and services; know their rights and responsibilities; be better placed to manage money now and in the longer term. All of this will contribute to income maximisation, ability to cope with the cost of living crisis, a sense of personal empowerment and improved wellbeing. As such Denbighshire residents will be affected in a positive way. Those from protected, disadvantaged or vulnerable groups will particularly benefit.

## **8. What consultations have been carried out with Scrutiny and others?**

- 8.1. As the financial value of this proposed contract falls within the delegated decision process we have been engaging with our Lead Member.
- 8.2. At the request of the Lead Member a report on the proposal to tender was presented to Cabinet Briefing on 2<sup>nd</sup> October 2023 for information. Cabinet were satisfied with the report and confirmed that in line with the CPRs the request for approval to go out to tender should be submitted to the Lead Member under the delegated decision process.

## **9. Chief Finance Officer Statement**

- 9.1. The report highlights the benefits of the agreed procurement route, which should result in no increase in costs to this successful service while maintaining service levels. The one Council approach, by bringing on other service areas into this contract, is also welcome. The report is supported.

## **10. What risks are there and is there anything we can do to reduce them?**

10.1. The risks are around poor delivery of the contract, however our mitigation is:-

- Officers will work with Procurement on the correct contracting procedures to secure a high quality partner to deliver on this contract
- Officers have considerable experience in managing this contract successfully to date
- The provider to report on a set of key performance indicators. Updates on KPI performance and the overall contract to be provided monthly for review at monthly operational meetings between the Council and the provider
- Contract payments will be made quarterly in arrears subject to the provider meeting the obligations of the contract.
- A risk register will be developed at the start of the contract to ensure that any operational risks are identified and mitigated as far as possible.

## **11. Power to make the decision**

11.1. DCC's [Contract procedure rules \(denbighshire.gov.uk\)](https://www.denbighshire.gov.uk) state contracts with a value of between £1m and £2m to be approved by delegated decision by Lead Member and with agreement from Head of Service / Section 151 Officer and the Monitoring Officer.

11.2. In accordance with powers delegated to the Cabinet portfolio holder as per Appendix 2(b) to Section 13 of the Council's Constitution.