

<b>Item No.</b>	<b>Classification:</b> Open	<b>Date:</b> 14 January 2020	<b>Meeting Name:</b> Deputy Leader of the Council and Cabinet member for Culture, Leisure, Equalities and Communities
<b>Report title:</b>		Gateway 1 - Approval of procurement strategy for generalist community legal advice services 2020– 2025	
<b>Ward(s) or groups affected:</b>		All	
<b>From:</b>		Strategic Director of Place and Wellbeing	

## RECOMMENDATION

1. That the Deputy Leader of the Council and Cabinet member for Culture, Leisure, Equalities and Communities approves this procurement strategy for generalist external community legal advice services, through a single supplier negotiation with Citizens Advice Southwark (CAS) for a total estimated annual sum of £600,000 over a period of up to five years (3+2 years), from 1 April 2020 to 31 March 2025, making a total estimated contract sum of £3,000,000.

## BACKGROUND INFORMATION

2. As well as generalist advice services the council also commissions specialist community legal advice services which is delivered by Southwark Law Centre. There are currently two contracts in place delivered by two providers: CAS and Southwark Law Centre. This report concerns the generalist advice services only. A separate report covers the procurement strategy for specialist level services.
3. The 2 contracts commenced on 1 August 2013 for a period of three years. They have since been extended 3 times. The first extension was to March 2018 following approval of Gateway 1 and Gateway 2 reports dated 31 May 2016 and 19 July 2016. In 2018 they were extended for an 18 month period to the end of September 2019 and in June 2019 they were extended for a further 6 months to March 2020.
4. In addition to these 2 contracts, from August 2013 to April 2019 the community legal advice services contracts included two contracts held by Advising Communities. These were the generalist advice – west of borough contract and advice in community languages contract. Advising Communities closed in April 2019. In June 2019 the council approved via a Gateway 3 report a variation of the two Advising Communities' contracts to transfer them to CAS for the period 1 July 2019 to 31 March 2020.
5. CAS has been addressing the demand resulting from the closure of Advising Communities by recruiting additional staff, taking on its former premises in Walworth and building capacity and resources to provide services to meet the needs of residents in the west of Southwark particularly in the Walworth, Camberwell, Aylesbury and Elephant and Castle areas. CAS currently provides face to face services from its premises in Bermondsey and Peckham.

6. The current contract with CAS includes a dedicated service targeted at Southwark Leaseholders which is in part funded through a contribution from the Homeowners Council.
7. An evaluation of the current community legal advice services has been carried out and is attached as Appendix 1. It includes:
  - Consultation with service users on satisfaction and ease of access of service
  - Online consultation with the broader community
  - Consultation with council stakeholders on needs
  - Delivery of key performance indicators and other outcomes achieved
  - How the contract can future proof communities
  - A benchmarking exercise with other local authorities on service provision
8. Specifically in relation to generalist community legal advice services delivered since 2013, outcomes include:
  - The two providers working closely in collaboration to ensure access to advice is available through a number of channels and is responsive to residents needs
  - Contracts extended to ensure that residents continued to be supported through the impacts of austerity and in particular welfare reform with Southwark being one of the first areas in which Universal Credit was implemented
  - Effective partnership and liaison with other council departments on issues such as Universal Credit, income collection policy and early resolution of policy challenges affecting individuals
  - A recognition that the long term impact of not having these services is negative for the individual and would entail higher costs to public services, from health, to the council and to the police.
9. More broadly, the contracted providers have delivered a number of outcomes through the Southwark Legal Advice Network. They have improved access to information for residents and referring organisations by developing a shared website, the network has provided a focus and voice for local policy work and has worked together to provide training for community organisations through the Southwark Advice Forum to build community skills, knowledge and capacity. CAS has taken a lead role in facilitating and supporting the network and the Advice Forum and this has provided additional value to the core contract with the council.
10. The outcome of this evaluation includes a revised service specification. The advice in community languages will be included within the generalist package and will form part of the single supplier negotiation with CAS. Currently the allocation of budget resources is as follows:
  - Generalist advice 60%
  - Specialist advice service 33%
  - Advice in community languages 7%
11. It is proposed to slightly change the allocation of the available budget resource as follows:
  - Generalist advice and advice in community languages 64%

- Specialist advice services (housing, welfare, benefits, employment and immigration) 36%

The slight reduction in budget allocation for generalist advice and community languages advice takes account of the fact that there will be one provider of these services whereas previously there were two. There are therefore some economies of scale relating to organisational infrastructure costs that provide the rationale for this change.

12. This procurement report seeks approval of the strategy for the generalist advice and advice in community languages only.
13. To get cross-council co-ordination on services a report was taken to the Voluntary and Community Sector (VCS) Commissioning Board in December 2018. This report followed a review of Information, Advice and Guidance Services which had focused on income maximisation and financial inclusion services for residents including council direct delivery and those externally commissioned. The review affirmed the continued need for external independent services.
14. The council has one other current contract with CAS which is for Carers Services and is managed by Children's and Adults Services.

#### **Summary of the business case/justification for the procurement**

15. There is strong agreement on the value and need for the service. Key consultation messages include:
  - The services being provided are what's needed but that demand is huge
  - Digital exclusion is a major challenge and online services are hard to access even for the skilled and confident
  - Multiple access channels are needed and face to face continues to be the most in demand access channel

The service priorities are:

- Residents have the right information and support so that they feel empowered and equipped to deal with problems themselves
  - Residents can access advice in a way and location that is best for them and they know where they can go for support
  - A reduction in poverty by helping ensure people have access to the benefits they are entitled to (income maximisation)
  - All residents from across our wide range of diverse communities have equal access to advice and no one is excluded
  - The amount of contact with services is reduced as residents are able to get information, advice and support from the service they already have a relationship with
  - Emerging concerns and trends are promptly identified and appropriately responded to as a result of all services in the advice network working in collaboration.
16. The service will contribute to the council meeting the following needs:
    - Supporting the delivery of the Public Sector Equality Duty

- Supporting the mental health and wellbeing of residents
  - Supporting the delivery of the council's Human Rights Act duties
  - Partnership work to improve knowledge of rights and responsibilities
  - Partnership work to minimise litigation and escalation of costly legal action – debt recovery, rent arrears, council tax, administration of benefits
  - Engagement and support to EU citizens in particular more hard to reach and vulnerable residents in applying for settlement
17. Benchmarking data with other inner London local authorities indicates that they all have a Citizens Advice service and this is either the main or only provider of these services. Following the closure of Advising Communities, CAS is now the only provider of accredited, generalist community advice services in Southwark.
18. A number of other linked services are currently delivered by CAS through other funders as well as the Carers Service income maximisation:
- Universal Credit Help to Claim
  - Macmillan and Dimpleby welfare benefits advice in five hospitals in south east London for people affected by cancer
  - Debt and money advice
  - Energy best deal.
19. The availability of these services through one organisation adds value to the council's investment in the service and provides improved outcomes for residents and a more seamless customer experience.
20. Citizens Advice is a national network organisation that plays a national policy role and direct service delivery in areas such as consumer rights, access to energy, financial inclusion, pension entitlement and welfare benefits. CAS is a member of this network and in 2019 is celebrating eighty years of providing services in Southwark.
21. As the council budget remains uncertain the council's investment in the service will contribute to the organisation successfully leveraging other money from other funders. This service successfully recruits and trains volunteers providing opportunities for community involvement, connection, learning and employment.

### **Market considerations**

22. A recent benchmarking exercise carried out regarding the procurement routes and experiences of other London boroughs showed that the market for these services is extremely limited and has been shrinking as a result of reductions in local authority funding and to the legal aid budget and its scope.
23. Each London borough has only one Citizens Advice provider for these services and a Citizens Advice will only operate outside its local authority boundaries if invited to do so following the closure of an existing service.

### **KEY ISSUES FOR CONSIDERATION**

#### **Options for procurement route including procurement approach**

24. It is proposed that the council under take a Single Supplier Negotiation with CAS.

25. In relation to the generalist advice service, the following options were considered by the council's community and voluntary sector engagement team, before determining the procurement strategy set out in this report:

- Do nothing - this is not recommended as an option for the council as services are required as set out in business case section above.
- Carrying out a competitive tender exercise was considered but rejected due to there being only one supplier in the market and the satisfaction with the current provider. It is considered that costs would be likely to increase if an open tender exercise was carried out.
- Bring these services in-house. There are some internal services that provide elements of these services. However, services are unable to meet all the current demand and this is expected to increase as further welfare reform takes place. External services are needed to provide independent advice including for services that the council administers. Providing the resource or expertise from within the council to undertake this type of service would mean that this primary objective would not be met.
- Use an internal or external framework agreement - the council does not have any existing framework agreements in place for these types of services that cover this area and there are no external arrangements that meet the council's requirements.
- Shared services – it is not viable to seek a joint procurement with neighbouring boroughs as other boroughs do not procure a like for like service and there are differences in provision, budgets and timelines.
- Single Supplier Negotiation – with the current provider which is the preferred procurement route of the Community and VCS Engagement Division.

#### **Proposed procurement route**

26. Although the value of this service is above the EU light touch threshold (£615,278) it is proposed that the council undertake a single supplier negotiation with CAS for the following reasons:

- The lack of any viable, potential alternative suppliers in Southwark as evidenced under the Market Considerations section above. There is no evidence to indicate that other potential providers are entering the market to offer services of this nature.
- Recognition that it will not be possible to achieve any substantial value for money (VFM) savings by going out to the market.
- High levels of satisfaction with performance of the current provider from a wide variety of groups and organisations and through contract performance monitoring.

27. The service specification for CAS will deliver on the generalist community advice services covering:

- Social welfare law – welfare benefits, debt, housing, employment, consumer rights, immigration
- Provision of services to people who need advice in community languages
- Advice to Southwark leaseholders

28. Demand is expected to remain high for this service during the period of transition to Universal Credit which is expected to continue until 2023-24.

**Identified risks for the procurement**

29. The table below identifies risks associated with this procurement strategy and controls to mitigate the risks.

<b>Risk No.</b>	<b>Risk Identified</b>	<b>Risk level</b>	<b>Mitigation</b>
R1	Risk of challenge	Medium	Soft market testing has taken place. Engagement with providers at a pre-procurement stage has also taken place.
R2	Failure to provide value for money through new contract	Low	A benchmarking exercise carried out in June 2019 found that the proposed contract amount set out in paragraph 1 is comparable to levels of local authority funding for generalist legal advice services in other inner London boroughs with high levels of need. The contract will continue to be monitored and managed to ensure that outputs and outcomes are achieved as per the service specification. Quarterly payments will continue to be made on provision of satisfactory monitoring information. The provider holds a relevant quality mark e.g. the Advice Quality Standard
R3	Current provider ceases trading, goes into administration or liquidation	Low	The financial health of the provider is monitored and there are currently no concerns. Citizens Advice Southwark's 2017-18 audited accounts show a healthy position with just under £1 million in reserves and a ratio of current assets to current liabilities of 7:1.

A performance bond and parent company guarantee will not be required for this contract. Regular communication with CAS will ensure that any issues relating to its financial stability or viability are identified and addressed at the earliest opportunity.

**Key /Non Key decisions**

30. This report deals with a non key decision, although the contract value is such that the Gateway 2 report will be a key one.

## Policy implications

31. The overall objective of the community legal advice services is to support residents to understand their rights and responsibilities; improve resilience, access to services and engagement. The services reduce and prevent the effects of social, financial and digital exclusion, through the provision of free and independent advice available to those who live or work in the borough.
32. The service contributes to the achievement of key Council Plan objectives in the areas of health, wellbeing, equalities, community engagement and community safety as well as finance and resources. The challenges of continuing austerity and the impact of Brexit are causing a high level of uncertainty.
33. As a key partner the VCS is helping to shape local priorities and provide services to address them. The services are in line with the vision of Place and Wellbeing department which is: 'Ensuring that the places where people live, now and in the future, create new opportunities, promote wellbeing and reduce inequalities so people have better lives, in stronger communities and achieve their potential.'

They support the department's aims of

- Building strong, resilient and cohesive communities.
  - Promoting health, wellbeing and addressing inequalities.
34. This service will support achievement of the following Southwark strategies:
    - Economic Wellbeing Strategy 2012-20
    - Southwark's Joint Mental Health and Wellbeing Strategy 2018-2021
    - Ambitions of Common Purpose Common Cause, the 2017-22 Southwark Voluntary and Community Strategy:
      - Better partnership working to improve outcomes for residents
      - More connected communities that are more connected and resourceful

Meeting the Common Outcomes Framework including:

- **Safer** communities: Residents have an improved understanding of their rights and responsibilities resulting in greater community ownership
  - **Safer** communities: Residents feel more able to access services at an early point and in times of crisis
  - **Engaged** communities: Residents have increased opportunities and support to volunteer
  - **Engaged** communities: Residents have the skills and confidence to increase their use of online services and there is less digital exclusion
  - **Engaged** communities: Residents are supported to maximise their income and manage their money better
35. The VCS is playing a key role in supporting communities with national policy change including Welfare Reform. The Care Act 2014 sets out a key role for the voluntary sector to support the council and local residents to meet its requirements.

36. This contract will support the council in actively promoting cohesion in the context of Southwark's diverse communities. It will also assist the council to meet its public sector equality duty (PSED) to have due regard to the need to eliminate discrimination, advance equality of opportunity and foster good relations between different people when carrying out their activities.
37. An equalities impact assessment has been carried out and has been attached as Appendix 2. This includes evaluation of the possible impact of the budget reduction.

### **Contract management and monitoring**

38. The Community and Voluntary Sector Engagement division within Place & Wellbeing will continue to manage and monitor the community legal advice services contracts. They will evaluate any changes in outcomes that may result from any budget reduction as well any potential equality impacts that could give rise to the need for an equalities impact assessment.
39. At the time of the previous re-commissioning a revised performance management framework setting out Key Performance Indicators (KPIs) and contract deliverables was put in place. The KPIs are set below together with the figures across the 2 contracts from 2018-19:
  - Clients seen: 13,696
  - Benefits income raised for clients / compensation (ie employment compensation or compensation for housing repairs) raised: £1,603,117
  - Debt rescheduled: £385,389
  - Housing possession avoided - cases: 193
  - Immigration outcomes – cases: 335
40. The number of clients seen has increased significantly since the start of the current contracts and is anticipated to continue to increase. In the context of this increased demand both organisations are performing satisfactorily in relation to the other KPIs.
41. The KPIs will be further reviewed in advance of the start of the new contracts so they continue to provide robust monitoring data.
42. Payment for the contract is currently made on a quarterly basis in advance, subject to receipt of satisfactory monitoring reports.

### **Procurement project plan (Key decisions)**

<b>Activity</b>	<b>Complete by:</b>
Place and Wellbeing DCRB Review Gateway 1:	13/12/2019
CCRB Review Gateway 1:	19/12/2019
Brief relevant cabinet member (over £100k) P+W	11/09/2019
Approval of Gateway 1: Procurement strategy report	10/01/2020
Completion of documentation for revised service specification	13/01/2020

<b>Activity</b>	<b>Complete by:</b>
Issue documentation brief for revised service specification	13/01/2020
Completion of clarification meetings	25/01/2020
Forward Plan (if GW2 is key decision)	02/03/2020
P + WB DCRB Review Gateway 2: Contract award report	14/02/2020
CCRB Review Gateway 2: Contract award report	20/02/2020
Notification of forthcoming decision	02/03/2020
Approval of Gateway 2: Contract Award Report	13/03/2020
End of scrutiny Call-in period and notification of implementation of Gateway 2 decision	16/03/2020
Contract award	23/03/2020
Add to Contract Register	23/03/2020
Place award notice on Contracts Finder	06/04/2020
Contract start	01/04/2020
Initial Contract completion date	31/03/2023
Contract completion date – if extension(s) exercised	31/03/2025

#### **TUPE/Pensions implications**

43. The Transfer of Undertakings (Protection of Employment) Regulations 2006 (TUPE) will not apply on re-procurement by a single supplier negotiation because the identity of the provider (and employer) will not change.

#### **Development of the scope of works**

44. The current service specification is being updated in relation to legislative and structural changes as well as learning from stakeholder consultation, monitoring and review exercises. Activity and outcomes will also now be mapped to Southwark's Common Outcomes Framework. The services contract will be used consisting of specific terms, general terms, pricing schedule and service specification.
45. As this is a single supplier negotiation based on updated existing contract arrangements, the documentation required is: (1) revised specification (2) revised pricing document (3) the council's standard terms and conditions. These will be drawn up and updated following advice from procurement and legal officers.

#### **Advertising the contract**

46. Not applicable.

## **Single supplier negotiations**

47. Single supplier negotiations will take place with CAS between council officers from the Community and Voluntary Sector Engagement Division and the Chief Executive of CAS. The threshold will be a fixed maximum annual value of £600,000 for these services. An evaluation meeting will be held afterwards to assess the council's satisfaction with their statements. The key areas for negotiations will be:

- Service specification and service requirements
- Quality Assurance arrangements
- KPIs and performance reporting format and schedule
- Pricing schedule
- Exit strategy

## **Community impact statement**

48. The provision of these services supports the council in meeting the Public Sector Equality Duty (PSED) by promoting access to justice for those who may experience discrimination and by advancing equality of opportunity for those who share relevant protected characteristics and those who do not. Ongoing contract monitoring is carried out to ensure that services are reaching those who fall into the protected characteristics and may be experiencing discrimination in one or more of those categories.

49. Headline monitoring data across the 2 contracts for 2018-19 shows that:

- 55% of clients were female; 45% were male.
- Age breakdown of clients was as follows, reflecting the fact that the majority of clients are of working age: 17-24 11%; 25-34%13%; 35-49 37%; 50-64 29%; over 60 10%.
- Black African communities represent the largest number accessing services at 28% followed by White British at 18%, Black Caribbean at 11% and Other White Background at 5%. Other white background would include the significant numbers of Latin American residents who access the services.
- One quarter of clients identified themselves as having a disability.

50. Changing patterns of access are monitored against data on demographic trends to ensure that services continue to be accessible to those in greatest need.

51. Community legal advice services will provide the communities of Southwark with access to free independent advice, advocacy and casework services. These services promote individual rights, responsibilities and access to justice. Challenges faced by communities include:

- Lack of knowledge of rights and responsibilities
- Income poverty caused by low wages, insecure employment and unemployment
- Changes to benefit entitlement and welfare reform
- Homelessness and risk of homelessness
- Educational disadvantage including limited literacy, numeracy, digital and budgeting skills
- Discrimination in access to services and employment
- Illness, disability and incapacity for work

- Language barriers
  - Non-engagement with statutory services
  - Having unmanageable debt and unaffordable credit
  - Difficulty paying for basic services such as fuel and water bills
  - Irregular immigration status which may lead to potential destitution and a No Recourse to Public Funds application / assessment.
  - Digital exclusion which limits resident's capacity and exacerbates the above issues.
52. The delivery of free and independent information to residents provides a safety net and enables them to understand their rights, resolve their problems and move their situation forward.
53. As part of having due regards to the council's PSED the effect of changes to the services to be provided to the community have been considered through consultation with a wide range of groups and networks. Particular efforts have been made to reach those networks and organisations who are not users of the current service, by way of client surveys carried out with smaller VCS organisations that provide or host a discrete advice service and are funded via the council's Common Purpose grants programme. An equality analysis has been carried out to assess the impact of the service on different groups as the contract progresses.

#### **Social Value considerations**

54. The Public Services (Social Value) Act 2012 requires that the council considers, before commencing a procurement process, how wider social, economic and environmental benefits that may improve the well-being of the local area can be secured. The current provider has signed up to the council's Diversity Standard and meets the London Living Wage requirements.
55. The current provider makes significant use of volunteers which adds capacity to the service at reduced cost, and also develops the skills of local communities.

#### **Economic considerations**

56. The service will continue to contribute to the local economic benefits set out in the fourth strand of the council's Economic Wellbeing Strategy 2017-22: financial wellbeing. In addition it will increase economic activity and opportunity by:
- Providing volunteering opportunities for residents that will build skills and support pathways to employment
  - Supporting people in low paid work and short term contracts to remain in paid employment by providing support with claiming tax credits and other in work benefits
  - Supporting migrant communities through pathways to full economic participation and integration
57. In addition the services help mitigate negative impacts on the council's finances of residents falling into rent or council tax arrears. By preventing homelessness they also mitigate costs to the council. By reducing stress and anxiety for residents they may mitigate costs to other services including health services.

### **Social considerations**

58. The service will improve outcomes for residents in the areas of health and well-being and independence, skills, financial inclusion, access to justice and volunteering opportunities.
59. The council is an officially accredited London Living Wage (LLW) Employer and is committed to ensuring that, where appropriate, contractors and subcontractors engaged by the council to provide works or services within Southwark pay their staff at a minimum rate equivalent to the LLW rate. The contractor already pays LLW and will continue to do so.

### **Environmental/Sustainability considerations**

60. The services to be commissioned will not have a high impact in this area in terms of buildings or services to be delivered. One current provider provides separately funded domestic energy efficiency advice to residents.
61. The spread of services across the borough helps to reduce travelling distance to face to face services.

### **Plans for the monitoring and management of the contract**

62. The service areas will be monitored and paid separately by commissioning officers in the council's community and voluntary sector engagement division and local support team.
63. A commissioning officer will hold two monitoring meetings at six week intervals for the first three months of the contract. This will then be reduced to quarterly for the remainder of the year dependent upon satisfactory progress in achieving the outcomes as defined in the service specification. The council maintains the right to increase or decrease the frequency of these monitoring meetings dependent on performance. CAS will be required to inform the commissioning officer as early as possible of any reasons that may prevent it meeting the above requirements.
64. CAS will provide monitoring reports to the commissioning officers in an electronic format agreed with the council two weeks in advance of the monitoring meeting. The timetable for monitoring meetings, returning of reports and the format of reports will be confirmed once the contract is awarded.
65. Performance reviews will be undertaken and reported to CCRB and DCRB in line with CSO requirements.
66. As part of contract management the commissioning officers will follow good practice around proportionality and risk management and seek to minimise the burden on CAS, while maintaining proper control of public money.
  - The monitoring and review processes will focus on collecting evidence to demonstrate delivery of outputs and the extent to which outcomes are being achieved. It will include a mix of self-evaluation and submission of mandatory monitoring data including Key Performance Information (KPIs) that will be included in the service specification.

- Payments will be made in advance on a quarterly basis subject to satisfactory performance, reporting and evidence. Failure to meet these requirements will result in payment being withheld until such time as evidence of rectification of performance is notified.
- A service review will be carried out 18 months before the end of the contract to inform future commissioning.

### **Staffing/procurement implications**

67. The letting of this new contract will have no staffing implications.

### **Financial implications**

68. The funding for this service comes from the general fund.

69. The current budget for Community Legal Advice Services is £1.021m. In addition to the £82k saving applied in 2019/20 there is a proposal for a further reduction of £83k from April 2020 as part of the 2020/21 budget setting process. The budget reduction has been applied across generalist and specialist services (covered by the separate Gateway 1 report).

70. The £60k income from the Homeowners Council currently contributing to commissioning these services will not be available next year. This leaves a total budget of £938k from the general fund available to fund Community Legal Advice Services in 2020/21. This should be sufficient to fund the £600k proposed costs of generalist services and the anticipated £336k cost of specialist services.

### **Legal implications**

71. Please see concurrent from the Director of Law and Democracy.

### **Consultation**

72. Consultation on this service has been carried out with internal and external stakeholders including:

- Users of the services
- Residents
- Councillors
- The council's Equalities Lead
- Children's and Adults' Services
- Housing Solutions
- No Recourse to Public Funds team
- Chief Executive's Office
- Finance and Governance
- Public Health
- VCS organisations

73. Comments raised will inform the service specifications.

### **Other implications or issues**

74. There are no other specific implications or issues.

## **SUPPLEMENTARY ADVICE FROM OTHER OFFICERS**

### **Head of Procurement**

75. This report seeks approval from the Cabinet Member for Culture, Leisure, Equalities and Communities to approve the single supplier negotiation with Citizens Advice Southwark for Generalist Advice Services from 1 April 2020 to 31 March 2023 for a cost of £600k per annum with the option to extend twice by 1 year till 31 March 2025 for a total cost of £3m.
76. This report conforms to the council's contract standing orders and paragraphs 24 to 28 'procurement route' and paragraphs 22 to 23 'market considerations' provides the detail.

### **Director of Law and Democracy**

77. This report seeks approval of the procurement strategy for generalist external community legal advice services, as detailed in paragraph 1. It confirms that the procurement is to be conducted through direct negotiation with a single supplier.
78. The nature and estimated value of these services is such that their procurement is subject to the requirements of the (EU) Public Contracts Regulations 2015 and the council's Contract Standing Orders (CSOs). The EU Regulations permit the use of a negotiated procedure in a limited number of circumstances, including where the services can be supplied only by a particular economic operator for one of several prescribed reasons, including where competition is absent for technical reasons, where no reasonable alternative or substitute exists and the absence of competition is not the result of an artificial narrowing down of the parameters of the procurement.
79. Similarly, CSOs make express provision for exemption from the usual tendering requirements where exceptional circumstances exist.
80. The business case and justification for direct negotiation in this instance is set out at paragraph 26.
81. The proposed procurement strategy is consistent with other legislative requirements, including the Public Sector Equality Duty (PSED) imposed by section 149 of the Equality Act 2010. The community impact statement set out from paragraph 48 notes the measures taken to demonstrate compliance with the PSED.
82. The decision to approve the report recommendation is one which is reserved to the Cabinet Member in line with the Constitution and CSOs.

### **Strategic Director of Finance and Governance**

83. This report is requesting approval from the Strategic Director of Place and Wellbeing for the procurement of generalist external community legal advice services, through a single supplier negotiation with Citizens Advice Southwark (CAS) for a total estimated annual sum of £600k over a period of up to five years (3+2 years), from 1 April 2020 to 31 March 2025, making a total estimated contract sum of £3m.

84. The strategic director of finance and governance notes that the £600k funding for the generalist community legal advice services procurement is to be met from the community legal advice services revenue budget.
85. The strategic director of finance and governance also notes that an additional £83k of savings will be applied to the Community Legal Advice Services budget for 2020/21, once approved as part of the council's 2020/21 budget setting process. It is noted that the remaining budgets will be sufficient for the proposed contracts of generalist (this report) and specialist (covered by separate report) contracts within community legal advice services .
86. Staffing and any other costs connected with these recommendations are to be contained within existing departmental revenue resources.

### BACKGROUND DOCUMENTS

Background Documents	Held At	Contact
None		

### APPENDICES

No	Title
Appendix 1	Southwark Community Legal Advice Services – Service Evaluation 2013-19
Appendix 2	Equalities Impact Assessment November 2019

## AUDIT TRAIL

<b>Lead Officer</b>	Kevin Fenton, Strategic Director Place and Wellbeing	
<b>Report Author</b>	Andy Matheson, Senior Commissioning Officer, Community & Voluntary Sector Engagement Division	
<b>Version</b>	Final	
<b>Dated</b>	19 December 2019	
<b>Key Decision?</b>	No	
<b>CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER</b>		
<b>Officer Title</b>	<b>Comments Sought</b>	<b>Comments included</b>
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Cabinet Member	Yes	Yes
<b>Contract Review Boards</b>		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
<b>Cabinet Member</b>	Yes	Yes
<b>Date final report sent to Constitutional Team</b>		13 January 2020

## BACKGROUND DOCUMENT -CONTRACTS REGISTER ENTRY FORM – GATEWAY 1

Contract Name	Community Legal Advice Services
Contract Description	Generalist advice and advice in community languages
Contract Type	Services
Lead Contract Officer (name)	Andy Matheson
Lead Contract Officer (phone number)	020 7525 7648
Department	Place and Wellbeing
Division	Community and Voluntary Sector Engagement

Procurement Route	Single Supplier Negotiation
EU CPV Code (if applicable)	N / A
Departmental/Corporate	Departmental
Fixed Price or Call Off	Fixed price
Contract Total Value	£3,000,000
Contract Annual Value	£600,000
Contract Start Date	1 April 2020
Initial Term End Date	31 March 2023
Number of Remaining Contract Extensions	2
Contract Review Date	October 2021
Revised End Date	31 March 2025
SME/ VCSE (If either or both include Company Registration number and/or registered charity number)	VCSE Southwark Citizens Advice Bureaux Services Charity registration no.: 1070263 Company number 3507093
Comments	
London Living Wage	Applicable

On approval by the decision maker this document should be passed to the member of staff in your department who is responsible for keeping your departmental contracts register up to date.