

Item No.	Classification: Open	Date: 20 March 2020	Meeting Name: Deputy Leader and Cabinet Member for Culture, Leisure, Equalities and Communities
Report title:		Gateway 2 - Generalist community legal advice services	
Ward(s) or groups affected:		All	
From:		Strategic Director of Housing and Modernisation	

RECOMMENDATION

1. That the deputy leader and cabinet member for culture, leisure, equalities and communities approves the contract award for generalist external community legal advice services, to Citizens Advice Southwark (CAS) for an estimated annual sum of £600,000 over a period of up to five years (three years plus option to extend for two years), from 1 May 2020 to 31 March 2025, making a total estimated contract sum of £3m.

BACKGROUND INFORMATION

2. The cabinet member for culture, leisure, equalities and communities approved the Gateway 1 procurement strategy for the delivery of generalist community legal advice services from 1 April 2020 to 31 March 2025 on 27 January 2020. That report set out the business case for contracting with providers of community legal advice services. This Gateway 2 report details how the strategy has been implemented and the outcome of the commissioning process.
3. The current contracts have been extended for one month to cover the month of April 2020 and the new contract will now start on 1 May 2020 to allow sufficient time for the procurement process to be completed.
4. As well as generalist advice services the council also commissions specialist community legal advice services. This report concerns the generalist advice services only. A separate report covers the award of contract for specialist level services.
5. 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. In 2019-20 this contribution was £60,000. Following the council's review of resident involvement in 2019, Homeowners Council have approved the extension of this funding for six months up to October 2020 at £30,000. This covers the period that the recommendations of the review will be implemented.
6. The procurement strategy that was approved by way of a Gateway 1 report has been followed. A single supplier negotiation has been carried out with CAS.

7. The negotiations have taken into account the budget reduction which is a 15% reduction on the annual budget for community legal advice services for 2019-20. For the generalist service the reduction is 18%.
8. The negotiations focussed on the new service specification which is attached as Appendix 1. The negotiations have covered the following:
 - Areas of social welfare advice to be included
 - Provision of advice in community languages
 - Advice to leaseholders
 - Access channels and accessibility through a range of contact methods: Face to face drop-in and appointments, at 3 offices across borough, including evening appointments; Southwark advice line; email advice and links to national Citizens Advice online resources and web chat
 - Partnership working with smaller VCS organisations
 - Reporting requirements and data.

Details of the outcomes of the negotiations can be found at paragraph 26.

9. CAS have expanded their services since October 2019 to include premises at Westmoreland Rd SE17 previously occupied by Advising Communities. As set out in the Gateway 1 report, Advising Communities closed in April 2019 and their two contracts – generalist advice, west of borough and advice in community languages, were transferred to CAS.

Procurement project plan (Key Decision)

10.

Activity	Completed by/Complete by:
Forward Plan for Gateway 2 decision	02/03/2020
Briefed relevant cabinet member (over £100,000)	26/02/2020
Approval of Gateway 1: Procurement Strategy Report	27/01/2020
Completion of documentation for revised service specification	13/01/2020
Issue documentation brief for revised service specification	13/01/2020
Completion of clarification meetings	06/02/2020
DCRB Review Gateway 2:	04/03/2020
CCRB Review Gateway 2:	19/03/2020
Notification of forthcoming decision – Five clear working days	23/03/2020
Approval of Gateway 2: Contract Award Report	31/03/2020
Scrutiny Call-in period and notification of implementation of Gateway 2 decision	08/04/2020
Contract award	08/04/2020
Add to Contract Register	01/05/2020

Activity	Completed by/Complete by:
Contract start	01/05/2020
Publication of award notice on Contracts Finder	06/04/2020
Contract completion date	31/03/2023
Contract completion date – if extension(s) exercised	31/03/2025

KEY ISSUES FOR CONSIDERATION

Description of procurement outcomes

11. As stated in the Gateway 1, the business case for the procurement: although not a statutory requirement, the Council has commissioned these services with the objective of access to free independent advice, advocacy and casework services. These services promote individual rights, responsibilities and access to justice.
12. Through the new contract the council will provide resources to CAS to provide advice and legal services in the following categories of social welfare law:
 - Welfare benefits
 - Housing
 - Debt
 - Employment
 - Immigration
 - Consumer.
13. These services will be available to all Southwark residents and those who work or study in the borough.
14. The new service specification aims to ensure that the services provided will be:
 - Free, independent and non judgemental
 - Able to provide information, advice and casework services quickly and easily according to need
 - Advice Quality Standard accredited
 - Preventative and able to tackle complex, multiple problems at an early stage to avoid escalation and reduce litigation
 - Available via multiple access channels
 - Available in community languages according to need – no language barriers to accessing advice
 - Empowering of informed choice and self help
 - Joined up working with effective referrals the specialist legal advice provider and other agencies.
15. The services will provide added value through partnership working. CAS currently convene or co-ordinate the following:
 - Southwark Legal Advice Network – quarterly meetings of contracted organisations and other partners, which leads on the development of an

advice strategy for the borough and look at emerging needs and issues among advice clients.

- Southwark Advice Forum – training available to all front line advice workers in the borough as well as sharing information on legislation which may be changing frequently, in areas such as Universal Credit, disability benefits; housing law; and immigration issues including EU settlement.
 - Financial Inclusion Forum which CAS have just re-launched – multi-agency forum to co-ordinate and plan financial inclusion-related activities.
 - Advice and information roadshows – quarterly events, organised jointly with the council and other agencies in outreach venues across the borough aimed at residents having problems with benefits.
 - Outreach services with smaller VCS organisations working with specific communities.
16. The contract funding enables CAS to lever in additional funding to provide specific additional services. This includes hospital-based advice to people with cancer and support to those in fuel poverty to save energy and switch energy providers.

Policy implications

17. 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.
18. 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.
19. 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 the Council 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 council's aims of

- Building strong, resilient and cohesive communities.
 - Promoting health, wellbeing and addressing inequalities.
20. 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.
21. The VCS is playing a key role in supporting communities with national policy change including roll out of Universal Credit; changes to disability benefits and EU settlement. The Care Act 2014 sets out a key role for the voluntary sector to support the council and local residents to meet its requirements.
22. 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.
23. An equalities impact assessment has been carried out and is available as Appendix 2. This includes evaluation of the possible impact of the budget reduction. It was considered that there was a likelihood of a negative impact on a number of the Equality Act protected characteristics, including those who fall under more than one protected characteristic. The following mitigating actions are proposed:
- CAS is required in the new service specification to work in partnership with smaller voluntary and community sector groups, in particular Common Purpose groups which provide general help level advice and signposting to specific groups with particular needs. These include those who fall under the protected characteristics of age, disability, race and sexual orientation and include groups that support older people, the Latin American community, the Somali community, refugees, asylum seekers and migrants; and people experiencing mental health issues. These organisations are in turn required to demonstrate that they are working with the advice providers to ensure smooth signposting.
 - Minimum service access requirements have been reviewed to ensure that issues such as disability and digital exclusion are no barrier to access to the services.

- The Advice in Community Languages service has been integrated within the generalist service provided by Citizens Advice Southwark. CAS will have access to Language Line (provided via their Debt Free London contract) and trained professional interpreters.
- Monitoring requirements are being reviewed to ensure that the data and narrative provided continues to be robust and will be used to identify changing needs and areas of vulnerability.
- The longer contract period of three + two years is intended to provide more certainty to providers and enable them to continue to lever in funds from other sources to provide specialist services to highly vulnerable groups.
- This contract will be compliant with the Fairer Future Procurement Framework.

Key/non-key decisions

24. This report deals with a key decision.

Tender process

25. Single Supplier Negotiation was undertaken in line with Councils Contract Standing Orders. The Gateway 1 report sets out the areas to be covered by the negotiation:

- A new service specification as described in paragraphs 14 and 23 above, covering: areas of social welfare law; provision of services to people who need advice in community languages; advice to Southwark leaseholders
- Monitoring requirements: reviewed as described in paragraph 23 above.

Tender evaluation

26. CAS were required to provide method statements setting out their approach to service delivery and improvement for the new contract. These meet the council's minimum requirements in terms of quality.

27. CAS were also required to provide a pricing schedule. This included indicative costs for the advice in community languages services, and costs of providing outreach sessions. This is within the budget envelope as set out in paragraph 7.

Plans for the transition from the old to the new contract

28. It is envisaged that the transition from the old to the new contracts for the generalist community legal advice service will be seamless. CAS as the incumbent provider will be delivering the new contract. This will maintain service continuity both in terms of service access and current casework.

29. The advice in community languages service was previously provided by Advising Communities via a separate contract that was transferred to CAS after Advising Communities closed in April 2019. The service has now been integrated within the generalist advice contract. CAS will be required to provide advice in non-English languages spoken in Southwark and to monitor and report on need.

Plans for monitoring and management of the contract

30. The community and voluntary sector engagement division 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 as any potential equality impacts that could give rise to the need for an equalities impact assessment.
31. 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 two existing contracts from 2018-19:
- Clients seen: 13,696
 - Benefits income raised for clients / compensation (i.e. employment compensation or compensation for housing repairs) raised: £1,603,117
 - Debt rescheduled: £385,389
 - Housing possession avoided - cases: 193
 - Immigration outcomes – cases: 335.
32. 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.
33. The KPIs are being reviewed in advance of the start of the new contracts to ensure they continue to provide robust monitoring data.
34. Payment for the contract is currently made on a quarterly basis in advance, subject to receipt of satisfactory monitoring reports. Contract performance reports will be carried out in line with Contract Standing Orders.

Identified risks for the new contract

35.

Risk No.	Risk Identified	Risk level	Mitigation
R1	Risk of challenge	Medium	Soft market testing has taken place. Engagement with providers at a pre-procurement stage has also taken place. Officers were satisfied that there are no other organisations that could deliver the services that the council requires and that the grounds for a negotiated procedure without a call for competition under the EU procurement regulations have also been satisfied.
R2	Failure to provide value	Low	A benchmarking exercise carried out in June 2019 found that the

Risk No.	Risk Identified	Risk level	Mitigation
	for money through new contract		<p>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.</p> <p>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.</p> <p>The provider holds a relevant quality mark i.e. the Advice Quality Standard. It is also registered with the Office of the Immigration Services Commissioners.</p>
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 2018-19 audited accounts show a healthy position with over £1 million in reserves and a ratio of current assets to current liabilities of 7:1.

Community impact statement

36. 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.
37. Headline monitoring data across the two contracts for 2019-20 (first 3 quarters) shows that:
- 51% of clients were female; 49% were male.
 - Age breakdown of clients was as follows, reflecting the fact that the majority of clients are of working age: 5% 17-24; 20% 25-34; 35% 35-49; 30% 50-64 10% over 65.
 - Black African clients represent the largest number accessing services at 30%, followed by White British at 19%, Black Caribbean at 12% and Other White Background at 11%. Other white background would include the significant numbers of Latin American residents who access the services.
 - Nearly half of clients (45%) identified themselves as having a disability.

38. Changing patterns of access are monitored against data on demographic trends to ensure that services continue to be accessible to those in greatest need.
39. 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.
40. 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.

Social Value considerations

41. 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 social value considerations included in the tender (as outlined in the Gateway 1 report) are set out in the following paragraphs in relation to the tender responses, evaluation and commitments to be delivered under the proposed contract.

Economic considerations

42. 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.

43. 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

44. 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.
45. 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

46. The services to be commissioned will not have a high impact in this area in terms of buildings or services to be delivered.
47. CAS provides separately funded domestic energy efficiency advice to residents, which the contract funding enables them to lever in.
48. The spread of services across the borough, including outreach services, helps to reduce travelling distance to face to face services.

Market considerations

49. As set out in the Gateway 1 report there is a lack of any viable, potential alternative suppliers in Southwark. There is no evidence to indicate that other potential providers are entering the market to offer services of this nature.

Staffing implications

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

Financial implications

51. The funding for this service comes from the general fund.
52. The current budget for Community Legal Advice Services is £1.021m. In addition to the £82,000 saving applied in 2019-20 there is a further reduction of £83,000 from April 2020 as part of the 2020-21 budget setting.

53. The budget reduction has been applied across generalist and specialist services with this proposed Citizens Advice Southwark contract of £600,000 helping to deliver savings to generalist advice reducing the total community legal advice budget to £936,000, within the 2020-2021 budget envelope of £938,000 (with the specialist advice reduction making up the remainder of £336,000 covered by a separate Gateway 2 report).
54. As described in paragraph 5, Homeowners Council have approved a contribution of £30,000 towards Citizens Advice Southwark's leaseholders advice service to cover the six-month period April 2020 to September 2020. This amount is in addition to £600,000 contract amount.

Legal implications

55. Please see the concurrent report of the director of law and democracy below.

Consultation

56. 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.
57. Findings from the consultation have informed the new service specification.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Strategic Director of Finance and Governance (PW19/058)

58. This report is requesting approval from the cabinet member for leisure, culture, equalities and communities for the award of the generalist external community legal advice services, contract to Citizens Advice Southwark (CAS) for a total estimated annual sum of £600,000 over a period of up to five years (three + two years), from 1 May 2020 to 31 March 2025, making a total estimated contract sum of £3m.
59. The strategic director of finance and governance notes that the £600,000 funding for the generalist community legal advice services procurement is to be met from the community legal advice services revenue budget.
60. The strategic director of finance and governance also notes that an additional £83,000 of savings has been applied to the Community Legal Advice Services

budget for 2020-21, 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 a separate report) contracts within community legal advice services .

61. Staffing and any other costs connected with these recommendations are to be contained within existing departmental revenue resources.

Head of Procurement

62. This reports seeks approval from the cabinet member for culture, leisure, equalities and communities to award the contract for generalist legal advice services to CAS for a period of three years commencing 1 May 2020 with the option to extend by a further two years for a total cost of £3m.
63. The generalist legal services to be procured via a single supplier negotiation have been tendered in accordance the Public Contract Regulations 2015 (PCR15) and the Council's standing order and the strategy proposed in the relevant Gateway.
64. The report confirms the monitoring and management arrangements that will be in place during the life of the contract as per paragraphs 30 to 34.

Director of Law and Democracy

65. This report seeks approval of the award of a contract to Citizens Advice Southwark for the provision of generalist external community legal advice services, the details of which are summarised at paragraph 1.
66. The proposed contract award follows a procurement process described in the Gateway 1 report involving direct negotiation with a single supplier. 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.
67. Similarly, CSOs make express provision for exemption from the usual tendering requirements where exceptional circumstances exist. The business case and justification for direct negotiation in this instance had been explained in the Gateway 1 report.
68. The proposed contract award is consistent with other legislative requirements, including the Public Sector Equality Duty (PSED) imposed by section 149 of the Equality Act 2010. Paragraph 23 advises that an equality analysis has been conducted in order to ensure and demonstrate continued compliance with the PSED.
69. The decision to approve the report recommendation is one which is reserved to the cabinet member in line with the constitution and CSOs.

BACKGROUND DOCUMENTS

Background documents	Held At	Contact
Southwark Community Legal Advice Services – Service Evaluation 2013-19	Community and Voluntary Sector Engagement 160 Tooley Street London SE1 2QH	Katherine Pitt 020 7525 1579

APPENDICES

No	Title
Appendix 1	Southwark Community Legal Advice Services – service specification 2020-25
Appendix 2	Equalities Impact Assessment – November 2019

AUDIT TRAIL

Lead Officer	Michael Scorer, Strategic Director of Housing and Modernisation	
Report Author	Katherine Pitt, Commissioning Officer, Community and Voluntary Sector Engagement Division	
Version	Final	
Dated	12 March 2020	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Strategic Director of Finance and Governance	Yes	Yes
Head of Procurement	Yes	Yes
Director of Law and Democracy	Yes	Yes
Cabinet Member	Yes	Yes
Contract Review Boards		
Departmental Contract Review Board	Yes	Yes
Corporate Contract Review Board	Yes	Yes
Date final report sent to Constitutional Team		20 March 2020

BACKGROUND DOCUMENT – CONTRACT REGISTER UPDATE - GATEWAY 2

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 appropriate)	N / A
Departmental/Corporate	Departmental
Fixed Price or Call Off	Fixed price
Supplier(s) Name(s)	Citizens Advice Southwark
Contract Total Value	£3,000,000
Contract Annual Value	£600,000
Contract Start Date	1 April 2020
Initial Term End Date	31 March 2023
No. 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

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