



Proposal Title	Review of the budget for the provision of social and welfare advice and legal services
Proposal No.	NH-2019-20-024
Proposal Type	Service Delivery
Directorate	Neighbourhoods
Service Area	Libraries and Customer Services

Recommendation

- 1.1 Members are asked to consider the proposal of a reduction of 10% in the budget for the provision of the social welfare advice and legal services contract for consultation as part of the Savings Programme 2019/20 – 2020/21.

Reason for Recommendation

- 2.1 To support the Council's requirement to deliver a balanced budget for 2019/20.
- 2.2 In order to contribute to the Council's savings requirement it has been necessary to examine all areas of service.
- 2.3 The proposal to reduce the budget by 10% has taken into consideration many factors including a new tendering process to be undertaken with a view to obtaining a better value service.

Key Points for Consideration

3.1

Overview of the proposal

To reduce the budget for the provision of social and welfare advice and legal services by 10%. The savings will be achieved with a new procurement exercise through which a new contract will be in place in April 2019.

Overall Impact of the proposed change

A joint procurement exercise is to be undertaken to secure a contract to deliver advice and legal services. Through delivery of a joint procurement with other councils, it is intended to ensure competitive pricing from providers to deliver advice services in Rochdale. The procurement exercise is to involve Rochdale, Stockport, Trafford and Salford Councils and will deliver a more efficient and improved value for money service.

Impact on affected service

It is intended to achieve the resetting of the requirements through a joined up procurement. The Council and its partners intend to revisit the specification and requirements and will be seeking competitive quotes within the reduced budget envelope available.

Savings total

£35k

Background

4.1

Following a full procurement exercise, the Council awarded the Contract for "Provision of Social Welfare Advice and Legal Services: Debt, Welfare Benefits and Housing Advice" in April 2015 to Pennine West Citizen Advice Bureau. The Contract was awarded to Rochdale Citizens Advice Bureau again in 2017, and they currently deliver the service – contracted until March 31st 2019.

4.2

The current service delivery model, as specified by the contract, prioritises contact by phone or online. Face to face services need to be delivered in specified locations, mostly on an appointment basis, for those in most need, or where the service can only be dealt with face to face. Currently the CAB's advice line is the primary contact number used for advice services in the borough. The CAB also have a website which promotes self-service, for those clients who are IT literate –

4.3 **Operating Context**

In addition to significant recent welfare reforms, a number of new changes have been implemented during the Contract period, including:

- Further roll-out of Universal Credit in Rochdale. Implementation of Universal Credit in Rochdale began in Autumn 2014 for new claimants who are single or couples. In May 2016, Universal Credit Full Service was launched increasing the scope of people included in the rollout. Migration of all 'legacy' benefit claimants onto Universal Credit is planned for 2020.

The principle of 'making work pay' is behind the changes being made to the welfare system. In turn this means that the focus of advice services needs to support residents away from dependency on benefits and towards independence. The contract provider needs to fully consider how best they can work with services providing employment support to encourage claimants into work.

4.4 **Services delivered for the contract**

There are a range of specialist advice services which are delivered through the contract which add value to the general support and signposting provided by housing partners and the Libraries and Customer Services staff.

- Debt - covering basic budgeting advice and the issue of self-help/supported self-service, debt renegotiation and re-scheduling, advice relating to possession proceedings, liability orders, county court claims and IVAs.
- Welfare benefits - this includes providing support to customers in relation to the impact of welfare reform, including budgeting advice (related to avoidance of debt above) and the promotion of support towards employment (in partnership with other agencies as appropriate). Provide advice on the take up of relevant benefits, but only in instances where there is a clear need to maximise income to deal with immediate problems – and with a clear focus on reducing benefits dependency over time.
- Housing – the service provides advice on all issues relating to tenancy dispute, illegal evictions, harassment from landlords, unfit dwellings, repossessions (including mortgage repossession), with the aim to prevent households from becoming homeless. This includes Court desk service to ensure representation at point of repossession. The service works in partnership with the Councils Strategic Housing Services and Homelessness Service delivered through partnership arrangement by Rochdale Boroughwide Housing to provide a

Mortgage Rescue Service.

Methods of service delivery

- Web provision
- Telephony provision
- Face to Face

Statistics - In 2017/18 through the existing contract:

- 7879 individuals benefitted from at least one session of general advice
- 8670 calls were answered by Advice line
- 606 Foodbank vouchers issued
- £954,977 amount of additional benefits claimed by people receiving CAB assistance
- £4,184,258 of debt rescheduled

4.5

Alternatives Considered

The following alternatives considered as part of this proposal are set out below:

- Reduce current service in line with existing agreement.
- Sourcing alternative providers of advice services by the council - mostly from charities and grant funded organisations
- Reducing the envelope further

It is recognised that the skill sets being sought through the new contract will be highly specialist and requires detailed knowledge on law and financial matters which the Council and its existing partners don't have.

Members could decide not to take the proposal forward and identify alternative savings proposals

Costs and Budget Summary

- 5.1 The saving proposal is 10% of the total budget for the area of service affected. Table 1 provides details of the proposal of a 10% reduction of the budget for the provision of social and welfare advice and legal services

Table 1

	Savings 2019/20 £k		Savings 2020/21 £k		Total savings £k	
	On-going	One off	On-going	One off	On-going	One off
Employees						
Other Costs	35				35	
Income lost (<i>show as a minus</i>)						
Net savings						
Additional income generated (<i>show as a positive figure</i>)						
Total savings	35				35	
Implementation costs						
Total savings less implementation costs	35				35	

Risk and Policy Implications

6.1 Risk Implications

The following risks arise from the issues raised in this report as set out below:

- Whilst the Council is working with other councils to seek competitive costs within the envelope available, it is possible that there could be a possible reduction in service. However, the advice from procurement colleagues is that the exercise should achieve a reduction of costs with little or no reduction in services available to the public

6.2 Asset Implications

There are no asset implications in this proposal

6.3 Voluntary Sector Impact

This is an ideal opportunity to improve the relationship with sector as there are more opportunities available for the voluntary sector with a sound advice contract

6.4 **Legal Implications**

There are no legal implications arising from this report. Legal advice will be sought through the procurement process.

6.5 **Equalities Impact**

The detailed Equality Impact Assessment is provided at Appendix 2.

Consultation

7.1 Consultation will be held with Members and the public as part of the overall budget consultation process.

7.2 The Council must ensure that it remains open minded throughout the consultation period to all alternative proposals and expressions of interest.

Background Papers	Place of Inspection
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8. None	
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For Further Information Contact:	M Dalzell <u>01706 924328</u>
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Appendix 1

EQUALITY IMPACT ASSESSMENT FOR SAVINGS PROPOSALS

Proposal Title: Review of the budget for the provision of social and welfare advice and legal services

Stage 1: Initial Screening
Directorate: Neighbourhoods
Service: Libraries and Customer Services
Officer completing EIA: Vicky Clarke
Other officers involved in completing EIA:
Date of Assessment: 26/06/18
Name of policy to be assessed: Proposal to reduce the budget for the provision of social, welfare and legal advice by 10% by retendering the current contract which is due to be renewed in March 2019.
Is this a new or revised policy? New <input checked="" type="checkbox"/> Revised <input type="checkbox"/>
What is the purpose of the policy? To complete a procurement exercise to tender for a provider of welfare and legal advice to the residents of Rochdale.
Are there any other objectives? By completing the tendering exercise a new contract and specification will be drawn up to enable us to be able to deliver the same standard of service delivery with the same requirements for a reduced cost. This will allow the service to reconsider the needs of the service users and reconsider what is provided in order to deliver a more efficient service to customers.
Who is likely to benefit from the policy (key stakeholders)? The Council, service users and potential new providers
Is the policy relevant to equality? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

(Answer yes if you think that the policy has equality considerations for example it has the potential to affect groups in different ways. If you have answered yes, proceed to question 1. If you answered no, move to the sign off section as no further assessment is required)

What information do you have to inform this initial assessment?

The current provider of welfare and legal advice for the residents of Rochdale is Rochdale Citizens Advice Bureaux. Performance data provided by the CAB shows a change over the last 2 years in the way people prefer to access services. There has been a 15% reduction in people accessing advice at face to face appointments. If this trend continues then the new provider will be able to channel resources away from the traditional service delivery and to the more widely used telephone and website.

The population of Rochdale borough in 2015 was approximately 214,195 (ONS data) which is an increase of 4.3% on the 2001 census. This is expected to rise to 219,220 in the next ten years. Within that population the numbers of older people (over 65) has increased by 16.7% which is the largest increase of any demographic. This is in line with the national trend of people living longer and the population aging. The working age population is expected to decrease.

Data provided by the CAB shows that 41% of customers accessing advice services are disabled, 82% are within the age range of 25 – 64 and 24% from a BAME background. We will be able to use this data to write specifications into the new contract and ensure that regular monitoring is completed to ensure we are reaching the people who most need the service and in the way they wish to access it.

Census data from 2011 shows that 78.8% of Rochdale residents are white British, 10.5% are Pakistani and 2.1% Bangladeshi. There has also been an increase in migration since the last census from the EU which is not yet reflected in census data.

During a recent resident survey carried out by the council a number of people responded when asked about debt and borrowing money. 6% of respondents stated they regularly struggle to pay for food, 4% struggled to pay council tax, 5% struggled to pay rent or mortgage payments and 5% struggled to pay bills. It was found that 18 – 24 year olds have the most difficulties paying for things so this is an area of the population that we would require the service provider to pay particular attention to when dealing with debt and access to affordable lending.

What is the potential impact that the policy could have with regard to the protected characteristics?

It has been identified that there is the potential for the reduction in the budget available for the new contract to have a negative effect on individuals and groups. However many of the risks identified can be mitigated and reduced in various ways.

As the contract is to be re-written and new specifications included, opportunities are available to put measures in place to ensure that with regular robust monitoring no specific group is unduly impacted by this process. Equal access for all will be written into the specification and a wider range of service access will be available. With accurate data we will be able to adapt and change the service should it be necessary.

	Positive	Negative	Impact	Impact	Neutral
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	Impact	Impact	Score (1-16)	priority (H/M/L)	Impact
Age	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9	M	<input type="checkbox"/>
Disability	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9	M	<input type="checkbox"/>
Gender Reassignment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	4	L	<input type="checkbox"/>
Marriage or civil partnership	<input type="checkbox"/>	<input checked="" type="checkbox"/>	4	L	<input type="checkbox"/>
Pregnancy or maternity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	4	L	<input type="checkbox"/>
Race	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9	M	<input type="checkbox"/>
Religion or belief	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2	L	<input type="checkbox"/>
Sex	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2	L	<input type="checkbox"/>
Sexual orientation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	2	L	<input type="checkbox"/>
Serving / ex serving members of the armed forces	<input type="checkbox"/>	<input checked="" type="checkbox"/>	6	M	<input type="checkbox"/>
Carers	<input type="checkbox"/>	<input checked="" type="checkbox"/>	9	M	<input type="checkbox"/>

3. Do any of your negative impact scores identify as high priority on the impact table?

Yes No

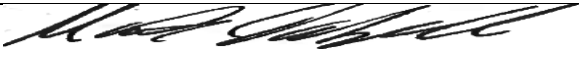
If you identify a negative impact as being **HIGH PRIORITY** you must complete a full EIA (stage 2 onwards)

4. How will you minimise/remove any negative impact that identifies as medium or low?

(Identify the actions that you will take to minimise or remove these negative impacts by completing an action plan as at Appendix 1)

5. Is a full EIA required?

Yes No

Lead Officer Signature:	Vicky Clarke	Date: 26/06/18
Approver Signature		Date: 26/06/18