

BRIDGEND COUNTY BOROUGH COUNCIL

REPORT TO CABINET

22 JUNE 2021

REPORT OF THE INTERIM CHIEF OFFICER – FINANCE, PERFORMANCE AND CHANGE

SUSPENSION OF COUNCIL'S CONTRACT PROCEDURE RULES AND AWARD OF CONTRACT FOR FINANCIAL ADVICE AND SUPPORT SERVICE

1. Purpose of report

1.1 The purpose of this report is to seek approval to:

- continue delivery of the existing Financial Advice and Support Service, to allow time for a fully compliant tender process to take place, including an adequate mobilisation period.
- suspend the relevant parts of the Council's Contract Procedure Rules (CPRs) with regards to the requirement to re-tender the contracts detailed in this report.
- authorise the Head of Partnership Services to enter into a short term (4 month) contract with the current provider to ensure continuity of service.

2. Connection to corporate well-being objectives / other corporate priorities

2.1 This report assists in the achievement of the following corporate well-being objectives under the **Well-being of Future Generations (Wales) Act 2015**:-

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

3. Background

- 3.1 Bridgend County Borough Council (BCBC), through the Children and Communities Grant (CCG) and from an earmarked reserve, currently commissions a Financial Advice and Support Service (FASS), the details of which are set out below.
- 3.2 Following a tender exercise in 2018 BCBC entered into a contract with Citizens Advice Bureau (CAB) for the provision of FASS. The contract was commissioned from 1st October 2018 for an initial 18 month period, with the option to extend for a further period of up to 12 months, should funding remain available. The service includes the provision of support in the following areas:
- Debt problems
 - Financial difficulty
 - Unemployment (claiming benefits, including Universal Credit (UC))
 - Inability to budget or manage finances effectively
 - Those experiencing 'in work poverty'
 - Those requiring information and support to undertake employment better off calculations.
- 3.3 The contract commenced on 1st October 2018 and was due to expire on the 31st March 2021. The contract was modified twice, initially to extend it by a two month period to 31st May 2021 and then extended for a further month to 30th June 2021. Those modifications were authorised by delegated power as a waiver under CPR 3.2.9.6 which allows for minor modification of contracts up to a value of the lesser of 10% of the initial contract value and the relevant applicable financial thresholds contained in the Public Contracts Regulations 2015. There are no further options to extend the contract in accordance with the Council's CPRs.
- 3.4 Extenuating circumstances, including the impact of the Covid pandemic on workloads and workforce capacity, have resulted in a delay in engaging in a compliant tender process allowing for sufficient time for an adequate period of contract mobilisation.
- 3.5 The current annual contract value is £100,000. This contract is primarily funded by Welsh Government Children and Communities Grant (CCG) with Benefits and Financial Assessments Department (Chief Execs) contributing 30%.

4. Current situation/proposal

- 4.1 The existing contract in relation to the FASS programme will end on 30th June 2021. The Council is required under the CPRs and Public Contract Regulations 2015 to re-tender for replacement service provision via a competitive procurement exercise.
- 4.2 The current service provision has been reviewed, with extensive performance monitoring undertaken to gather both qualitative and quantitative data around client need, demand for service and outcomes achieved. The positive impact on clients' financial situation, along with mental health and well-being can be clearly demonstrated. Regular meetings and communication has taken place between

BCBC and the current contract holder to ensure the service remains fit for purpose and can adequately meet the needs of clients, with a particular focus on impact of the pandemic.

- 4.3 It is proposed that a re-tender exercise be undertaken in accordance with the Procurement Milestones set out in Appendix 1 to this report which will allow for the commencement of a re-procured service in November 2021. Cessation of the contract in June 2021 would pose a risk to the on-going delivery of essential services to individuals and families. The pandemic has seen a sharp rise in referrals to the service, particularly from individuals and families who have lost employment or those accessing the furlough scheme and can no longer adequately manage their finances.
- 4.4 To ensure service continuity and ensure that staffing disruptions likely to arise from the ending of contract is minimised, it is proposed that Cabinet suspends the relevant parts of the Council's CPRs requiring a competitive procurement exercise in accordance with the requirements of the Public Contract Regulations 2015 and agrees to the awarding of a short term contract to the current service provider based on the current contractual arrangements until 31st October 2021.
- 4.5 Cabinet needs to be aware that in awarding this contract to CAB, the Council is exposed to the risk of potential challenge from other providers of such services. The Council's CPRs ensure that procurement exercises are lawful and carried out in compliance with the Public Contract Regulations 2015 to satisfy principles of transparency, non-discrimination and equal treatment. This report proposes entering into a contract with CAB without any competition. This proposal breaches the requirements of the Public Contract Regulations 2015 and requires Cabinet's approval to set aside the Council's CPRs.

5. Effect upon policy framework and procedure rules

- 5.1 This report is requesting a suspension of the Council's CPRs.

6. Equality Act 2010 implications

- 6.1 An initial Equality Impact Assessment (EIA) screening has identified that there would be no negative impact on those with one or more of the protected characteristics, on socio-economic disadvantage or the use of the Welsh Language. It is therefore not necessary to carry out a full EIA on this policy or proposal.

7. Well-being of Future Generations (Wales) Act 2015 implications

- 7.1 The report contributes to the following goals within the Wellbeing of Future Generations (Wales) Act 2015:
 - A prosperous Wales
 - A resilient Wales
 - A Wales of cohesive communities
 - A globally responsive Wales

7.2 The five ways of working have been considered in the preparation of this report and are summarised below:

- Long term – Continued provision will allow for short term needs to be met, whilst the tender process is undertaken to provide long term provision.
- Prevention – Financial Advice and Support services are preventative in nature and are designed to reduce the risk of families experiencing debt and financial related issues.
- Integration – Provision supports economic, social and cultural outcomes, both at an individual level and in wider communities.
- Collaboration – Approval will allow time for BCBC to effectively engage with internal and external partners in a meaningful way.
- Involvement – decisions around commissioning activity and the tender process, will be achieved through effective partnership working, communication and collaboration.

8. Financial implications

8.1 The current funding, set out in the existing contractual arrangements will continue. The current annual value of the Financial Advice and Support Service contract is £100,000. 70% of the contract value is met through the Children and Communities Grant (CCG) with the remaining 30% being met from an earmarked reserve.

8.2 The funding provided by the CCG will continue, with the earmarked reserve remaining in place. It should be noted that any grant funding over and above the 70% that is available can be used to displace the earmarked reserve.

9. Recommendation(s)

9.1 It is recommended that Cabinet:

- approve the continuation of the existing Financial Advice and Support Service, to allow time for a fully compliant tender process to take place.
- suspend the relevant parts of the Council's CPRs in respect of the requirement to re-tender the proposed contract;
- authorise the Head of Partnership Services to enter into a contract for the provision of the Financial Advice and Support Service with the CAB until 31st October 2021.

Gill Lewis

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Background documents: None

Appendix 1: Procurement Milestones – Tender Process