


<p>London Borough of Hammersmith & Fulham</p> <p>CABINET REPORT</p> <p>5 February 2018</p>	
<p>AWARD OF THE COMMUNITY ADVICE AND LEGAL SUPPORT SERVICES CONTRACTS</p>	
<p>Report of the Deputy Leader - Councillor Sue Fennimore</p>	
<p>Open Report</p> <p>A separate report on the exempt part of the agenda provides exempt information in connection with this report.</p>	
<p>Classification - For Decision Key Decision: Yes</p>	
<p>Other services consulted: Adult Social Care, Children’s Services, Housing, Libraries, Public Health</p>	
<p>Wards Affected: All</p>	
<p>Accountable Director: Rachael Wright-Turner, Director of Public Services Reform</p>	
<p>Report Author: Louise Raisey, Strategic Head of Communications and Communities</p>	<p>Contact Details: Tel: 020 8753 2012 E-mail: louise.raisey@lbhf.gov.uk</p>

1. EXECUTIVE SUMMARY

1.1 This report outlines the outcome of the open procurement process to award 10-year contracts for the delivery of Community Advice and Legal Support Services for the residents of Hammersmith & Fulham. This follows a decision by Cabinet on 27 March 2017 which reads:

“that Cabinet agrees the approach for funding sustainable community advice services and the procurement strategy attached as appendix 1 to this report.”

- 1.2 This decision report seeks approval to award three contracts as detailed in the recommendations below. The total contract value is included in the exempt report.

2. RECOMMENDATIONS

- 2.1 That 10-year contracts are awarded for the following:
- 2.2 Lot 1: Generalist Community Advice and Information and Management Community Library and Neighbourhood Centre, [exempt information], be awarded to Hammersmith & Fulham Citizens' Advice.
- 2.3 Lot 2: Specialist Community Legal Advice, Casework, and Representation, [exempt information], be awarded to Hammersmith & Fulham Law Centre.
- 2.4 Lot 3: Specialist Community Advice for disabled people (Adults and Children), [exempt information], be awarded to Action on Disability.
- 2.5 All three contracts to start on 1 April 2018 and run for a 10-year period until 31 March 2028.

3. REASONS FOR DECISION

- 3.1. The recommendations are made following a fully compliant, evaluated and moderated procurement process. The recommended providers offered the best overall value for money and quality of service against the council's specification.
- 3.2. To ensure providers have sufficient time to mobilise for a contract start date of 1 April 2018, the contract decision will need to be taken as soon as possible. There will then be the usual Council's call in period. There is a very tight timescale to meet.

4. INTRODUCTION AND BACKGROUND

- 4.1 Authority to proceed with this procurement was given by Cabinet in March 2017.
- 4.2. A fully compliant procurement process was undertaken.

5. PROCUREMENT PROCESS OVERVIEW

- 5.1 The procurement is subject to the Public Contract Regulations 2015. The tender opportunity made available to providers via capitalE-sourcing, the council's e-sourcing system.
- 5.2 Potential providers were invited to submit tenders as part of the process. The Invitation to Tender included three envelopes: Qualification (whether an organisation meets eligibility criteria), Technical (Quality) and Commercial.

5.3 The award of the contract took into account both quality and price with the following weighting:

Award Criteria	Weighting
Quality	70%
Price	30%
Total	100%

5.4 Evaluation against the 70% quality envelope has been based on meeting the specification and service requirements to ensure that the service provision is of the highest quality.

5.5 Contract Arrangements

- The contracts will be for a 10-year term, with a commencement date of 1 April 2018.
- Contract management will be undertaken by an appointed officer within the Public Sector Reform team, under the direction of the Director of Public Service Reform.

6. TENDER EVALUATION AND MODERATION

6.1 A summary analysis of the outcome of the procurement process is shown below.

6.1.1 Tenders Received

Lot 1: One tender received – Hammersmith & Fulham Citizens Advice (current provider)

Lot 2: One tender received – Hammersmith & Fulham Law Centre (current provider)

Lot 3: One tender received – Action on Disability (current provider)

6.1.2 Technical (Quality) envelope evaluation

The quality factors were weighted according to their importance, with a greater percentage of the allocated 70% being based on meeting the specification and service.

Tenders for the contract were evaluated by a panel of officers from:

- Communications (SRO)
- Children’s Health
- Adult Social Care
- Community Investment

All evaluators scored the questions individually on the capitalEsourcing portal. Moderations were then facilitated by an officer in the procurement team and a final score for the quality envelope was agreed.

6.1.3 Commercial envelope evaluation

6.1.3.1 The evaluation for the commercial envelope was undertaken via the submission of a pricing schedule of the delivery of the project.

6.1.3.2 Tenderers were requested to quote within an affordability envelope. as follows:

LOT	Description of Service	Affordability Envelope
1	Generalist Community Advice and Information and Management Community Library and Neighbourhood Centre	£5,390,000.
2	Specialist Community Legal Advice, Casework, and Representation,	£1,024,510.
3	Specialist Community Advice for disabled people (Adults and Children)	£882,200.

6.1.3.3 Both Hammersmith & Fulham Citizens Advice (LOT 1) and Action on Disability (LOT 3) submitted qualified bids and both companies were informed that if they did not withdraw their qualifications by 3 January 2018 that their tender may not be considered. In the event that the tenderers did not withdraw their qualifications, Legal Services advised that the council could switch the procurement procedure from the open procedure to the negotiated procedure without prior notification.

6.1.3.4 Hammersmith & Fulham Citizens Advice and Action on Disability provided a response stating that they withdrew their qualification on 22 December 2017 and 1 January 2018 respectively. Therefore, with these tenders fully compliant and acceptable, the council does not need to switch procedures and can proceed to the award stage.

7. CONSULTATION

7.1 Face-to-face meetings were held with the three incumbent providers to inform the production of a detailed service profile.

7.2 The three incumbent providers undertook a client survey, created by the council, in August 2017.

7.3 A further survey was run in September 2017 via the H&F website and e-newsletter and again these results were analysed and circulated to the project team.

7.4 Based on the very small number of responses received, areas for inclusion in the creation of a community advice and legal support services development and training 10-year plan would be:

- Referrals protocol to eliminate delays and confusion when referring or signposting to another agency (this has been included as a specific requirement in the specification)
- A review of marketing materials and media to explore how the providers and the council could work together to promote the services
- Focus on opening hours and ease of access for residents
- Review of how clients are received and welcomed, reception and waiting areas and availability of confidential discussion/meeting spaces.

8. EQUALITY IMPLICATIONS

8.1 There are no adverse equality implications for protected groups. The terms of the contract clearly specify that services must be provided to all residents of Hammersmith & Fulham and provision is made in the specification for providers to offer outreach services to enable harder to reach groups to have easy access

8.2 The contracts are re-commissioning the same level of provision as the previous grant arrangements.

8.3 Implications verified by Peter Smith, Head of Policy & Strategy, tel. 020 8753 2206.

9. BUSINESS IMPLICATIONS

9.1 In relation to business and volunteering, the procurement process engaged interest from local third sector organisations. Providers have been assessed as part of the procurement process for evidence of ‘delivering added value in the borough, including extensive use of volunteers, local employment opportunities and additional funding levered into the local economy.’

9.2 The economic and community benefits will be clearly identified and detailed in any new contracts and will be monitored by the client management team for these contracts.

9.3 Implications provided by Louise Raisey, Strategic Head of Communications and Communities, tel. 020 8753 2012.

10. LEGAL IMPLICATIONS

10.1 This report recommends the award of a contract of total value £7,296,710 (the “Total Value”) for the provision of community advice and legal support to H&F residents for a period of ten years. The contract has been split into three lots in accordance with Regulation 46(1) of the Public Contracts Regulations (the “Regulations”), which govern the procurement and award of public services contracts in England and Wales. The award decision of this

contract must be taken by the Cabinet in accordance with H&F's Contract Standing Order (CSO) 17.4.

- 10.2 The services in question fall within the scope of the so-called 'Light-Touch Regime' ("LTR") set out within section 7 and Schedule 3 of the Regulations. As the Total Value exceeds the LTR threshold (£615, 278) above which a full procurement process is required, H&F must have advertised the contract in the Official Journal of the European Union (OJEU) by way of a Prior Information Notice (PIN) or contract notice and must have undertaken a competitive procurement **exercise** in compliance with the LTR. From the information set out in this report, this requirement appears to have been satisfied.
- 10.3 A contract award notice must be sent to each of the bidders communicating H&F's decision to award the contract in accordance with Regulation 86. Since there is only one bidder for each Lot, there is no need to observe Alcatel period.
- 10.4 The terms of each agreement under the three lots must be on the H&F's standard terms as advertised with the tender documents and each agreement must be executed as a deed (i.e. under seal) in accordance with CSO 19.2 and 19.5. H&F must retain copies of the concluded agreements with each of the providers for at least the duration of the contract under Regulation 83, and must draw up a written report in respect of this procurement containing the information stipulated in Regulation 84. Information regarding the award contract must be published on Contracts Finder in accordance with Regulation 108. The awarded contract must be published in H&F's Contracts Register in accordance with CSO 18.6. These actions will be progressed by the Director for Public Services Reform.
- 10.5 Legal implications verified by: Raj Shah (Solicitor seconded to Shared Legal Services) – tel: 07584 706577.

11. FINANCIAL IMPLICATIONS

- 11.1 The total value of current funding for community advice services from the borough's corporate grants programme, the Third Sector Investment Fund is £737,171 for 2017/18. At present £302,441 of this is funded from Public Health Funds. There are currently no plans to change the level of contribution from Public Health.
- 11.2 Under proposals in this report, the council will award contracts which total £7,296,710 over a 10-year period.
- 11.3 The annual cost is £729,671. This is a small decrease of £7,500 when compared to the current annual cost of this service. Funding at this level represents approximately 24% of the current overall annual grants budget and will need to be earmarked for the provision of these services for the contract life.

- 11.4 It is important to note that a 10-year funding commitment is likely to reduce the council's ability to deliver savings. Balanced against this, is the need to consider provision for community advice services, and the potential which good quality advice services offer to reduce demand on existing council services.
- 11.5 Financial Implications verified/completed by: Danielle Wragg, Finance Business Partner, Tel: (020) 8753 4287

12 PROCUREMENT IMPLICATIONS

- 12.1 The corporate procurement team has offered support and guidance throughout the procurement process.
- 12.2 The author has demonstrated full compliance with the regulations, including the requirements with regards to publicising the opportunity in OJEU and Contracts Finder.
- 12.3 Although the tendering process has resulted in the submission of only one bid for each Lot the competition has been fair, transparent, and robust. The qualified bids as referred to in the report (section 7.1.3) were retracted and are considered as representing value for money and capable of acceptance.
- 12.4 Procurement Implications verified by: Joanna Angelides, Procurement Consultant. Tel: 0208 753 2586.

13. RISK IMPLICATIONS

- 13.1 Provision of community advice and legal support to local residents are essential particularly for those struggling financially. Proposals therefore contribute positively to the management of peoples' needs, expectations and preferences risk. Residents use the knowledge of the service to help people save their homes, keep their jobs and protect their families. This is a fundamentally important part of service provision.
- 13.2 Implications verified by: Michael Sloniowski, Principal Consultant (Risk Management). Tel. (020) 8753 2587

14. IT IMPLICATIONS

- 14.1 There are no IT implications for the council, as providers will be using their own IT systems, platforms, hardware and software, and will not interact directly with the council's IT infrastructure. However, there may be information implications. IT advise that the mandatory privacy impact assessments are undertaken by the department to accurately assess whether information sharing agreements and privacy notices need to be implemented or revised, and whether security checklists need to be completed for the three organisations awarded the contracts outlined in the report and Procurement Strategy. This will ensure compliance with current data protection legislation and the GDPR (General Data Protection Regulation).

14.2 Implications verified by: Ciara Shimidzu, Head of Information and Strategy,
020 8753 3895

15. **LIST OF BACKGROUND PAPERS** None.