

DERBYSHIRE COUNTY COUNCIL

CABINET MEMBER FOR CHILDREN and YOUNG PEOPLE

6th August 2013

Report of the Strategic Director for Children & Younger Adults

INCOME MAXIMISATION SERVICE (CAYA)

1. Purpose of the Report

To seek approval for a six month extension to the contract with North East Derbyshire Citizens' Advice Bureau Service (CABs) for the Income Maximisation Project for the period 1st October 2013 to 30th April 2014.

2. Information and Analysis

In June 2008 a 3 year contract was entered into with North East Derbyshire CABs to deliver a county-wide income maximisation service to families in Derbyshire. This includes benefits advice, debt management advice, housing advice and fast track advice for families experiencing domestic violence. This contract was extended for 2 years in April 2011 and again for six months, following approval by Cabinet on the 16th April 2013.

The service is delivered via Children's Centres, Multi-Agency Teams and community groups and has delivered significant positive outcomes for children and families in Derbyshire. In all, the service has helped over 940 families (1,307 children) - exceeding the target by 191 families. It has helped to re-schedule over £4.5 million of debt (against a target of £1.3 million) and gained over £1 million of benefit/tax credits (against a target of £779,000). Put differently, for every £1 of investment, the service rescheduled £40 of debt and gained £9.43 in benefits or tax credits.

In relation to quality and compliance, all CABs hold the Advice Quality Standard (Advice Service Alliance) and in line with the Consumer Credit Act 1974 they hold a Consumer Credit Licence for Debt Adjusting, Debt Counselling & Credit Information Services.

Advice and help are also given on housing and homelessness, employment, legal issues, relationship breakdown, education, health, neighbour disputes and a range of other issues that have a significant impact on the functionality and well-being of families.

The Director of Public Health is currently charged with conducting a review of all public health expenditure, and this will include CAB services offered within GP Practices. This represents an excellent opportunity to align the current income maximisation service with any potential service improvements or changes which will arise out of this wider Public Health review. This review will include procurement options. This review is scheduled for completion in April 2014.

Further, the roll-out of the Government's Welfare Reform programme commenced on 1st April 2013. This will not only fundamentally change the types and levels of benefits payable to families, but also the payment regime, and localisation of discretionary payments. The roll-out is likely to lead to a continued demand for these services, at least in the short term, and it is therefore important that income maximisation services continue during this period of transition and reform. The project is already responding to a significant increase in requests for support, based on changes to the "Spare Bedroom Subsidy" in Housing Benefit, the change from Disability Living Allowance to Personal Independence allowance (PIP), and over the new Benefit Cap. Considerable evidence exists that the need for additional support to families will be required as the new Universal Credit becomes mainstream within the county.

3. Financial Considerations

The contract under consideration has an annual value of £114,000. A six month extension to allow it to align with the wider public health review of services as mentioned above, and to address issues arising out of the imminent welfare reforms, would amount to £57,000. This would be financed from the CAYA core budget.

4. Legal Considerations

European Union procurement rules and the Council's Financial Regulations would ordinarily lead the Council to return contracts of the nature and value of this contract with North East Derbyshire CAB to the market rather than entering into further extensions with an incumbent provider. However, limiting the length of the extension to six months to provide for the review of public health services to be completed provides a pragmatic way forward whilst helping to mitigate any procurement risk.

The Local Government Act 1972 states that a local authority may exempt a contract from its standing orders when the authority is satisfied that the exemption is justified by special circumstances. The Council's Standing Orders permit Cabinet to waive the requirement to seek competitive tenders

for services where it is satisfied that there are such special circumstances. The Director of Legal Services has advised that it is justifiable to waive Standing Orders in Relation to Contracts in extending this contract based on the circumstances set out in this report.

5. Other Considerations

In preparing this report the relevance of the following factors has been considered; prevention of crime & disorder, equality of opportunity; and environmental, health, human resources, property and transport considerations.

6. Key Decision

No.

7. Call-in

Is it required that call-in be waived in respect of the decisions proposed in the report? No.

8. Background Papers

Held by Deputy Head of CAYA Finance.

9. OFFICERS' RECOMMENDATIONS

That the Cabinet Member approves a six-month extension to the contract with North East Derbyshire CAB for an Income Maximisation Project for the period 1st October 2013 to 30th April 2014.

Ian Thomas
Strategic Director for Children & Younger Adults