



REPORT TITLE: Local Welfare Provision 2022-2024 Contract Extension

Cabinet Date	23 rd February 2022
Cabinet Member	Cllr Stephen Davies, Cabinet Member for Children's Safeguarding and Early Years in consultation with Cllr Tim Harman, Cabinet Member for Public Health and Communities
Key Decision	Yes
Purpose of Report	To seek approval to exercise an option to extend the term of the council's existing Gloucestershire Welfare Support contract for a period of 2 years (2022/23 & 2023/24), following the expiry of its initial 3 year term.
Recommendations	That Cabinet approves the exercise of a 2 year extension option (commencing 01/04/2022) under a contract with Auriga Services Ltd for the provision of Local Welfare Support services in respect of the Gloucestershire Welfare Support Scheme for eligible adults, families and young people that was awarded pursuant to a decision by Cabinet dated 18/07/2018.
Reasons for recommendations	The recommendation in this report to extend the term of the current contract, if accepted, will ensure the continuation of maintaining support to people in vulnerable circumstances in accordance with the aims of the Council's Strategy and Settled, Secure and Safe Lives in Gloucestershire Policy.
Resource Implications	<p>In 2018, Cabinet approved up to £2.6m spend for the Gloucestershire Welfare Support Scheme.</p> <p>During COVID there have been variations to the existing contract to accommodate additional forms of support for those that have found themselves in a vulnerable situation. This additional support has been funded from COVID grants made available by Central Government. As a result the total anticipated spend under this contract has exceeded the original £2.6m by an estimated £150k, however this additional spend is more than covered by the COVID grant allocated to the service.</p> <p>Spend in relation to the recommendation within this report to extend the current contract will be within existing budgeted resources. The annual contract value is up to £520k per annum in the contract extension.</p>

Background Documents	<p>Previous decisions:</p> <ul style="list-style-type: none"> • Cabinet Decision (18/07/2018) Tender and award a contract to deliver Gloucestershire Welfare Support Scheme https://glostext.gloucestershire.gov.uk/ieListDocuments.aspx?Clid=117&MID=8900#A121271 • ICM Decision (29/05/2020) COVID-19 Emergency Assistance Fund for Food and Essential Supplies. https://glostext.gloucestershire.gov.uk/documents/s62986/ICM%20Report%20-%20Covid%2019%20Emergency%20Assistance%20Fund%202020%20FINAL.pdf
Statutory Authority	<p>Localism Act 2011 – General Power of Competence</p> <p>Section 70 of the Welfare Reform Act 2012 abolished the payments of crisis loans and community care grants from the discretionary social fund. Instead, new locally-administered assistance was introduced to be provided by local authorities.</p>
Divisional Councillor(s)	<p>ALL</p>
Officer	<p>Name: Wendy Williams, Assistant Director for Integrated Children and Families Commissioning Tel. no: 01452 462187 Email: wendy.williams3@gloucestershire.gov.uk</p>
Timeline	<ul style="list-style-type: none"> • Communicate preferred recommendation/intention to extend contract to Provider • Extension decision made at February 2022 Cabinet meeting • Enter into contract extension with incumbent provider by 1/4/22 (for the period 01/04/22 – 31/03/2024)

Background

1. The Gloucestershire Welfare Support Scheme (GWSS) has been operating since April 2013. As part of the Welfare Reform Act, Community Care Grants and Crisis Loans, previously distributed by Job Centres, were abolished. All top tier local authorities received funding from the Department of Work and Pensions (DWP) with an expectation, but no statutory duty, that they would arrange to make an offer of support to those in crisis from April 2013. Since 2015, government funding has been included as part of the Local Government Financial Settlement. Local councils are viewed as appropriate bodies to provide this assistance given existing responsibilities for vulnerable children and adults.
2. The GWSS provides practical one-off support or assistance to vulnerable adults and families in the form of non-cash awards such as household items, clothing, recycled goods, food deliveries and fuel vouchers. It has clear eligibility criteria, developed in conjunction with stakeholders, to ensure funds support those most in need. Applicants are often supported by agencies such as housing providers, district councils, voluntary and community organisations, social care services, children and family centres etc. and are signposted to local welfare support services to help address persisting underlying issues and prevent repeat crises.
3. The current Gloucestershire Welfare Support Scheme supports the Council Strategy and its key purpose is to support people in vulnerable circumstances with a welfare need to:
 - Deal with an immediate crisis or exceptional pressure to their basic needs
 - Move out of residential or supported accommodation into settled accommodation
 - Feel more independent, resilient and able to recover from a crisis/pressure
 - Reduce demand for future welfare support
 - Remain living in their community

Current Arrangements

4. Following Cabinet approval in July 2018 an EU compliant competitive tender process was undertaken for the management and delivery of the Welfare Support Scheme for eligible adults, families and young people. A 5 year contract (for an initial term of 3 years with an option to extend for a further 2 years) was awarded to Auriga Services Ltd. The initial 3-year term will end on 31st March 2022 but we are looking to exercise the contractual option to extend for 2 years.
5. Applications to the Gloucestershire Welfare Support Scheme can broadly be categorised into two:
 - **Crisis awards:** awards which help alleviate extreme pressure on the health/safety of an individual or family
 - **Care awards:** awards that help people moving back into the community to settle i.e. Care leavers, homeless individuals
6. Since 2016 the GWSS has also been used to process social care welfare requests. This use of the scheme has been received positively by Social Care and Youth

Support teams. It frees up staff time that was previously spent on administering petty cash payments and has ensured service users safely and promptly receive the actual items to meet their needs e.g. food deliveries, fuel meter top-ups, clothing.

Options

Option One:

7. To approve the recommendation to extend the current contract for the period 1st April 2022 – 30th March 2024 and continue with the existing Local Welfare support scheme that :
 - is provided by an external provider on behalf of the Council;
 - administers welfare support applications with similar eligibility criteria to the current scheme where only the most vulnerable are supported;
 - processes an increasing number of welfare requests for Social Care and Youth Support teams; and
 - administers rent in advance/deposit requests against set eligibility criteria
8. There are no internal staffing implications from this decision as internal resource supporting the contract is currently funded from existing permanent staffing budgets.

Option Two:

9. End the scheme at end of the initial 3 year term of the council's current contract with Auriga Services Ltd - Not to have a Welfare Support Scheme would leave people in vulnerable circumstances in difficulty, potentially leading to a higher demand for the Council and other statutory services.

Option Three:

10. Operate the current scheme in-house - The in house administration of the scheme would require significant administrative resources and the development of processes for the administration, evaluation and an independent escalation procedure for applicants.

Option Four:

11. Recommission the service from the end of year 3. This option was rejected on the basis that there is a contract in place with a compliant extension option where the provider is delivering a good service. This option would allow commissioners to focus on delivering the pandemic response and recovery rather than a full-scale review and public, stakeholder and market engagement and plan a new/redesigned service model at this time.

Preferred option: Option One

Risks

12. The biggest risk to the Council would be if we did not extend the existing contract as this would significantly impact on the support available to vulnerable people.

Procurement Risk

13. The Council's estimated total spend under the contract will likely exceed the advertised estimated value (£2.6 million) but as per the resource implications section of this report above, this will not be by a material amount (ie, less than 10% of the original contract value and lower than the current Public Contracts Regulations 2015 threshold). Therefore, any risk of legal challenge under PCR's is low.

Financial implications

14. The annual value of this contract is up to £520k.
15. Spend in relation to the recommendation within this report to extend the current contract will be within existing budgeted resources. There are no internal staffing implications from this decision as internal resource supporting the contract is currently funded from existing permanent staffing budgets.

Climate change implications

16. No disproportionate impact identified

Equality implications

Has an Equalities Impact Assessment (EIA) been completed? Yes

17. The Equalities Impact Assessment identifies which protected groups will remain as a priority under the scheme. Not all service users provide information on a number of protected characteristics; however agencies, which support the majority of applicants, have raised no issues regarding access due to protected characteristics. Applicants and trusted agencies will continue to be encouraged to provide protected characteristic information to test the robustness and inclusiveness of the scheme going forward
18. Cabinet Members should read and consider the Equalities Impact Assessment in order to satisfy themselves, as decision makers, that due regard has been given.

Data Protection Impact Assessment (DPIA) implications

19. A DPIA has been drafted for the most recent welfare provision under the COVID19 grant – Household Support Grant. Any residual risks will be highlighted to senior officers within the Children & Families' service and the Data Protection Officer (DPO).

Social value implications

20. GCC are committed to embedding Social Value (SV) throughout their contracts and tenders. Opportunities for social value and work with local community suppliers (including local retailers and recycling shops) formed part of the original tender and contract and will continue to be explored. The contract is focused on improving the lives and outcomes of service users.

Consultation feedback

21. Consultation took place prior to commencement of the contract to involve key stakeholders. The impact of this has seen the first 3 years of the contract see lots of positive feedback, with service user complaints at a low level.

Officer recommendations

22. To exercise the option within the Local Welfare Support contract to extend provision for a further 2 years with the provider Auriga Services Ltd, for the management of the Gloucestershire Welfare Support Scheme for eligible adults, families and young people.

Performance management/follow-up

23. The Gloucestershire Welfare Support Scheme contract will continue to include specific and measurable standards and outcomes. It will continue to be actively managed by the provision and analysis of monthly key performance indicators and regular contractual monitoring meetings either face to face or via telephone conference with the successful provider.