

WEST DUNBARTONSHIRE COUNCIL

Report by Chief Officer – Supply, Distribution and Property

Tendering Committee: 23 February 2022

Subject: Contract Authorisation Report – Managed Work for Housing Benefit and Council Tax Reduction Claims

1. Purpose

1.1 The purpose of this report is to seek the approval of the Tendering Committee to authorise the Chief Officer - Regulatory and Regeneration to conclude the award of the contract for Managed Work for Housing Benefit (HB) and Council Tax Reduction (CTR) Claims.

2. Recommendations

2.1 It is recommended that the Tendering Committee:

- a) Authorise the Chief Officer - Regulatory and Regeneration to conclude on behalf of West Dunbartonshire Council (the Council), the award of the contract for Managed Work for Housing Benefit (HB) and Council Tax Reduction (CTR) Claims to NEC Software Solutions UK Limited.

- b) Note that the contract shall be for a period of two years with the option to extend for an additional two years (maximum 48 months) and at a value of £115,383.24 ex VAT over two years and £230,766.48 ex VAT should the contract be extended. The estimated commencement date of the contract is 15 March 2022.

3. Background

3.1 The Council processes HB and CTR claims and change of circumstances for claimants in our area that require assistance towards their rent and/or council tax. The impact of Covid 19, welfare reform and other UK Government initiatives has resulted in an increase in demand and workload for the teams involved in processing these claims and changes of circumstances. In addition, as has previously been reported as a result of the ongoing uncertainty for staff due to the continued and long-delayed roll-out of Universal Credit (UC) by the DWP there has been an increased and ongoing turnover of staff. The performance of the Council in relation to processing time for new claims and change of circumstances is monitored extremely closely by the DWP and is subject to both internal and external audits. It is also essential to point out that timely processing of HB and CTR is critical to the Council meeting its rent and council tax collection targets.

- 3.2** The purpose of the tender was to identify a suitably experience and qualified provider to provide Off-Site Housing and Council Tax Reduction Data Processing Services. The provider will process new claims and change of circumstances claims to completion. The performance of the Council in relation to processing time for new claims and change of circumstances is monitored extremely closely by the DWP and is subject to both internal and external audits.
- 3.3** The budget for Managed Work for Housing Benefit and Council Tax Reduction Claims was approved at the Corporate Services Committee on 8 September 2021. This procurement exercise has been conducted in accordance with the Council's Standing Orders and Financial Regulations and the Public Procurement Regulations. A Contract Strategy document was approved on 9 December 2021.

4. Main Issues

- 4.1** The Corporate Procurement Unit (CPU) discounted the use of Framework Agreements and Dynamic Purchasing Systems in favour of an Open Tender. It was decided that the Open Tender process would ensure Best Value for the Council and ensure fair competition giving any Small / Medium-sized Enterprises (SME) the opportunity to tender for the requirement. Unfortunately there were no bids received to the Open Tender due to the volume of other Local Authorities seeking similar services as a result of Covid-19 and providers not having the capacity to take on any new contracts at this time.
- 4.2** The CPU undertook a search on G-Cloud Framework Agreement to identify any providers of off-site processing and reviewed their Service Definition Documents to identify which providers met the Council's requirements. Revenues and Benefits carried out an assessment of their specific requirements against what the providers were offering as part of the G-Cloud Framework. It was determined that NEC Software Solutions UK Limited were the sole provider that met the requirements in full.
- 4.3** It is recommended that the contract is awarded to NEC Software Solutions UK Limited, of BizSpace, 1st Floor, IMex Centre, 575-599 Maxted Road, Hemel Hempstead, Hertfordshire, HP2 7DX. The contract shall be for a period of two years with the option to extend for a further two x twelve months extension and at a value of £115,383.24 ex VAT over two years and £230,766.48 ex VAT should the contract be extended. The value of the contract is below the value approved by the Corporate Services Committee.

4.4 NEC Software Solutions UK Limited has committed to paying all staff as a minimum the real Living Wage (£9.50 per hour) and promotes Fair Working Practices across their organisation. Further, NEC Software Solutions UK Limited has committed to delivery of the following social benefit as a direct result of delivery of this contract:

- Donation of money to support a local community project

The social benefits will be discussed at the implementation meeting with NEC Software Solutions UK Limited and actions to take these forward will be agreed.

5. People Implications

5.1 There are no people implications.

6. Financial and Procurement Implications

6.1 Financial costs in respect of this contract will be met from the approved General Revenue budget of Revenues and Benefits Service.

6.2 This procurement exercise was conducted in accordance with the agreed Contract Strategy produced by the Corporate Procurement Unit in close consultation with Revenues and Benefits Service officers and the provisions of Contract Standing Orders, the Financial Regulations and Public Procurement Regulations.

7. Risk Analysis

7.1 NEC Software Solutions UK Limited has no known links to Serious and Organised Crime which would have significant political and reputational ramifications for the Council.

7.2 Should the Tendering Committee decide not to proceed as recommended then this will delay the project, may have financial implications and reputational ramifications.

8. Equalities Impact Assessment (EIA)

8.1 An equalities screening was undertaken for this reports to determine if there is an equalities impact. The results where that there is no equalities impact.

9. Consultation

9.1 Revenues and Benefits Service, Finance Services and Legal Services have been consulted on the contents of this report.

10. Strategic Assessment

12.1 The Managed Work for Housing Benefit and Council Tax Reduction (Claims will contribute to the delivery of the Council's strategic priorities:

- Efficient and effective frontline services that improve the everyday lives of residents.

Name: Angela Wilson

Designation: Chief Officer – Supply, Distribution and Property

Date:

Person to Contact: Michelle McKenzie, Procurement Officer, Corporate Procurement Unit
Telephone 01389 737484
Email: michelle.mckenzie@west-dunbarton.gov.uk

Appendices: None

Background Papers: Contract Strategy
EIA Screening

Wards Affected: All.