



Meeting:	Cabinet	Date:	10 November 2021
Subject:	Revenues and Benefits Service		
Report Of:	Cabinet Member for Performance & Resources		
Wards Affected:	All		
Key Decision:	Yes	Budget/Policy Framework:	No
Contact Officer:	Jon Topping		
	Email:	jon.topping@gloucester.gov.uk	Tel: 39-6242
Appendices:	1. Recommendation of the Overview and Scrutiny Committee		
	1/11/2021		

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 The purpose of this report is to seek approval for the Revenues and Benefits service to be insourced to the Council, following a strategic decision by Civica UK Ltd to no longer provide Business Operations Services

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that:

- (1) the Revenues and Benefits service be insourced with a commencement date of the 1st June 2022
- (2) the Head of Policy & Resources (in consultation with the Cabinet Member Performance & Resources and the Council Solicitor) be authorised to take such actions and make such arrangements as are necessary for the implementation of the above recommendation including such legal processes and agreements.

3.0 Background and Key Issues

- 3.1 In January 2021, Cabinet resolved to award a new contract to Civica UK Ltd for provision of Revenues & Benefits Managed services via the Kingston Upon Hull City Council Framework for a period of 5 years with the option of two further extensions of 1 year each. The report in January 2021 provides further background information.
- 3.2 Work had been ongoing to commence the new contract by the 23rd October 2021, however the Council were informed that the company was withdrawing from the delivery of this service across all organisations. To enable the Council to continue to deliver these services and make future arrangements it was agreed an extension until 31 May 2022 would be put in place.

3.3 During the recent pandemic the Revenues and Benefits service was able to adapt quickly; moving all teams off site to continue to work remotely, with only a few members of the teams attending on site either because they were unable to work from home or to complete key activities as part of the service.

3.4 Two deliverable options are available to the Council for the future delivery of this service and each is discussed below:

(1) Re-procure the services via the market.

(2) Insource the service.

3.5 Option 1 – Procure the services via the market.

The Council could seek to pursue a full open market procurement process and invite tenders from a wider range of providers. However there are a number of issues that would arise from pursuing this option:-

- This OJEU process is likely to take 12 months and will consume significant resource for the Council.
- There is likely to be a need to employ a suitably qualified and experienced Project Manager to deliver the required service, whilst maintaining business as usual.
- Service Transition to a new supplier could see a loss of key talent and access to wider specialist services.
- Significant cost of change in terms of training, potential infrastructure implications, potential recruitment issues and further training and system familiarisation.
- Risk that performance delivered in the current COVID-19 pandemic could not be replicated by a new supplier.
- Risk that potential savings the Council may be able to identify would not be available in option 1.
- The costs to any supplier of the tendering process and the uncertainty of the outcome are likely to be reflected in any contract sum offer.

3.6 Option 2 - Insource the service.

The option to insource the service now provides the most viable option to continue to deliver excellent services to our residents and businesses, and this is the recommended action. This option will require several actions and will need to commence immediately:

- The implications of TUPE and ensuring staff are transferred successfully and any pension implications are managed
- Previously we were informed there would be a loss of access to the “on demand and specialist services of Civica”, however it has been confirmed these will continue to be available and the Council will be able to use them when required.
- Increased management responsibilities will require analysis to ensure the structure put in place ensures services are still delivered at the current standard.

- The current staff will be TUPE transferred to the Council and therefore there will be no skills loss because of this exercise.
- As the Council already provide the accommodation, equipment, and IT support there will be no change and the service will continue to operate as now.

Human Resources and Legal support will be used to ensure the TUPE of staff is managed correctly while also providing support to those staff either returning or joining the Council for the first time.

4.0 Social Value Considerations

- 4.1 There are no specific social value implications, however the service like all Council services will be required support the Council's social value policy.

5.0 Environmental Implications

- 5.1 There are no environmental implications as a result of this report.

6.0 Alternative Options Considered

- 6.1 Discussed in the body of the report.

7.0 Reasons for Recommendations

- 7.1 Option 1 is discounted as this will not be achievable given the timeframes, however this is something the Council could look to pursue in the future.
- 7.1 The insourcing of the service is the only viable option available to the Council at this time and will continue to deliver services at the current level.
- 7.2 It is expected that the insourcing will deliver savings once the service is embedded while also continuing to provide quality service.

8.0 Future Work and Conclusions

- 8.1 KPI's and structures will be reviewed and updated.

9.0 Financial Implications

- 9.1 The Councils Money Plan 2021 – 2026 assumes budget efficiencies will be made through the commissioning program, and the recommended option is expected to deliver future savings against the current contract sum that would have been payable to Civica.

10.0 Legal Implications

- 10.1 Legal advice will be provided as required, including on contractual, public procurement, consultation, and employment related matters.

(One Legal have been consulted in the preparation of this report.)

11.0 Risk & Opportunity Management Implications

- 11.1 The recommended option mitigates the risks of change to delivery of this service to residents and businesses in the city.
- 11.2 The proposal has no reduction in quality and level of service or redundancies, plus continued access to on demand services when required. This offers reduced risk to the Council.

12.0 People Impact Assessment (PIA) and Safeguarding:

- 12.1 The PIA Screening Stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

13.0 Community Safety Implications

- 13.1 None

14.0 Staffing & Trade Union Implications

- 14.1 None

Background Documents: Cabinet Report 13th January 2021

Appendix 1

Recommendation of the Overview & Scrutiny Committee 01/11/2021

RESOLVED that the Overview & Scrutiny Committee **RECOMMENDS** that:

- (1) the Revenues and Benefits Service be insourced to the Council for a minimum of three years unless there are significant reasons why this would be financial detrimental to the Council.