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Ms Shaben Begum
Director
Scottish Independent Advocacy Alliance
18 York Place
Edinburgh
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Your ref:
Our ref: 2020/0000371
06 February 2020

Dear Ms Begum,

Public Tendering For the Provision of Social Security Independent Advocacy Services - Scotland Wide

Thank you for your letter of 17 January 2020 regarding the tendering process for the provision of social security advocacy services.

I am grateful for SIAA's previous and continuing support during the process of establishing the new Scottish social security system, including the advocacy provisions and service standards. As you are aware, this is a significant programme of change and development and the Scottish Government is committed to a new social security system based on the ethos of dignity, fairness and respect.

I have discussed the points you raised in your letter with relevant officials and respond to the key issues raised below.

Spot Purchasing of Social Security Independent Advocacy

As already set out in my response to the ALLIANCE there was no reference to the term "spot purchasing" by Scottish Government officials at the tenderers briefing meeting on 9th January and, contrary to what you write in your paragraph 1(c), this is not the model being proposed. A spot purchasing pricing approach would make no allowance for either set-up costs or fixed costs which are unrelated to the level of demand for the service.

At the meeting on 9th January it was expressly stated that all delivery models/contracting approaches would be evaluated equally in line with the criteria set out in the ITT which uses

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the term “service provider” throughout. The ITT does not stipulate a preferred delivery model which means that ultimately the “service provider” may be a prime contractor, a consortia of providers or a managing agent experienced in the provision of advocacy services. Reference was made, at the meeting, to a desire to avoid a multi-activity company eg. Serco, Capita etc acting as a prime contractor. Scottish Government officials stated a preference to appoint a service provider which has experience of delivering advocacy services and who would be well placed to understand what good looks like in relation to managing a supply chain or sub-contracted delivery of the services.

At the meeting tenderers were provided with advice on those costs which may be included in the service fee e.g. staff costs, training, all costs associated with the community benefit sought in the ITT. Tenderers were expressly advised to set out all known costs for the delivery of the service – including staff costs associated with management of the service - in the service fee.

Following the concerns expressed at the meeting, a revised pricing schedule has been issued which clearly sets the categories of recoverable costs which should be covered by tenderers. These are:

- Start-up costs – to meet costs incurred before service commencement.
- Service fee – intended to provide a degree of certainty in meeting fixed costs associated with delivery of the Service, including but not limited to accommodation, telephony, contract management staff costs, provision of the training element
- Hourly rate for advocacy support – travelling time, attendance at training, preparation for and attendance at official meetings, post meeting reporting etc.

In relation to the contract duration the rationale for limiting the initial contract to two years was clearly set out at the meeting and is considered to be a fair balance of risk between the Scottish Government and the Service Provider. It was also stated that the Scottish Government’s preference would be to take up the two one year extension options within the contract which would result in a 4 year term. This decision would be made in year two of the contract.

Access to advocacy and restrictive eligibility criteria

There is a need to ensure that the advocacy service is appropriately targeted to provide support to disabled people seeking Scottish social security assistance, and for example not claiming reserved/Department for Work and Pensions benefits. An element of eligibility checks will be necessary but should be proportionate and will be finalised before service commencement. Your letter suggested that many service users do not have passport, driving licence or proof of address. We do not consider that seeking proof of address would be an onerous request given individuals are applying for Scottish social security assistance and will need to provide an address to Social Security Scotland when submitting applications. Letters from the Agency in regards to the application would be sent to this address.

You raised the issues of trust and accountability. The Scottish Government has shown throughout the development and delivery of the new social security system that it is committed to working with a wide range of partners and stakeholders and this is being done on the basis of trust and openness. However, alongside this there is a clear need for

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Government to ensure that public funding is used efficiently and effectively and delivers value for money. This is an over-arching principle of the Social Security Act itself. My officials, at the 9th January session, flagged that they wanted contract management and monitoring to be proportional and not onerous to the service provider. However, I am sure you can accept that we cannot commit a high level of public funding without ensuring that there are appropriate controls and monitoring of that spend in place.

Non-instructed advocacy and inclusion

Your letter raised concerns about the ITT seeking tenders for instructed advocacy. As you aware, this advocacy support is being provided to support disabled people with their Scottish social security claim and interactions with Social Security Scotland. In this situation the applicant is able to tell the advocacy worker what assistance they require and what outcomes they are seeking. An individual with complex communication needs is likely to have a guardian or appointee who would be applying for assistance on their behalf and who would be able to interact with the Agency around any benefit claim. The guardian would be able to seek information, advice and application support from CABx, welfare rights organisations, local delivery staff etc and obtain assistance on what evidence is required to support claims. Given the legal responsivity and status of this individual it is unlikely that they would require advocacy support. However the ITT and service standards require that an individual's' communications needs to be met and communication and interpretation support would be provided to ensure that the individual is able to instruct and advocacy worker where they were able to do so.

Quality Assurance, Measuring Impact, Service Effectiveness

You raised a number of issues around quality assurance, impact and effectiveness. I agree that these are important considerations as our advocacy support is a new national service. Given this context, we will be required to learn and improve through developing practice, both to support the delivery of this contract and ensure that a high quality service is delivered.

You were concerned about the absence of individual outcomes and suggested that the KPIs within the tender to be overly proscriptive, unrealistic and restrictive. I can reassure you that we do recognise the importance of outcomes. We will not solely focus on outputs and flat numbers. Paragraph 17.3 of the specification reflects this by highlighting that outcomes should be finalised and agreed after contract award. For example, the specification identifies the impact of the service on the service user personally as one such key outcome.

I want to ensure that the service being funded is of high-quality and consistently delivered, and this is where KPIs and management information play a vital role. Of the 5 KPIs detailed within the within the contract and pricing schedule, 4 are intended to ensure that the service provider is highly responsive to requests for support, that complaints are addressed promptly, and to determine the extent to which service users have a positive experience – see extract below for ease.

No	Key Performance Indicator	Milestone
1	advocacy worker or service partner allocated within 2 working days of referral	90%
2	any complaints regarding the services must be acknowledged within	100%

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	1 working day of the notification and responded to within 10 working days, of the notification	
3	Number of first meetings arranged within 2 working days of the referral	100%
4	Providing Management Information(MI) within the 10 working days following the end of each quarter;	100%
5	Demonstrate that at least 80% of the feedback received from service user(s) is positive	100%

Tender Evaluation

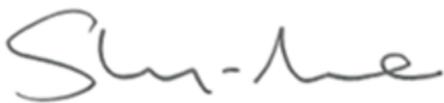
You raised concerns about the constitution of the tender evaluation panel. I have asked that the panel comprises appropriately qualified and experienced officials with knowledge and experience of policy and delivery of advocacy services.

Your statement at paragraph 7 does not accurately reflect the position set out at the meeting of 9th Jan. The ITT sets out clearly at Annex A how responses will be evaluated. This is always re-iterated at tenderers briefing meetings, however the high number of questions raised at the meeting on 9th didn't leave enough time for officials to address this. As advised at the meeting a further tenderers briefing meeting will take place and has now been scheduled for 13th February. This meeting will cover tender evaluation and re-iterate the previous advice on the apportionment of costs across the service fee, start-up costs and the hourly rate.

I and my officials have noted your concerns about the tendering process but consider that this procurement process, subject to the clarification being provided and the extended deadline, will allow for the return of high quality tenders. As I noted earlier, a second Tenderers Briefing Meeting for potential bidders is being held on 13th February which I trust will further help clarify matters. It reflects the importance we place on the discussion and questions raised during, and following, the January meeting.

Finally, I would like to assure you that the Scottish Government is committed to providing high quality advocacy support and to continuing to work with Advocard and other advocacy partners to deliver it.

Yours sincerely,



SHIRLEY-ANNE SOMERVILLE

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