



## ITT SCHEDULE 1

### SPECIFICATION

#### FINANCIAL INCLUSION CRISIS SUPPORT SERVICE

##### 1. Vision

- 1.1. To provide a holistic service that both relieves immediate hardship and need, but also seeks to address the causes of crisis and allow residents to take steps to prevent future reoccurrences.

##### 2. Previous Delivery Findings

- 2.1. Based on analysis of current Council-provided Crisis Support, common client types for awards include young, single males residing in hostels, and single mothers, sometimes fleeing domestic abuse, as well as recently released offenders, care leavers and individuals with substance misuse problems and/or mental health issues. Please see analysis at Appendix A.
- 2.2. Almost half of Crisis Support awards went to applicants who were facing crisis due to benefit or tax credit sanctions, delays, mistakes or deductions. The implementation of Universal Credit may exacerbate this issue, as the waiting period between first application and payment is extended to six weeks. Please see Appendix B for the breakdown of spend for 2015/2016.

##### 3. Scope

- 3.1. The budget for the Financial Inclusion Crisis Support service is £100,000 per annum, to be fully confirmed by Cabinet on June 29<sup>th</sup> 2016. A minimum of £50,000 must be allocated to crisis support payments.
- 3.2. The successful organisation(s) will provide a wraparound service for Darlington residents presenting in immediate financial hardship, to include Crisis Support awards of utility top-ups, baby consumables and clothing vouchers, along with generalist information and advice on how to maximise income, reduce debts and manage budgets.
- 3.3. The Contract between the Financial Inclusion Crisis Support Provider (The Contractor) and Darlington Borough Council will be for eighteen (18) months. The Council may, subject to the satisfactory performance of the Contractor

and the availability of funding, extend this Contract for up to two (2) x twelve (12) month periods. It is anticipated that the Contract will start on the 03<sup>rd</sup> October 2016.

- 3.4. The provision of the Service must not include regulated advice or activities for the purposes of financial services legislation and appropriate explanation must be provided to recipients of advice to ensure that regulated activities are not carried out.

#### **4. Activity**

- 4.1. The Financial Inclusion Crisis Support Provider will:

- 4.1.1. Deliver the Crisis Support service in accordance with the Council policy at Appendix C (“the Policy”) or as amended from time to time and manage the delivery of the policy objectives within the contract Price.
- 4.1.2. Be responsible for delivering the Service within the contract price but must report expenditure on a monthly basis and in the event the annual contract Price is likely to be insufficient to meet the policy objectives the Council will use reasonable endeavours to review and amend the policy.
- 4.1.3. Co –design and adopt an information sharing agreement so that the client, the financial advisor, the Borough Council and any onward referral agencies can share information. The Financial Inclusion Crisis Support Provider will be responsible for the retention of signed information sharing documentation.
- 4.1.4. An important part of the Service is the requirement to implement a triage approach. The provider must ensure that minimal resource is dedicated to providing one-on-one guidance to individuals who can largely self-serve or be signposted to national resources such as MA and StepChange. The provider must ensure that resources are appropriately allocated having regard to the need for more intensive resource required for those individuals with the greatest need/ lowest ability to self-serve.
- 4.1.5. Offer advice appointments within 5 working days and appointments for emergency matters (eg Court dates/ Evictions/others) an urgent basis to meet need, and in any event on no more than one working days notice.
- 4.1.6. Prioritise ensuring that users maintain their homes (rented and owned) and pay their Council Tax and any other Council debts they may have. Payment arrangements should be put in place for Council Tax and Council Rents.

- 4.1.7. Identify potential Alternative Payment Arrangement for Universal Credit claimants and notify Housing Services to take this forward for Council tenants.
- 4.1.8. Complete a financial appraisal for all service users and address priority debts first.
- 4.1.9. Inform Housing Services and/or Revenues and Benefits in advance of a Debt Relief Order application being submitted, to seek their views on the matter.
- 4.1.10. Maximise income by ensuring that people are claiming the correct benefits, have appropriate advice and understand how to find the best deals for fuel, phones, water debts, credit and banking etc.
- 4.1.11. Where appropriate, encourage service users to open a basic bank account and direct to the credit union.
- 4.1.12. Ensure that opportunities are taken up for continued financial capability.
- 4.2. For Crisis Support applications, the Financial Inclusion Crisis Support Provider will:
  - 4.2.1. Have in place a process to allow residents to apply for an award
  - 4.2.2. Exercise discretion in making Crisis Support awards, in order to achieve the outcomes set out in paragraph 5.
  - 4.2.3. Although applications will be considered on their own individual merits, priority will be given to the following groups:
    - 4.2.3.1. People who have suffered a disaster to their home such that the home has suffered serious damage and/or is now uninhabitable
    - 4.2.3.2. Households who would suffer an immediate deterioration of health as a direct result of the inability to afford the goods requested.
  - 4.2.4. Where an identified need has been established, awards may be made for the following items:
    - 4.2.4.1. Utility top-ups
    - 4.2.4.2. Baby consumables, including milk and nappies
    - 4.2.4.3. Clothing
    - 4.2.4.4. Travel to emergency accommodation or other forms of support.
  - 4.2.5. For each application the Financial Inclusion Crisis Support Provider will fully explore and document whether the presenting need could be met through other public funds sources of support. These may include:
    - 4.2.5.1. DWP budgeting loans
    - 4.2.5.2. Section 17 payments

- 4.2.5.3. Other VCS organisations, such as the Credit Union
- 4.2.6. Once a decision has been made, the Financial Inclusion Crisis Support Provider will notify applicants of the outcome of their Crisis Support application. If unsuccessful, this will include details of how the applicant can appeal the decision.
- 4.2.7. The Financial Inclusion Crisis Support Provider will ensure there is a fair, robust and timely appeals process for Crisis Support decisions in place.
- 4.2.8. The Financial Inclusion Crisis Support Provider will ensure that sufficient funding is available to make Crisis Support awards throughout the lifetime of the contract. Applications for Crisis Support will not be turned down solely on the basis that insufficient funds are available.

## 5. Outcomes

- 5.1. The Financial Inclusion Crisis Support Provider will aim to deliver the following outcomes for applicants, as a result of making Crisis Support will:
  - 5.1.1. Provide Crisis Support to alleviate financial hardship for residents who qualify under the eligibility criteria and reduce the risk of re-occurrence;
  - 5.1.2. Provide information and advice to enable residents suffering financial exclusion to improve their situation and financial stability, including by:
    - 5.1.2.1. Undertaking benefit checks;
    - 5.1.2.2. Offering budgeting advice;
    - 5.1.2.3. Supporting residents to reduce unmanageable debt;
    - 5.1.2.4. Encouraging saving.
- 5.2. These outcomes will be evidenced through the monitoring, recording and reporting of the following outputs:
  - 5.2.1. The number of Crisis Support awards made to alleviate financial hardship to residents who qualify under the eligibility criteria;
  - 5.2.2. The number of people whose financial situation has improved as a result of information and advice, including by undertaking benefit checks, budgeting advice and support to tackle debt;
  - 5.2.3. The income maximised in the borough as a result of the Financial Inclusion service;
  - 5.2.4. The reduction in Council arrears as a result of information and advice provided under the Contract;

- 5.2.5. The number of Alternative Payment Arrangements negotiated with the DWP for Universal Credit claimants;
- 5.2.6. The number of Debt Relief Orders set up and the number still in place 3 months and 6 months after being established;
- 5.2.7. The number of re-negotiated Debt Relief Orders to increase payments

## **6. Organisational Structure and Implementation**

- 6.1. The structure must be effective and allow the Financial Inclusion organisation(s) to operate efficiently and effectively, giving good value for money and providing a high quality, professional service which brings about significant high quality outcomes.
- 6.2. The Financial Inclusion Crisis Support service will be required to be operational from 03<sup>rd</sup> October 2016 and there will be a period of at least 1 month during which time the Financial Inclusion Crisis Support Provider is expected to make initial preparation to enable delivery from this date.
- 6.3. The Financial Inclusion Crisis Support provider will need to work in an open and transparent way and adhere to the Nolan Principles as established by the Committee on Standards in Public Life (CSPL).
- 6.4. Excellent communication and customer care will be required from staff and volunteers to ensure that Financial Inclusion Crisis Support provision is delivered in a professional manner and that the service is reliable and effective. It will need to establish sophisticated, robust relationships with a broad range of individuals and groups based on mutual respect and the appreciation of different roles and demands.
- 6.5. The Financial Inclusion Crisis Support provider's key staff must be immediately contactable by the Council within the working hours of 10.00 hours until 16.00 hours Monday to Friday (excluding Bank Holidays) via phone and e-mail in case of any queries involving the running of the Contract.
- 6.6. Clear definitions of roles of paid staff and volunteers will be required and the Financial Inclusion Crisis Support Provider must ensure that the appropriate training is provided and successfully completed to provide them with the knowledge and skills required to engage in governance arrangements and carry out their work to a high standard.
- 6.7. The Financial Inclusion Crisis Support provider will explore ways of securing external funding and sharing functions with other voluntary and community organisations to achieve economies of scale and promote uniform standards for training and core activities, back office activities, marketing, website design and the sharing of best practice.
- 6.8. The Financial Inclusion Crisis Support provider will be required to comply with the Equality Duty to provide information showing compliance with the Public Sector Equality Duty and publishing this at least annually and publishing at least one equality objective at least every four years.

## **7. Equality and Inclusion**

- 7.1. The Financial Inclusion Crisis Support Provider must have a mechanism for capturing, evaluating and responding to the experience of Individuals using the service, this must include obtaining the views of a sample of people receiving Financial Inclusion services about their needs for and their experience of the provision.
- 7.2. The Financial Inclusion Crisis Support Provider must provide a service that does not discriminate on the grounds of disability, race, culture, religion, faith or belief, sexual orientation, age, gender or socio-economic situation.
- 7.3. The Financial Inclusion Crisis Support Provider will cooperate with and support any future Equality Impact Assessment work undertaken by the Council.

## **8. Access and Eligibility**

- 8.1. The Financial Inclusion Crisis Support service must operate from an easily accessible office in Darlington that meets with the requirements within the Disability Discrimination Act and they should operate an outreach or home visit service as required.
- 8.2. The Financial Inclusion Crisis Support service must be available in person Monday to Friday, online and via a dedicated phone line. Ideally there should also be some out-of-hours capacity, delivered from the provider's premises. Assessments must be conducted in way that ensures that residents are not excluded based upon their protected characteristics.
- 8.3. The Financial Inclusion Crisis Support provider will raise awareness of financial inclusion challenges and issues throughout the Borough, explaining evidence and gathering experiences and intelligence to inform people of what is available to help them. This includes signposting them to the range of related services. This will be fed back to the contract manager at quarterly contract meetings.

## **9. Networks and Networking**

- 9.1. The role of the Financial Inclusion Crisis Support service is to enable local people to improve their financial situation and safeguard themselves against future income shocks. To maximise effectiveness it will be important that as part of this process the Financial Inclusion Crisis Support Provider builds on activity that is taking place currently, including:
  - 9.1.1. Strengthen relationships and link into networks with third sector organisations and work with grass roots community organisations and voluntary groups within Darlington.
- 9.2. The Financial Inclusion Crisis Support Provider will support the development of self-management of household finances in order to reduce demand on public services as appropriate. This will involve working closely with wider support organisations and local authority service areas such as Housing and Adult Social Care.

- 9.3. The Financial Inclusion Crisis Support Provider will work closely with the Local Authority to log and monitor the existing quality of services so that the data can be gathered, analysed and acted upon to help improve these services or to develop new prevention services that reduce demand on public services where appropriate.
- 9.1. The Financial Inclusion Crisis Support Provider will engage with and support public sector activity to reduce poverty in the Borough during the term of the contract.

## **10. Information and Signposting**

- 10.1. The Financial Inclusion Crisis Support provider must link to existing, external sources of information and advice where appropriate, such as MAS and StepChange, as part of the triage approach.
- 10.2. The Financial Inclusion Crisis Support service must include a preventative approach by encouraging people to use preventative services in their locality but also to share their practical tips for financial inclusion with other VCS organisations.
- 10.3. Confidentiality must be applied when dealing with complaints and concerns and information sharing protocols developed with the Local Authority as necessary to ensure compliance with client confidentiality and data protection.

## **11. Contract Management Meetings**

- 11.1. It is expected that a 'kick off' meeting should be held to establish the running of the contract, including the meeting of key personnel from both parties, all contact details for key staff are to be handed over to the Council for contract management purposes.
- 11.2. It is expected that the Financial Inclusion Crisis Support Provider will attend **quarterly** progress meetings. These meetings will include the contract manager and other representatives as agreed prior to the meetings.
- 11.3. The Financial Inclusion Crisis Support Provider is to make available any relevant contract manager for emergency meetings if required, if for any reason a meeting of this nature is required then the successful organisations staff should be able to meet within 24 hours.
- 11.4. Contract management data must be submitted as required to form part of the progress meetings.

## **12. Timing & review**

- 12.1. There will be an interim review in January 2017 to pick up on any implementation issues which may require changes to the service specification. Annual reviews will be undertaken thereafter.