



Legal Aid  
Agency

# Housing Possession Court Duty Scheme Market Engagement Event

September 2017



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# Purpose of the session

Objectives of the day are:

- Provide you with information on the upcoming HPCDS tender
- To explain how the competition will be structured including the tender design and the HPCDS Scheme Areas listed in the HPCDS Consultation response
- Help you to be well informed to submit a high quality tender to deliver this crucial service
- Take away questions that you have which will be collated and published online



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# Structure of the session

During the day today we will be:

- Discussing the HPCDS Scheme Areas raised in the consultation
- Discussing timetable and structure of the tender
- Outlining the criteria we will be using to determine who wins a contract
- Considering how organisations might wish to deliver the service and the models that are possible under a 'single legal entity' contract

You will have the opportunity to ask questions at points during the presentation. We are allocating up to an hour at the end where we will be available for you to provide feedback on a one-to-one basis.



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# Background on the Service

HPCDS offer “on-the-day” emergency face-to-face advice and advocacy to anyone facing possession proceedings that arise at the Courts listed in their Scheme Area and/or any Alternative Hearing Venues.

Anyone in danger of eviction or having their property repossessed can access free legal advice and representation on the day of their hearing, regardless of their financial circumstances.



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# Summary of the Outcome of the Consultation

Following the consultation, the government has decided to make changes to the operational structure of HPCDS, including:

- Reduce the overall number of HPCDS Areas from 113 to 47, creating larger Contracts.
- To include price competition in the tender process to allow the market to set the rate according to the cost of delivering the service.

An objective of both changes is to support sustainability and reflect changes to the court estate.



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# Tender Timeline

Activity	Date
Launch of HPCDS legal aid contact tender	Early October 2017
Close of 6 week tender period	November 2017
Contracts are awarded to providers	July 2018
2018 HPCDS civil contract services commence	1st October 2018



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# Summary of Scheme Areas covered in the session

During the consultation concerns were also expressed as to the size of the HPCDS Scheme areas, in particular:

North West Wales, North East Wales, Central Wales

City of Stoke on Trent, Staffordshire, Shropshire

Liverpool, Wirral, Cheshire

Birmingham, Herefordshire, Worcestershire



# Current Pricing Approach

The current pricing is set out in the Remuneration Regulations is as follows:

- £71.55 per Act of Assistance for non London Area.
- £75.60 per Act of Assistance in London.

The objective of introducing price competition is not to push prices down but to improve sustainability by allowing the market to set the rate.

This might mean that prices reduce where providers can achieve economy of scale or become more efficient in delivering the service and in some areas it may increase.





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# New Pricing Approach

- Applicants will be asked to submit a separate price for each court per Act of Assistance in the Scheme Area. The bid price must be sustainable over 3 years as withdrawal from the contract is not possible for three years (subject to contract consultation)

	Court	Price
<b>Barnsley + Doncaster + Sheffield</b>	Barnsley Law Courts	£71
	Doncaster Magistrates Court	£75
	Sheffield Combined Court Centre	£68



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# New Pricing Approach

- There is a 'soft price cap' at £85.86. Applicants tenders will not automatically be rejected where they exceed this. However, where exceeded, the Applicant will be required to demonstrate their costs and the price will only be accepted where the forecast profit margin is 15% or less.
- Nil sessions will receive a payment equal to one Act of Assistance, as in the current pricing structure.



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# Alternative Hearing Venues

- Where a session occurs in a location other than the listing Court (e.g. in a town hall), this location is known as an Alternative Hearing Venue (AHV).
- Some AHVs are currently known, more may be used throughout the HPCDS Contract.
- Where the AHV is used the Fee for the listing Court will apply.



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# Minimum requirements of HPCDS Contract

## Hold a Housing and Debt Contract

Applicants wishing to deliver HPCDS services under a HPCDS Contract must submit a Tender and in addition, Applicants must tender (as the same legal entity) for a 2018 Standard Civil Contract in the Housing and Debt Categories.

## “Connected Entities”

Organisations which are connected by their parent company, other companies which have significant control or Key Personnel will not be permitted to bid in the same Scheme Area.

Any questions?





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# Expansion Assessment

The Expansion Assessment will assess whether the Applicant has demonstrated it has the financial capacity to deliver the Contract Work tendered for.

The Expansion Assessment only applies to the following Applicants:

- All Applicants classified as new businesses.
- Established Businesses, where the Total Value of HPCDS Contracts bid for is more than three times its average Turnover over the last 2 years' accounts.



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# Financial Assessment

All Applicants are required to complete and submit a single Financial Assessment Form. The Financial Assessment Form is separated into two sections:

- Current Financial Performance
- Forecast Financial Performance

Applicants will receive a RAG rating based on key ratios of financial strength which will be visible in the form.

Applicants will not be rejected as a result of their RAG rating. However, they will be assigned points which will feed into the shortlisting of Applicants.



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# Selection Criteria

LAA intends that a maximum of four Applicants will be shortlisted for the 'Award Criteria' stage of the tender in each HPCDS Scheme Area.

The Selection Criteria score (along with the Financial Assessment score) will be used to shortlist where there are more than four Applicants in a HPCDS Scheme Area.

Our current approach is that higher scores will be given to Applicants who:

- Will have a 2018 Standard Civil Contract in Housing and Debt in the local area
- Have secured a higher number of Caseworkers and Supervisors who will deliver the service.
- Previous experience of Supervisors and management of running a housing possession scheme.





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## Example of Selection Criteria

Please select the answer from the following three options which is applicable to you:

A: You currently employ at least **one** Supervisor who meets the Housing and Debt Supervisor Standard and who will be available to oversee the HPCDS Services from the Office for at least 17.5 hours per week from the Service Commencement Date.

B: You do not currently employ a Supervisor but you have a Signed Engagement Agreement to employ at least **one** Supervisor who meets the Housing and Debt Supervisor Standard and who will be available to oversee the HPCDS Services from the Office for at least 17.5 hours per week from the Service Commencement Date.

C: You do not currently employ or have a Signed Engagement Agreement to employ at least **one** Supervisor who meets the Housing and Debt Supervisor Standard and who will be available to oversee the HPCDS Services from the Office for at least 17.5 hours per week from the Service Commencement Date.



# Outcome of Shortlisting

The LAA will combine the scores achieved by the Applicant for the Financial Assessment and the Selection Criteria to generate a total score out of 30.

Criteria	Total Marks Available
Financial Assessment Score	6
Selection Criteria	24
Total Qualification Envelope Score	30

The top 4 bidders go through to the next stage in each HPCDS Scheme Area.



# Award Criteria Structure

Award Criteria	Percentage
<p><b>Quality Criteria</b></p> <p>Quality score will be derived from a weighted average of the responses submitted by the Applicant to quality criteria questions which will be scored between 0-5.</p>	70%
<p><b>Price Bid</b></p> <p>Price score will be derived from a weighted average of the individual court prices submitted by the Applicant. The lowest priced bid gets 30 points and other bidders score based on relative distance from the lowest price bid.</p>	30%



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# High Level Award Criteria

Our current approach is that higher points will be given to Applicants who demonstrate:

- staff have a high level of skills and experience of delivering Housing and Debt legal advice.
- staff have a high level of skills and experience in delivering advice through court duty schemes
- high quality recruitment and staff succession process
- high quality supervision processes
- a high quality Delivery Plan for the service setting out how they will deliver the services on a day-to-day basis.
- a higher quality approach to ensuring resources are in place to deliver the services on an ongoing basis, including engagement with Courts.

There will be also be a Minimum Points Threshold which Applicants must achieve to be awarded a Contract.



# Outcome

- Quality and Price Award Criteria for each Applicant will be combined to give a Final Score out of 100.
- The top ranked in each Scheme Area will be awarded the Contract.
- Contracts will commence 1st October 2018

Any questions?





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## What will we do with your feedback?

We will take into account the information we have gathered from the market engagement events and:

- Provide a summary document summarising the information from all events around the county
- Publish finalised Procurement Scheme Area Packs on the LAA website
- Consider the information received in developing the tender approach.

And we will publish the HPCDS Tender in October !



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## The remainder of this session

- Scheme Area Packs providing details of all the HPCDS Scheme Areas will be available for review
- We would encourage you to consider the information provided in the example pack which we are going to go through and use the time to ask any questions
- We will be here for you to ask any questions so.....over to you!