



Open Report on behalf of Glen Garrod, Executive Director - Adult Care and Community Wellbeing

Report to:	Executive
Date:	07 November 2023
Subject:	Future Funding for Citizens Advice
Decision Reference:	I030151
Key decision?	Yes

Summary:

A detailed review of the Citizens Advice Service in Lincolnshire has been undertaken by ACCW in conjunction with District council and NHS partners. Options for future funding mechanisms have also been explored with the Commercial Team People Services and Legal Service.

The review has revealed a complex picture with a range of influencing factors. These include:

1. There are three different Citizens Advice branches delivering advice and support in Lincolnshire, each being a separately constituted charity with a different service model. 'Citizens Advice Lincolnshire' is the overarching charity formed to facilitate co-operation between the Lincolnshire consortium and receives the grant funding from LCC.
2. There are multiple funders, with different funding arrangements. District councils provide different levels and forms of funding to their local branch and the ICB have also indicated an interest in being part of future funding arrangements. Further conversations are needed with districts and the ICB to explore how funding and other arrangements may be aligned to support greater consistency.
3. The 2023/4 collective annual value of all the County and District Council core funding/support is £716,920. LCC's contribution represents 39% of core funding in cash and kind.
4. The core funding provided by LCC and districts enables CAL to generate further funding (totalling £1.9 million in 22/23), the majority of which is restricted to specific projects which allow CAL to provide a wider range of services for the benefit of residents. Significant reductions to core funding would likely impact this ability.

5. An increasing number of issues are being resolved at the first point of contact. However, there is an upwards trend in the number of unique clients accessing the core service, along with an increase in the number of issues each client presents with, indicating that the service is supporting more individuals with more complex issues.
6. A review of the commissioning arrangement indicates that a grant funding agreement is the most appropriate mechanism and is supported by both the Commercial and Legal teams.
7. Client feedback for 22/23 suggests that the services provided are meeting resident's needs, with the three branches performing highly when compared against Citizens Advice nationally.

Recommendation(s):

That the Executive:

1. Approves the issue of a new Grant Funding Agreement with Citizens Advice Lincolnshire to continue the Citizens Advice Services across Lincolnshire for further period of three years between 1 April 2024 and 31 March 2027, commencing at a value of £295,236 from 1 April 2024 and increasing annually in line with the National Living Wage.
2. Delegates to the Executive Director for Adult Care and Community Wellbeing in consultation with the Executive Councillor for NHS Liaison, Integrated Care System, Registration and Coroners authority to determine the final form and the entering into of the Grant Agreement
3. Approves the proposal to continue work with Lincolnshire's District Councils to develop a countywide collaborative and jointly funded approach to funding Citizens Advice Services across Lincolnshire following the conclusion of the proposed 3-year agreement.

Alternatives Considered:

- Continue as is, allocating the current level of grant funding on an annual basis. This does not support CAL with longer term planning and stability in relation to staff recruitment and retention, income generation and is disproportionately administratively burdensome.
- To jointly fund services with interested partners through a three year grant arrangement. This is not a preferred option, partly given the different positions and stages of funding partners, and partly due to a preference for a whole county funding approach where possible.

- Cease funding for CAL. Demand for the services remains high and intelligence suggests that cessation of the core grant funding from Lincolnshire County Council would result in the reduction or winding down of most or all Citizens Advice services across Lincolnshire. This will impact on the additional funding that Citizens Advice brings into the county and potentially an increase in debt, rent and council tax arrears, poverty and food bank use if residents are unable to readily source alternative means of advice and support. Ultimately, this may result in an increase in clients approaching statutory bodies for assistance.

Reasons for Recommendation:

A multi-year grant agreement would provide a longer-term guarantee of financial certainty and stability in a time when the service is experiencing increases in demand. As the LCC core grant leverages in other funding, a longer-term agreement may support CAL to be more effective in obtaining other longer term funding sources. Accounts submitted to the Charities Commission by CAL and the three branches do not indicate that significant reserves are held.

The LCC core grant funding supports employee costs. An annual uplift in line with National Living Wage (NLW) increases therefore recognises the inflationary impacts on CAL e.g. minimum wage increases etc. and helps maintain the level of funding in real terms. This is in line with uplifts across other Adult Care and Community Wellbeing commissioned services and follows guidance set out in the local government budget settlement for 2023-4. Allocating the grant on a multi-year basis also removes the administrative burden associated with the annual grant.

Working more closely with district councils and the ICB may lead to future joint funding arrangements with some or all partners, and in the short term will encourage consistency in reporting across the branches.

1. Introduction and Background

Citizens Advice is a well-established, trusted brand, providing an important safety net to Lincolnshire residents, including those to whom Adult Care, Public Health and Public Protection have potential duties, helping prevent deterioration and escalation of need. The services provided contribute to the Council's corporate goals of 'Thriving environments' and 'Enabling everyone to live life to the full' alongside supporting the provision of 'Good-value council services'.

Citizens Advice work closely with local authorities to ensure clients are accessing appropriate statutory provision and support, including health and social care, housing and

benefits. They provide free, impartial and confidential advice, information and support on a wide range of practical and civil legal issues such as debt, benefits, employment and housing to local residents.

There are now three local branches in the county, namely: Citizens Advice Lincoln and Lindsey, which merged earlier this year; Citizens Advice Mid Lincolnshire and Citizens Advice South Lincolnshire. Each branch is a separately constituted charity, with its own distinct service model and a diverse income stream including national specialist contracts, charitable grants and project funding, and each accountable to the national Citizens Advice charity.

2. Strategic outcomes, policy benefits and legal context

Nationally, the majority of local authorities work with local Citizens Advice centres to provide this valuable free service to residents who may be in 'financially vulnerable circumstances'. This is defined by the Financial Conduct Authority as when someone, due to their personal circumstances, is especially susceptible to harm. This could happen to anyone, such as ongoing or sudden health factors affecting a person, or someone they care for, or life events, such as a bereavement, losing your job or relationship breakdown. In the post pandemic context of the cost of living crisis, it is estimated there are 14.5m people experiencing low financial resilience - more than a quarter of UK adults - a number that has risen by 3.5m since 2019¹.

Legislation, such as the Care Act (2014), places a duty on LCC to provide or commission a range of services that help prevent the deterioration of need and that promote wellbeing.

Citizens Advice support includes people towards whom Adult Care may have duties (such as adults with learning disabilities, mental ill-health, autism, disability, older adults with needs). Maximising sources of welfare income and helping with housing issues helps vulnerable residents to maintain independence and meet the costs of their own needs, rather than turning to Adult Care. Successful applications for Personal Independence Payment help adults with disabilities and long-term conditions manage at home. Helping households get out of debt supports family resilience and helps ensure stability for children, preventing a deterioration in need or breakdown in circumstances.

Citizens Advice complements and supports outcomes aligned to Adult Care and Community Wellbeing as part of a range of preventative services. Advice and intervention fosters resilience, improves wellbeing and helps prevent Lincolnshire residents from needing more costly assistance from Council and other publicly funded services. Citizens Advice has an important role for public health in addressing the wider determinants of health and health inequalities by addressing root cause issues such as poor housing, risk of homelessness, debt, gambling, relationships, employment and domestic abuse. Their work improves

¹ www.Fair4AllFinance.uk

financial resilience and capability, helps alleviate cycles of distress and despair and improves mental health including suicide prevention. Nationally, 43% of people who have used loan sharks have 'thought of or attempted to commit suicide'².

Citizens Advice also supports the objectives of Public Protection, particularly in relation to issues of financial inclusion, domestic abuse and the prevention of fraud. The service acts as the first point of contact for consumer rights advice for Trading Standards, providing intelligence which helps inform LCC Trading Standards inspection regimes. Citizens Advice can also help prevent and resolve the misery of illegal money lending, well documented in a recent report from Fair4AllFinance³.

The increased demand for the services offered by Citizens Advice is recognised within LCC's Community Strategy. Citizens Advice also offers high-quality, well-trained volunteering opportunities in the county, which can support career pathways.

Citizens Advice supports District Councils with their duties under the Homelessness Prevention Act (2017).

3. Service Review

The purpose of the recent review of Citizens Advice was to inform the nature of LCC's future funding decisions. It updates information about current service delivery, performance trends over the last 5 years (since the current funding levels were set), multi-agency funding arrangements, alongside a consideration of current need and demand and other challenges facing the service during the cost-of-living crisis. The review also considers the strategic contribution of Citizens Advice to the corporate objectives of LCC. District council and ICB funding partners were also engaged with. The review concludes with a commissioning options appraisal.

3.1 Current arrangements

Lincolnshire County Council has provided core funding for Citizens Advice Lincolnshire (CAL) for at least ten years via an annual grant funding agreement. Funding has been fixed at £278,000 since 2018/2019 and is distributed by CAL across the three Lincolnshire branches. District councils also contribute varying levels of funding or accommodation to their local branches. In 2022-3, the combined core funding of LCC and districts totalled £716,920 and supported the Citizens Advice offices to lever in additional funding of £1.9m for wider services.

In August 2022, responsibility for the grant agreement passed from Corporate Services to Adult Care and Community Wellbeing. In April 2023, the grant was renewed for a further year at the same value, pending work to review the current arrangements. The annual grant

² England Illegal Money Lending Team report (January – June 2023)

³ [As One Door Closes](https://www.fair4allfinance.org.uk), June 2023, www.Fair4AllFinance.org.uk

agreement, in isolation from fellow district council funders, does not enable a mature relationship with Citizens Advice Lincolnshire that fosters ongoing service improvement. It is also administratively burdensome for senior stakeholders.

3.2 Service model

The Citizens Advice service model has changed over time, aiming to help more people more quickly by delivering a large part of the service through its telephone-based Advice Line.

There are local variations across the three Lincolnshire services. Citizens Advice Lincoln and Lindsey has invested in a staff based telephone based strategy over a number of years, finding this better addresses the challenges of Lincolnshire’s rurality, as well as enabling far higher productivity. Citizens Advice South Lincs offers telephone based and face to face outreaches. Citizens Advice Mid Lincolnshire is more volunteer led.

Each office offers three main components:

<ul style="list-style-type: none"> • A universal offer of web-based services • Free phone Advice Line (Mon-Fri 9-5) • Freephone Universal Credit Help To Claim helpline 0800 144 8444 (Mon-Fri 8-6) • Other specialist helplines include a Consumer helpline, Scams helpline, Pensionwise, EU Resettlement scheme; Trussell Trust helpline • Outreach and drop-in clinics (see Appendix 1 for details) 	<p>Universal offer (mostly paid staff)</p>
<ul style="list-style-type: none"> • Follow up appointments as needed (Core service: generalist advice). Face to face, telephone and other accessible means. 	<p>Targeted offer (supported by volunteers)</p>
<ul style="list-style-type: none"> • Access to specialist teams as needed e.g. National Debt Hub 	<p>Specialist/ complex offer (paid staff)</p>

Some of Lincolnshire’s local offices provide national helplines and specialist services, in addition to the core service to which LCC contributes. This adds value by enhancing expertise of staff in the core generalist advice service and generates good quality local employment as well as organisational viability. National services provided include the National Debt Hub (Money and Pension Service funded), Help Through Hardship and the national Consumer Service.

Branches also act as a referral point for food bank vouchers and advise on housing issues to prevent arrears, evictions and homelessness. Services are provided over the phone, on-line and face to face (by appointment, as required), with a range of additional accessibility options. Details of service access, office and outreach locations are in Appendix 1. In

addition, CAL also provides consumer advice on goods and services issues, as the [first point of contact](#) for LCC Trading Standards. Around 5,000 issues per year are referred from CAL through to LCC Trading Standards where further investigation is needed. CAL receives no additional funding from LCC for this service.

Performance in relation to this grant is evidenced through quarterly grant management meetings and reports, monitored by the Commercial Team People Services at LCC for review and further discussion as needed. CAL also present annually at Public Protection and Communities Scrutiny Committee. Data monitored includes use of the Adviceline and the core service, top issues, client feedback and added value. Districts monitor their funding through similar arrangements. It is not yet possible to fully attribute performance to funding stream. Information and comments are set out below.

3.3 Need and demand summary

As well as the increase in volume and complexity for the wide range of advice issues clients request, there is an ongoing increase in demand due to the impact of the cost of living crisis, including energy bills and hardship on all aspects of people lives. Reasons for this can include:

- Due to a build-up of household debt because of the cost-of-living crisis many renters are, or expect to be, behind on their rent or mortgage payments. Deferred payments will still need to be repaid later, thus delaying, but not preventing, the need for support.
- Individuals and families/households may be pursued to pay back debts incurred over the past year.
- National trend [analysis](#) by Citizens Advice shows that the nature of problem debt is predominantly energy debt, housing debt and council tax arrears. The September Citizens Advice Cost of Living briefing indicated how many families had energy debt remaining over the summer, leading to concerns about a difficult winter 2023-4.
- The trend for families to remain in negative debt even after debt advice and help is still increasing. Nationally, around half the households Citizens Advice see are in negative budgets, up a third from 2019 (negative debt is where essential outgoings cannot be covered by income, even following all income maximisation efforts).⁴
- The DWP timetable to phase out retained/legacy benefits & full Universal Credit (UC) implementation is likely to increase the demand on Citizens Advice Lincolnshire. In March 2020, work was paused on moving those claiming legacy benefits (“legacy claimants”) to UC - known as managed migration - to focus on the response to the pandemic. Informed by learnings from the initial pilot and throughout the pandemic, the Department for Work and Pensions (DWP) will resume the roll out (Lincolnshire

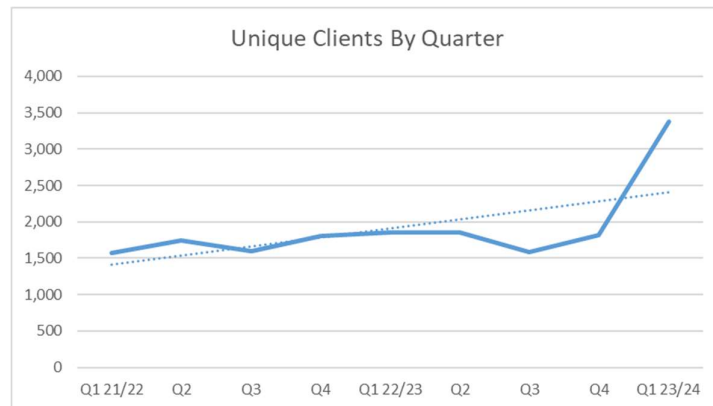
⁴ [Cost of Living Dashboard](#), October 2023 Citizens Advice

starts in September 2023) and complete the migration of all clients on to UC by the end of 2024⁵.

Since 2018-19, demand for Lincolnshire Citizens Advice services has increased continually. This is demonstrated by:

- A marked increase in workload directly associated with debt management and income maximisation. 931 people were advised in Q1 alone this year, compared to 752 at the same time last year, and 605 the previous year (a rise each year of 24%).
- An increase in the number of issues. For example, in south Lincolnshire, in 2022-3 each client presented with between 3-4 issues, an increase from 2 the year before⁶. The impact of this on the service is that it takes longer to help each client. Due to this rise in complexity, Citizens Advice Lincoln and Lindsey has had to readjust targets to help two clients per hour on the Adviceline, compared with four in previous years.

- An upwards trend in the number of unique clients who access the core service each quarter, illustrated in the quarterly graph.



- This is matched by an upwards trend in the number of calls made to Adviceline over the past 18 months.

- Demand for help currently outstrips capacity within the branches. Despite continual improvements in productivity, efficiency and staffing, demand is such that currently only 50% of Adviceline calls can be answered. This is following additional investment from Citizens Advice in professional staffing of telephone lines, use of the national line for overflow in one office and the introduction of an Interactive Voice Response (IVR) option, which help more calls to be resolved at the first point of contact. Not all appointments can be offered face to face.

⁵ [Completing the move to Universal Credit - GOV.UK \(www.gov.uk\)](https://www.gov.uk/government/news/completing-the-move-to-universal-credit)

⁶ Annual report 2022-23, Citizens Advice South Lincolnshire

3.4 Service performance

The service has performed well. Grant management information highlights the numbers of people in the county who have benefitted from the service. Service user feedback suggests a high-quality service which has aided in resolving most problems at first contact.

- In 2022-23, 13,324 calls were answered via the broader Adviceline, with more issues being resolved at the first point of contact,
- Four out of five of the top issues relate to finance, namely: welfare benefits and tax credits; debt; financial capability and housing.
- Support with Universal Credit has seen the highest growth of all the financial areas advised upon, from 15% in 2018 to 60% in 2022-23. Support with Housing Benefit rose from 6% to 11% in the same period.
- There has been a 331% increase in income gained for clients since 2018/19, helping more people manage during the cost of living crisis and helping prevent cost elsewhere in the system. In 2022-3 this was worth £6,232,185, an increase of £4,785,355 when compared to 2018-19.
- Client feedback for Adviceline for 22/23, presented below, suggests that the services provided are meeting residents' needs, with the three branches performing highly when compared against Citizens Advice nationally. Highest client feedback scores are for 'recommending the service', demonstrating that despite challenges meeting demand, the service is effective at providing support. Citizens Advice Lincoln and Lindsey performed above national Citizens Advice levels in all areas of client feedback. 'Ease of access' scores lowest across all three offices, correlating to the lower percentages of Adviceline calls able to be answered.

Client Feedback for Advice Line 2022-23

Indicator	National	South Lincs	Mid Lincs	Lindsey/ Lincoln
Resolution rate	73%	73%	72%	76%
Ease of access	72%	70%	65%	75%
Positive impact	83%	84%	80%	84%
Recommendation of service	84%	85%	81%	87%

3.5 Engagement with funding partners

Engagement with district council funding partners demonstrates a general appetite for a stronger partnership approach to encourage a consistency of service provision across the three Lincolnshire services. There are wider system benefits in moving to longer term, joint

funding arrangements, however, different districts are at varying stages. Two districts have indicated an interest in entering a joint funding arrangement. The remainder have advised that they are satisfied with their current arrangement of an annual grant agreement at a district level with their local branch. One district has entered a three year funding agreement with their local branch from April 2023; another provides premises only with no direct funding. The ICB has also expressed interest in entering a joint funding arrangement for CAL.

Due to the existing partner arrangements in place, the Commercial Team have recommended that a minimum three-year LCC agreement would be required to enable a countywide collaborative approach to be developed, including the implementation of a shared reporting framework, and to align end dates with other district councils to deliver any future joint commissioning and/or pooled fund arrangements.

4. Legal Issues:

Equality Act 2010

Under section 149 of the Equality Act 2010, the Council must, in the exercise of its functions, have due regard to the need to:

- Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

The relevant protected characteristics are age; disability; gender reassignment; pregnancy and maternity; race; religion or belief; sex; and sexual orientation.

Having due regard to the need to advance equality of opportunity involves having due regard, in particular, to the need to:

- Remove or minimise disadvantages suffered by persons who share a relevant protected characteristic that are connected to that characteristic.
- Take steps to meet the needs of persons who share a relevant protected characteristic that are different from the needs of persons who do not share it.
- Encourage persons who share a relevant protected characteristic to participate in public life or in any other activity in which participation by such persons is disproportionately low.

The steps involved in meeting the needs of disabled persons that are different from the needs of persons who are not disabled include, in particular, steps to take account of disabled persons' disabilities.

Having due regard to the need to foster good relations between persons who share a relevant protected characteristic and persons who do not share it involves having due regard, in particular, to the need to tackle prejudice, and promote understanding.

Compliance with the duties in section 149 may involve treating some persons more favourably than others.

The duty cannot be delegated and must be discharged by the decision-maker. To discharge the statutory duty the decision-maker must analyse all the relevant material with the specific statutory obligations in mind. If a risk of adverse impact is identified consideration must be given to measures to avoid that impact as part of the decision-making process.

In line with the Equality Impact Assessment guidance, consideration was given to the impacts that the proposal is likely to make on people with protected characteristics. It remains the case that no changes are being proposed to the service and if this is approved no negative impacts have been identified.

Of the alternatives, continuing with a one year Grant Agreement will ensure that existing positive impacts on people with a protected characteristic are maintained but will miss out on the additional positive impacts that may be realised if the benefits of a longer grant term are achieved.

Ceasing funding would have detrimental impacts on people with a protected characteristic such as age and disability where people with such protected characteristics are high users of CAL services. The current positive impacts identified in the Equality Impact Assessment would be lost. A longer term agreement will provide more secure benefits to people with protected characteristics.

A previous report to Executive recommended that a full Equality Impact Assessment should be carried out following the conclusion of the updated desktop review, recent strategic development work and the resulting current commissioning proposals. An EIA is therefore attached at Appendix 2.

Citizens Advice Lincolnshire can evidence the steps it takes to ensure inclusive access to its service in a large, rural county. It provides a range of channels of access including a text based Relay UK, video calls, webchat, face to face by appointment, telephone, email, letter, rural and foodbank outreach drop-ins, mental health drop-ins and a Polish language line, with some local variations, as each office has its own service model and charitable funding. Outreach is all funded through charitable funds. Details of outreach locations can be found in Appendix 1. Further work is recommended to ensure that the need for face to face services is met.

It is recommended that, where data permits, reporting should capture the service use and benefits to communities with protected characteristics, including people with learning disabilities, disabilities, mental health issues and long term conditions. In addition, where data permits, reporting should also address the health inequalities agenda, which includes ensuring the reach of the service to Lincolnshire's most deprived communities, as well as health inclusion groups in line with Lincolnshire's Core 20 Plus 5 agenda. It is recommended to review this on an annual basis, to future proof options to report on other health inclusion groups, such as future local or national policy may require.

Joint Strategic Needs Assessment (JSNA and the Joint Health and Wellbeing Strategy (JHWS)

The Council must have regard to the Joint Strategic Needs Assessment (JSNA) and the Joint Health and Wellbeing Strategy (JHWS) in coming to a decision.

The Lincolnshire JSNA and JHWS have a strong focus on prevention and early intervention, as well as a focus on issues and needs that require partnership and collective action to deliver. They aim to tackle inequalities and the equitable provision of services that support and promote health and wellbeing. Citizens Advice contributes to all of these overarching aims. Its work on financial inclusion helps some of the most deprived citizens in the county and connects people with a range of other services to address issues. It helps prevent problems spiralling out of control, helping people build resilience and capability.

Housing & health and mental health are two of the key priorities of the JHWS, with related objectives including tackling homelessness and ensuring people have the knowledge and capability to access and maintain appropriate housing. Citizens Advice information and support on a wide range of issues including managing debt, benefits, employment and housing directly prevent worsening mental health and insecure housing, helping improve physical health, wellbeing and housing.

[Financial inclusion](#) is a JSNA topic in its own right. Citizens Advice is an important delivery partner of the Financial Inclusion Partnership. Citizens Advice data and reporting offers strategic intelligence on levels of need within the, directly informing this JSNA.

Crime and Disorder

Under section 17 of the Crime and Disorder Act 1998, the Council must exercise its various functions with due regard to the likely effect of the exercise of those functions on, and the need to do all that it reasonably can to prevent crime and disorder in its area (including anti-social and other behaviour adversely affecting the local environment), the misuse of drugs, alcohol and other substances in its area and re-offending in its area.

Citizens Advice helps residents find a way forwards and take control of their problems, rather than the problem continuing to drive behaviour. This therefore contributes to the management and reduction of issues that that could trigger and influence offending behaviour, including debt, rent and council tax arrears and poverty.

Citizens Advice also works in partnership with specialist agencies such as [‘We Are With You’](#) or [‘GamCare’](#) who tackle substance misuse and problem gambling respectively, helping address root cause issues relating to these problems such as welfare benefits, problem debt, housing, employment etc. which can help minimise potential risks of crime and disorder.

In relation to victims of crime, Citizens Advice advises and supports on issues relating to domestic violence and hate crimes, as well as illegal money lending, helping signpost to support as well as encouraging reporting. Citizens Advice also refers over 5,000 cases a year to LCC Trading Standards. Provision of an annual report on the principal consumer issues in the county will help inform the annual inspection regime of Trading Standards.

Overall, it is therefore likely that the continuation of longer term funding support will have a positive impact on the prevention of crime and disorder in the area.

5. Conclusion

Citizens Advice have demonstrated their work over the last five years to restructure and consolidate their offer within the county, making best use of available resources, reducing from seven local offices to the current three and investing in paid staff capacity where it can achieve greatest impact.

A multi-year grant agreement would provide a longer-term guarantee of financial certainty and stability particularly at a time when the service is experiencing increases in demand. As the LCC core grant leverages in other funding, a longer-term agreement may support CAL to be more effective in obtaining other longer term funding sources. Accounts submitted to the Charities Commission by CAL and the three branches do not indicate that significant reserves are held.

Citizens Advice adds direct financial value to the Lincolnshire economy. Additional income of £6,232,185 was achieved for clients in 2022-23, more than off-setting LCC core funding. Added value initiatives and associated funding, such as the £1.931m of funding were leveraged in for contracts, projects and services in 2022/3 (an increase of £0.5m since 2018-19) resulting in more Lincolnshire people helped at no cost to local authorities. Social value is also provided, through the generation of knowledge rich and highly skilled local employment as well as through volunteering opportunities, supporting career paths with

the same training as paid staff, or offering fulfilling opportunities for more experienced residents to give back to their community.

There are wider benefits in positioning Citizens Advice as a strategic, system preventative partner within Health and Care, by helping to achieve optimum impact for local residents with closer working relationships to commissioned and directly provided council and health services, and through the provision of intelligence and insight for diverse senior stakeholders of need within the county. These aims are also supported by District Council and ICB colleagues. A longer term funding agreement, working in close partnership with fellow district and ICB funders, will help fulfil these ambitions.

6. Legal Comments:

The Council has the power to enter into the Grant Agreement proposed.

A Grant Agreement is appropriate where the Council funds an organisation to conduct activities that they are funded to carry out anyway and the performance of which helps contribute to the Council's objectives.

The relationship between the Council and CAL can legitimately be seen as a grant-based relationship and that would apply even over a longer grant period.

The decision is consistent with the Policy Framework and within the remit of the Executive.

7. Resource Comments:

There is provision within Adult Care and Community Wellbeing to fund the grant for Citizens Advice, following the transfer of the budget from Corporate Services. There are also financial mechanisms in place within ACCW that would support delivery of any of the options including the pooling of funding across organisations.

Based on increases of the National Living Wage (NLW) set at 6.2% for 2024-25, a three-year grant agreement is estimated to total £941,756.

Estimated annual grant amount:

2024/25 - £295,236

2025/26 - £313,540 (assuming same rate of increase as 2024-5)

2026/27 - £332,980 (assuming same rate of increase as 2024-5)

8. Consultation

a) Has Local Member Been Consulted?

No, as it is a countywide service.

b) Has Executive Councillor Been Consulted?

Yes

c) Scrutiny Comments

The decision will be considered by the Public Protection and Communities Scrutiny Committee at its meeting on 31 October 2023 and the comments of the Committee will be reported to the Executive

d) Risks and Impact Analysis

Securing a longer term funding agreement for Citizens Advice with an inflationary uplift provides a stable base for service planning, external funding applications as well as helping stabilise workforce retention, recruitment and development. A three year funding agreement will enable a greater focus on service improvement, such as service reach, access, inclusion, outcomes and partnership working.

Citizens Advice helps many of the most financially vulnerable and deprived residents of Lincolnshire. Any reduction in or removal of funding, including inflationary uplift could have an indirect impact on a range of LCC services as service users seek alternative sources of assistance should CAL reduce elements of their services because of less funding. Many of Lincolnshire's directly provided services such as Adult Care rely on referrals and signposting to Citizens Advice. Losses to service delivery would significantly impact necessary capacity in Lincolnshire for financial advice and support, leaving individuals and families in deteriorating circumstances and increasing need, impacting on public services as well as individual health and wellbeing. Current demand already cannot be met. Closing down sources of trusted help opens the door to harms such as illegal money-lending.

9. Appendices

These are listed below and attached at the back of the report:	
Appendix A	Office and physical outreach locations of Citizens Advice in Lincolnshire
Appendix B	Equality Impact Assessment

10. Background Papers

The following background papers under section 100D of the Local Government Act 1972 were replied upon in the writing of this report:

Document title	Where the document can be viewed
Citizens Advice Cost of Living Dashboard (2023)	www.wearecitizensadvice.org.uk
England Illegal Money Lending Team - Support Report for Partners (January – June 2023)	www.stoploansharks.co.uk
'As One Door Opens – Experiences of Illegal Money Lending in an Emerging Cost of Living Crisis' (June 2023)	www.Fair4AllFinance.org.uk
Annual report, Citizens Advice South Lincolnshire	Available on request from www.citizensadvicesouthlincs.org.uk
'Completing the move to Universal Credit'	www.gov.uk

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