

**Open Report on behalf of Lee Sirdifield, Assistant Director - Corporate**

Report to:	<b>Councillor Mrs S Woolley, Executive Councillor for NHS Liaison, Community Engagement, Registration and Coroners</b>
Date:	<b>18 – 21 January 2022</b>
Subject:	<b>Citizens Advice Grant Funding Agreement 2022-23</b>
Decision Reference:	<b>I025640</b>
Key decision?	<b>No</b>

**Summary:**

This report seeks authorisation for the issuing of a further Grant Funding Agreement to Citizens Advice Lincolnshire (CAL) to continue their delivery of the Citizens Advice Service across Lincolnshire for financial year 2022-23.

The current grant funding agreement is due to conclude on 31<sup>st</sup> March 2022. It is proposed that following a comprehensive desktop review and heightened engagement with the service, a new grant funding agreement is established to enable funding for Citizens Advice to continue for a further period of 12 months. The review work conducted during 2021 highlighted the volume of residents benefitting from the various service interventions with feedback signifying a high-quality service supporting individuals in a timely manner when seeking assistance. A further grant period of 12 months will enable the findings and next steps from the service review to be progressed and considered in light of future commissioning options regarding scope, value and strategic alignment with the Integrated Care System and the Councils Community Strategy.

There are no concerns about the current delivery of Citizens Advice support in Lincolnshire that would preclude it from being renewed on similar yet enhanced terms. The improved reporting and intelligence sharing proposed for a new grant funding agreement with Citizens Advice Lincolnshire would support further commissioning decisions and visibility of service impacts during 2022-23 financial year.

**Recommendation(s):**

That the Executive Councillor:

1. Approves the issue of a new Grant Funding Agreement with Citizens Advice Lincolnshire to a value of £278,000 to continue the Citizens Advice Services across Lincolnshire for a further 12-month period between 1<sup>st</sup> April 2022 and

31<sup>st</sup> March 2023.

2. Notes the conclusions of the desktop review of the Citizens Advice funding, which will inform future commissioning decisions around this arrangement beyond 31<sup>st</sup> March 2023.

**Alternatives Considered:**

1. To de-commission or significantly reduce funding for Citizens Advice

Without the LCC contribution the core element of the local services could cease. This would be at a time when the demand profile indicates a greater demand and need for these services following the pandemic. To not commission these services would also mean a significant loss of additional investment into the county. It would leave residents of Lincolnshire with limited provision of free advice and guidance, this in turn could ultimately increase costs to Central Government, Local Authorities and the NHS through the loss of preventative savings as a result of people becoming unemployed, homeless or suffering from poor physical and mental health. There would also be the loss of the volunteer base which currently provides significant added value.

In terms of significantly reducing the funding element, there has already been financial reductions in core funding over the last five years, CAL have already responded making extensive cuts and efficiency savings including:

- Staff redundancies and reductions in staff hours across all Citizens Advice Lincolnshire locations, which has led to a reduction in opening hours for face-to-face advice in some offices.
- Merging seven Citizens Advice organisations down to four, streamlining back-office functions.
- Adoption of lean working practices, through cutting staff expenditure, sharing back-office functions across offices, and moving more advice to telephone, email, and web chat where appropriate for the client.
- A 50% cut in top line management costs and restructuring to achieve further savings.
- Addressing premises costs as leases expire to make further savings.

With these cost saving measures already in place, further cuts to core funding may now begin to impact frontline services. The Provider reported that the quality and capacity of the service will now begin to reduce disproportionately to the level of any cuts, not simply through a reduction to the core generalist advice service, but more significantly through reduced capacity to secure additional funding from other sources. These funders support project costs but only make a small contribution to core or running costs, and therefore the loss of core funding will severely impact CAL's capacity to deliver this additional work.

**Reasons for Recommendation:**

The core services are funded 35% by LCC and 55% District Authorities. The withdrawal

of either of these allocations would result in the potential decommissioning of the services and associated disadvantages as set out above. To fund Services under a Grant Agreement for a further 12-month period would allow for the following:

- The incremental development of a potential triangular agreement with the District Councils. This would aid in the encouragement and development of a more sustainable cost-effective countywide service. This would strengthen or formalise the arrangement, historically the District Councils have followed LCC lead in terms of the allocation of funding so this would indicate there would be an appetite to work to together.
- Further development of the strategic relationship with CAL through the Grant Management Framework led by Commercial Team, People Services will allow the expansion of benchmarking against national datasets and richer visibility about the impact and outcomes this agreement delivers for Lincolnshire. This iteration of the Grant Agreement will therefore enhance the monitoring information required as additional conditions to the funding agreement which will provide a greater insight and alignment to the corporate aims and objectives of the Council.
- Regular liaison with other stakeholders such as District Councils and Providers would encourage more innovative ways of working. Options such as the co-location of services in stakeholder accommodation could also be explored which could reduce the funding level in terms of the premises costs and increase the physical presence across the county.
- The exploration of joint working with neighbouring Citizens Advice organisations and potential economies of scale. i.e.: Is there potential for others to meet demand if high at certain times or joint delivery of specific projects with bordering CA if relevant.
- Provide an adequate amount of time to identify other appropriate funding streams and / or synergies.
- To better understand the demand profile of these services for Lincolnshire. To model and quantify and raise awareness of the preventative savings for LCC, District Councils and Health partners.
- To aid in the recovery of the pandemic, allowing an understanding of the future impact when central government support comes to an end and help to ensure that the situation for those requiring support does not worsen as result of not having access to free advice and guidance.

## **1. Background**

- 1.1 Lincolnshire County Council provides funding facilitated through a Grant Funding Agreement (GFA) to Citizens Advice Lincolnshire (CAL) to support delivery of a countywide Citizens Advice Service. The existing GFA concludes at the end of March 2022. The Council has provided this grant concurrently since at least 2015; a comprehensive desktop review of these arrangements has been undertaken the conclusions of which will be key when considering future re-commissioning options and subsequent decisions.

- 1.2 The desktop service review conducted during 2021 sought to examine the value for money, funding and outcomes achieved through the grant agreements to date. This review work formed part of a phased approach to explore the current grant agreement to seek assurance about the Council's financial contribution, inform future commissioning and agreements, whilst developing the strategic relationship with CAL into the next phase.
- 1.3 Extending the arrangement by issuing a new GFA for a further period of 12 months will build on the review work conducted and enable support to continue the development of future strategic countywide arrangements. A new GFA would apply some of the learning from the desktop review including strengthened reporting and intelligence requirements from CAL to maximise timely understanding of the challenges facing Lincolnshire residents and the service impacts being achieved. A key recommendation of the review and focus for the new GFA period is further exploration of the opportunities for linked or pooled funding with other partners beyond March 2023.
- 1.4 The review highlighted the positive impacts the Citizens Advice service has delivered historically and more recently during the Covid-19 restrictions. Hence, there is a strong rationale to continue the arrangement to avoid any gap in provision whilst CAL's position in the longer-term strategic landscape is fully assessed and determined. The specialist nature of the provision and additional added value funded projects are unlikely to be available through other providers or organisations at this juncture.
- 1.5 The review also concluded that a Grant Agreement was an appropriate mechanism for commissioning these services, however this would need to be further considered following any new wider strategic service and allocation of future funding beyond March 2023.

## **2. Citizens Advice Service**

- 2.1 CAL is a consortium of four independent local charities; Citizens Advice Lindsey, Citizens Advice Lincoln, Citizens Advice South Lincolnshire, and Citizens Advice Mid Lincolnshire. CAL provides 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 Lincolnshire residents.
- 2.2 The services provided by Citizens Advice in Lincolnshire contribute to outcomes sought by Lincolnshire County Council and seek to inform Council policies and practices that affect people's lives;
  - enabling communities to have easier access to services and information
  - supporting individuals to care for themselves and develop a stronger sense of self, built on improved self-efficacy, confidence, and self-esteem
  - tackling disadvantage and promoting independence

- tracking trends and problems encountered by Lincolnshire people to better advise them on relevant solutions and plan for future demand

2.3 The aims of the GFA are:

- To provide information and advice to the people of Lincolnshire in a timely, accessible manner and as efficiently as possible.
- To raise awareness of support services which may be available to recipients of the service.
- To ensure the advice given is quality assured in accordance with the requirements of the national Citizens Advice organisation and the Advice Quality Standards, the Financial Conduct Authority and the Money Advice and Pension Service Accreditation.
- To ensure advice is available based on need, by telephone, email, web chat and where necessary face to face.

2.4 The current grant value is £278,000 per annum and this ensures the sustainability of the core Citizens Advice service, directly funding approximately 20 of the over 100 staff employed and allowing CAL to secure other local and national funding for projects and services. CAL receives further core funding from District Councils and secured additional targeted project funding and donations in 2021/22 of £1,865,782. Project funders (i.e., the National Lottery Community Fund and the Money Advice Service) do not generally contribute to running costs and require a basic level of financial stability to award their funds; therefore, this income is reliant on Citizens Advice sustaining funding for their core functions. Additional funded projects include support to migrant workers, scams advice, pension support, Universal Credit Help to Claim and addressing fuel poverty through Energy Best Deal.

2.5 CAL currently provides monitoring information to capture the volume and nature of the support provided to Lincolnshire residents as set out below. The service also supports and develops circa 400 volunteers across the county per annum; the value of this volunteering input was estimated to be £1,016,211 during 2020/21. The Citizens Advice Service equally has a strong track record of effective partnership working including with DWP, HMRC and Health Services, Housing Providers and Homelessness Services and Food banks.

2.6 Review of service output and volumes highlighted the number of clients and issues supported in recent iterations of grant agreements as set out below.

**Clients supported**

	2016/17	2017/18	2018/19	2019/20	2020/21
Number of clients	44,418	36,602	42,109	41,352	32,232
Advice issues	86,735	74,297	62,409	91,515	69,133

*Note: reduction in grant funding since 2018/19*

Current service data also provides an overview of the key issues supported and the success of interventions to assist clients. Ongoing work with CAL during 2021 has focused on enhancing the granularity of this reporting to provide both a countywide and district level insight into the clients accessing support and the issues most pertinent across the county.

	2018/19	2019/20	2020/21
Percentage of clients able to resolve problems following the provision of advice	74%	69%	83%
Percentage of clients' needs fully met at first contact	75%	72%	68%
The number of clients successfully advised on debt issues	4,555	4,262	3,073
Income gained for clients through advice	£1,446,830	£2,075,559	£1,670,743

Service user feedback and data from 2020/21 equally suggest Citizens Advice is providing a high-quality service that is meeting resident's needs;

- 84% found it easy to access the service
- 93% said the service helped them to find a way forward.
- 96% are likely to recommend the service
- *"I wasn't sure which way to turn, it's all felt too overwhelming for me, the adviser couldn't have been more helpful. I didn't ever feel like I was being a nuisance or needed to rush through my issues. I feel like I can see a way forward now"*
- *"The advice I received was clear, straightforward and easy to understand. It helped me make the decisions I needed to; I don't know where I'd be without you"*

2.6 Whilst the current monitoring captures information about the service reach and volunteer input there is an opportunity to enhance the service intelligence into a revised GFA into 2022/23 to both inform the service review process and assess the added value and/or synergies with other commissioned and statutory services. This could include referral and signposting interactions with other Council funded services including Wellbeing, Carer Support, Advocacy, Housing Related Support and any Adult Social Care input. Depicting the value of the benefits or income maximisation advice provided through service input would seek to illustrate the collective impact on people and communities thus contributing to the Corporate Plan priority of enabling everyone to enjoy life to the full.

2.7 Allowing the current arrangement to come to an end would risk there being a gap in advice provision in the county arguably when demand for advice and support is being exacerbated by the pandemic, furlough and any related financial hardship. The provider has also suggested that the ending of the grant funding from LCC would result in the reduction or winding down of most or all Citizens Advice services across Lincolnshire. Thus, impacting 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.

- 2.8 The Citizens Advice Service desktop review assessed the value for money and service impact on individuals, communities and the Lincolnshire information and advice system as a whole. However further engagement and potentially a public consultation exercise maybe required to help inform the future shape and function of the LCC funding and support to the service. Also, the mapping of wider sources of support for residents with information and advice and utilising service data to project future demand to ensure the alignment of services offering this support to residents, including digital offers and solutions.
- 2.9 During the period of the current grant agreement and review CAL have worked in partnership with the Council to develop revised reporting and insights into the outcomes and impacts of their work in Lincolnshire. Working within the Grant Management Framework during the current grant period has formalised the quarterly grant management meetings with CAL and re-framed the strategic relationship in readiness for closer working into the next phase during 2022-23. Enhanced quarterly grant monitoring data within a new grant agreement includes greater insights into the demographic profile of clients accessing services alongside detail on the nature and level of interventions, specifically in relation to debt services and specialist project intelligence. Additional requirements also include an annual grant delivery statement and a minimum of four case studies per quarter to capture and share individual outcomes and impacts of the support provided to complement the quantitative data provided. Equally, the relationship with CAL has sufficiently developed to enable further refinement of intelligence sharing within the grant period should additional projects or initiatives emerge.

### **3. 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. In this instance, no changes are being made to the service and therefore no impacts have been identified.

Following the desktop review of 2021, the strategic development work and future commissioning decisions around this arrangement beyond 31<sup>st</sup> March 2023 will need to include a full Equality Impact Assessment.

#### Joint Strategic Needs Analysis (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 & Well Being Strategy (JHWS) in coming to a decision.

Housing & health and mental health are two of the key priorities of the JSNA, with related objectives including tackling homelessness and ensuring people have the knowledge and capability to access and maintain appropriate housing.

Citizens Advice services directly support these themes by offering free, impartial and confidential advice, information and support on a wide range of issues including managing debt, benefits, employment and housing.

### 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 services offer 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 Lincolnshire residents, and therefore contribute to the management and reduction of issues that that could trigger and influence offending behaviour, including debt, rent and council tax arrears and poverty.

It is therefore probable that the continuation of funding support will have a positive impact on the prevention of crime and disorder in the area.

## **4. Conclusion**

- 4.1 Whilst the Citizens Advice Grant Funding Agreement is seemingly meeting the objectives set; it is an opportune time to consider the service within the context of the shifting landscape of the Community and Voluntary Sector.
- 4.2 Reissuing the current GFA on the same broad terms for a further 12 months will allow for the establishment of a strategic countywide project group, including Commercial, Community Engagement and District Authority colleagues, to fully explore the synergies, outcomes and value for money aspects of any future arrangements.
- 4.3 Ceasing funding at the end of the current agreement has been considered; however, this would create a gap in advice services at time of peak demand. This would also represent a risk of significant reputational damage from the limited notice available to organisations to plan and respond to the loss of core funding without due prior engagement, especially given the likely impact on access to services for Lincolnshire residents.
- 4.4 Subject to this decision, the countywide development work can be progressed in early 2022 aligning this work to strategic priorities and ensuring greater integration across the Community and Volunteer Sector, and the Councils commissioned and statutory services to support Lincolnshire's Covid-19 recovery and beyond.

**5. Legal Comments:**

The Council has the power to make the grant proposed. The payment can properly be characterised as a grant and does not give rise to procurement obligations.

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

**6. Resource Comments:**

Permanent (base) budget is available to support this arrangement.

**7. Consultation****a) Has Local Member Been Consulted?**

n/a

**b) Has Executive Councillor Been Consulted?**

Yes

**c) Scrutiny Comments**

The decision has not been considered by a Scrutiny Committee

**d) Risks and Impact Analysis**

n/a

**8. Background Papers**

No background papers within Section 100D of the Local Government Act 1972 were used in the preparation of this report.

This report was written by Marie Kaempfe-Rice, who can be contacted [marie.kaempfe-rice@lincolnshire.gov.uk](mailto:marie.kaempfe-rice@lincolnshire.gov.uk).