

This Report will be made public on 24 April 2018.

Report Number **C/17/98**

To: Cabinet
Date: 2 May 2018
Status: Non - Key Decision
Head of Service: Katharine Harvey, Head of Economic Development
Cabinet Member: Councillor Jennifer Hollingsbee Cabinet Member for Communities

SUBJECT: FUNDING FOR SHEPWAY CITIZENS ADVICE (CA)

SUMMARY: The District Council has historically supported Citizens Advice (CA) with grant funding. In the financial year 2016 /2017, CA dealt with over 5000 enquiries (a significant increase on previous years) and saw over 2000 clients who were supported with specialist advice and casework services. CA provides a vital service to the community, dealing with complex issues that significantly impact upon people's lives. This report proposes future funding options for the Council to consider.

REASONS FOR RECOMMENDATIONS:

Cabinet is asked to agree the recommendations set out below because:

- a) The District receives an excellent service to very vulnerable members of the community needing help and advice often in difficult circumstances and facing complex issues.
- b) The District Council portion of funding is vital to the ongoing running of the Shepway CA with funds supporting operational needs and can enable additional funding to be levered in.

RECOMMENDATIONS:

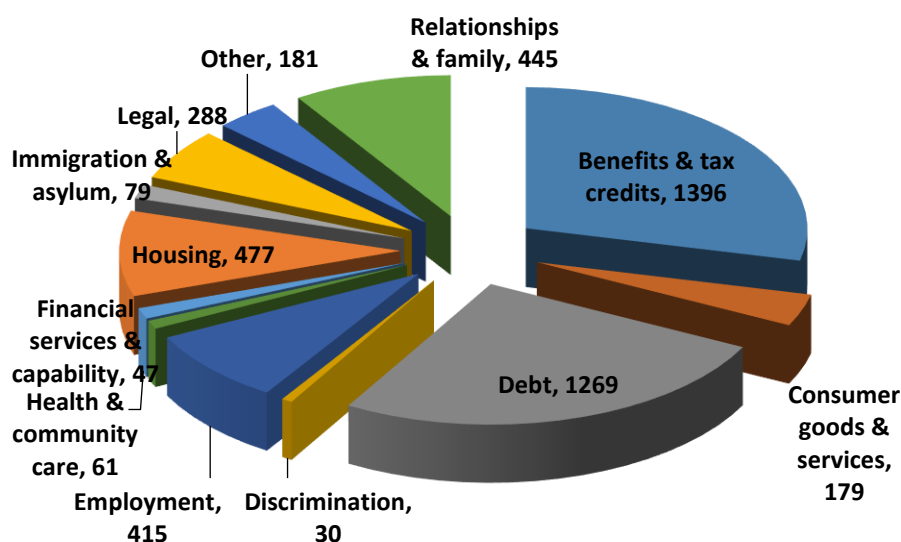
1. To receive and note Report C/17/98.
2. To agree to option c in paragraph 3.1, which is to provide £67,800 funding annually for 3 years from 1st April 2018, with a funding review after 3 years and to work with the CA to address how to achieve future funding sustainability for the organisation.

1. BACKGROUND

- 1.1 The District Council has supported Citizens Advice (CA) for a number of years and in 2016 a two year grant funding agreement was agreed which ended 31st March 2018.
- 1.2 The Shepway CA service provides a valuable, free, confidential advice service to a wide range of clients, covering issues such as debt, housing, benefits, health, consumer and legal issues through both specialist staff and trained volunteers. In the 2016 -17 annual report, CA highlight that they dealt with over 5000 enquiries which was 2000 more enquiries than previously reported to CMT. CA also saw over 2000 clients and supported over clients with specialist advice and casework services. The top 4 enquiries in 2016/17 were again benefits, debt, housing and employment, all of which significantly impact upon people's lives.

2. MONITORING AND IMPACT OF CITIZENS ADVICE

- 2.1 Regular monitoring of the Grant Agreement and KPIs has been undertaken by SDC officers and the Cabinet Lead Member for Communities also attends key meetings of the CA, including the Annual General Meeting.
- 2.2 During 2016-17 the number of issues dealt with far exceeded targets set (Target of 3,600 issues was exceeded by 35% (4867 issues) and below shows a breakdown of the issues dealt with, taken from CAs latest annual report 2016/17 (attached as Appendix A).



- 2.3 In addition, the Shepway CA has also reported that they:
 - dealt with 311 homeless preventions in 16/17 against a target of 250;
 - secured additional external funding to enable the financial position to be strengthened;
 - represented clients in court on a range of issues including housing and debt; and

- addressed loss of key staff members and retirements of long standing trustee members.
- 2.4 Shepway CA provides an extremely valuable service for residents (and even operates an outreach on the Marsh where possible). The Council regularly refers clients to the service which supports all sectors of the community, including East Kent Housing tenants, on a range of money advice services, as well as addressing other needs.
- 2.5 Whilst funding is already set in the Communities 2018/19 base budget, (comprising £57,000 from General Funds and £10,800 from HRA funds) any funding beyond 2018/19 would need to be factored into budget setting proposals for 19/20 and 20/21.
- 2.6 It is proposed that the District Council enters into a new Grant Agreement (GA) that sets out the key expectations of the CA. It will contain five outcomes with a series of KPIs, including numbers of clients dealt with, types of advice given, level of volunteer service provided and customer satisfaction. In addition, partnership working to support service delivery and horizon scanning on trends and policy issues will also continue to feature.

3. FUNDING OPTIONS

- 3.1 The funding options for Cabinet to consider for funding support for CA are set out below and the associated risk management issues are set out in section 5.0:
- a) Cease funding the CA service – this would result in a significant negative impact on the service and local community.
 - b) Provide the CA with £67,800 funding (£57,000 from the General Fund and £10,800 from the HRA budget) - this would again impact on the long term viability of the service.
 - c) Provide the CA with £67,800 funding (£57,000 from the General Fund and £10,800 from the HRA budget) annually for 3 years with a funding review after 3 years and to work with CA on how to achieve future funding sustainability.
- 3.2 It is recognised that the Council would not normally provide an organisation with funding beyond an annual budget setting cycle. However, because of the exceptional nature of the business and the excellent work of CA, providing funding for 3 years would provide stability to CA who deliver a vital service at the heart of the community to the most vulnerable members of society.
- 3.3 It is recommended that Cabinet agrees to option c above and provides £67,800 annually for 3 years from 1 April 2018, with a review after 3 years and to work with CA on how to achieve future funding sustainability.

4. RISK MANAGEMENT ISSUES

- 4.1 The risks perceived as a result of this report are set out below

Perceived risk	Seriousness	Likelihood	Preventative action
Closure of the CA service if no funding is secured leaving vulnerable members of the community unsupported, resulting in further decline in personal circumstances thus drawing further on public sector services.	High	Low	Agree to future funding to enable vital service to continue
Reduced service levels if ongoing funding secured at lower levels or for a shorter term with again a risk to the long term viability of CA	High	Medium	Ensure levels of funding secured result in longer term viability of the service and work with CA on sustainability of funding moving forward

5. LEGAL/FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

5.1 Legal Officer's Comments (DK)

There are no legal implications arising directly out of this report. (Legal Services have approved the text of the draft Grant Agreement.)

5.2 Finance Officer's Comments (LH)

To confirm that there is the required funding within the approved Budget 2018/19 for both the general fund and HRA elements totaling £67.8k. For 2019/20 and 2020/21 these are within the base budgets but will need the appropriate approval at Full Council in February 2019 and 2020 respectively.

5.3 Diversities and Equalities Implications (JL) The Shepway CA service is open to all members of the public and is increasingly dealing with very vulnerable clients. The service offers outreach sessions in Hythe to reach communities further.

6. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

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