

## Report of the Interim Deputy Chief Executive

**CITIZENS ADVICE BROXTOWE – GRANT AID 2018/19**1. Purpose of report

To consider a request for grant aid in accordance with the provisions of the Council's Grant Aid Policy.

2. Grant Aid Application

An application for grant aid has been received from Citizens Advice Broxtowe (CAB) which is detailed in appendix 1 for consideration.

Members have previously resolved that grant aid should continue to be provided to CAB. However, the level of funding should be determined annually by the appropriate Committee on the basis of the CAB's achievement against a set of specified expected activities and outcomes. In 2017/18, CAB was awarded grant aid of £73,750 on this basis, including £10,000 towards the rental of accommodation in the Council Offices. The outturn position in respect of the Service Level Agreement to 31 March 2018 is provided at appendix 2.

This year CAB has requested that the Committee considers awarding the annual grant with an additional commitment to repeat the award in both 2019/20 and 2020/21. This three-year funding settlement would provide some much-needed stability for CAB and give it a platform to lever in much needed additional funds from other sources. The grant aid policy states that the Council would normally only commit to fund an organisation for a single year. Only in exceptional circumstances would funding be granted for longer periods.

3. Financial position

The overall budget for grants to voluntary organisations in 2018/19 is £168,800. An amount of £73,750 has been provisionally earmarked from the overall grant aid budget towards CAB. Any grant awarded in respect of the rental obligation (£10,000) would have no effect on the Council's overall budget, with the award being matched by allowances within the premises income budget.

Members are reminded that they will need to suitably constrain grant awards in 2018/19 if the budget is not to be exceeded. Any additional sums awarded to CAB over and above the amount provisionally earmarked would either require an additional allocation from Revenue Contingencies or for grants to be limited in other areas.

**Recommendation**

**The Committee is asked to CONSIDER the request and RESOLVE accordingly.**

Background papers

Nil

## APPENDIX 1

## CITIZENS ADVICE BROXTOWE

1. Introduction and Background

A request for grant aid has been received from Citizens Advice Broxtowe (CAB). CAB provides advice and support to the public on a variety of issues including debt, housing, welfare rights, employment and legal matters. CAB was established in 2004 following the merger of the former Beeston and Eastwood bureaux to create a district-based structure with operations that are based at the Council Offices in Beeston and the Library in Eastwood, with some funded outreach sessions also being provided at the Stapleford Care Centre.

2. Application

In the last 12 months, CAB has helped 6,544 clients on a wide range of enquiries. CAB has provided a summary analysis of the 12,397 enquiries that were handled in 2017/18. The majority of these contacts related to debt and benefits matters (70%) with the remaining enquiries being classified as housing, employment, signposting, legal, relationships, financial, consumer, utilities, health, tax, other, travel, immigration and education. CAB has also assisted clients in accessing £2.25m of additional benefits, which makes a huge difference to their wellbeing as well as supporting the local economy.

3. Staffing

CAB currently employs 15 paid staff. In 2017/18 CAB recruited seven new volunteers to its establishment and is currently grateful to the support of 56 volunteers who provided over 17,000 volunteer hours in the year at an estimated value of £309,000.

Although CAB is run by trustees who serve on the management committee, the day-to-day operation is overseen by the Chief Executive who is assisted by part-time staff including a Development Manager, Operations Manager and Session Supervisors at both Beeston and Eastwood. Other paid officers include administrative support at each location; a training and quality officer; an outreach worker; a part-time specialist housing worker and part-time debt workers. It should be noted that CAB is legally required to provide a recognised Session Supervisor for each session run at any location.

In 2017/18 CAB reported on the appointment of a Development Manager to help sustain the charity in the long-term as obtaining funding gets increasingly difficult and competitive. Although this position has brought in additional income streams, CAB is still running on a deficit budget and using substantial reserves in order to retain its current service.

Total staff costs in 2018/19 are forecast as £270,000. Total employee costs in 2017/18 were £254,000, a decrease of 11.8% on the previous year.

#### 4. Accommodation

In January 2009, CAB moved its Beeston operation into the Council Offices. The lease terms were agreed for the accommodation at a market rental of £10,000 per annum. CAB previously paid a nominal rental at their former premises and the extra rental cost of their accommodation in the Council Offices would significantly increase their overall premises costs. Having only limited financial resources, CAB is unlikely to be able to sustain this charge.

#### 5. Financial Position

CAB has provided its Financial Statements for the year ended 31 March 2018 for scrutiny. CAB separates its accounts between a restricted fund and an unrestricted fund. For the year ended 31 March 2018, total income generated amounted to £261,558 which mostly related to grants with £127,851 being in respect of unrestricted funds. The majority of unrestricted funding was provided by this Council and Nottinghamshire County Council (£49,000). Significant restricted funding was also received from the Money Advice Service (£66,390), Henry Smith Trust (£39,800), European Commission (£21,642) and Citizens Advice (£4,875). Total expenditure amounted to £320,036, including £211,560 charged to the restricted fund. A breakdown of costs for the year is included in appendix 2.

Total funds decreased to £362,342 with cash at bank and in hand amounting to £364,127. The CAB reserves policy is to maintain a minimum level of general reserves equivalent to around three months operating costs plus any closure costs should this become necessary (this has been reduced from six months). A General Fund Reserve of £87,000 has been set aside for this purpose.

#### 6. Previous Grant Awards

The Council has supported CAB for many years with the grants awarded in the past four years being as follows:

	Grant Awarded £
2017/18 (including £10,000 rent)	73,750
2016/17 (including £10,000 rent)	73,750
2015/16 (including £10,000 rent)	73,750
2014/15 (including £10,000 rent)	73,757

The grant of £73,750 awarded to CAB in 2017/18 represented 45% of the Council's overall grant aid budget.

#### 7. Request for Grant Aid

CAB has requested a grant of £73,750 in 2017/18, being £63,750 towards general expenses and £10,000 towards the annual rental of accommodation in the Council Offices. CAB has already assumed grant aid at this level in its budgetary projections for the year.

This year CAB has requested that the Committee considers awarding the annual grant with an additional commitment to repeat the award in both 2019/20 and 2020/21. This three-year funding settlement would provide some much-needed stability for CAB and give it a platform to lever in much needed additional funds from other sources.

#### Additional supporting commentary from CAB

Income for 2018/19 continues to reduce due to a lack of available funding streams as previously reported. CAB is anticipating an overall budget deficit in 2018/19 of around £100,000.

The CAB management team is actively pursuing both new funds and the continuation of some existing streams as a matter of urgency in order to maintain and expand services wherever possible. The Development Manager post is aimed at increasing revenue streams to ensure long term sustainability.

Although most services are provided face-to-face to local residents, the CAB telephone helpline is available on weekdays. This enables people who cannot get into the offices to speak to an adviser. CAB is introducing a web-chat facility from June 2018.

#### Partnerships

CAB links with many different partners to provide a holistic service for its clients. One of the most important partners is Broxtowe Borough Council. Although it cannot list all of its partners in this report, examples of its networking abilities include the following:

- Central Notts Mind

This new partnership pilot project is filling a much needed gap in service across Broxtowe to deliver mental health support to vulnerable clients. It has proved so successful that extra sessions have been added and Mind is now in the CAB offices for two days per week.

CAB has been successful in obtaining funding from the Henry Smith Trust for three-years from December 2018 for this partnership. Unlike NHS services which are under severe strain, CAB can offer appointments locally with no waiting time, thereby creating an early intervention service, reducing crisis and helping reduce GP/Accident and Emergency costs.

- Voluntary Sector – Broxtowe and Nottinghamshire

CAB is working with Voluntary Action Broxtowe (VAB) to create a visible and strong voluntary sector network across the Borough. CAB has been instrumental in keeping a north Broxtowe voluntary group running and is helping VAB replicate this in the south of the Borough.

As funding streams are harder to find and voluntary sector groups start to struggle, CAB needs to look at a range of issues including sharing resources (staff, premises, expertise and volunteers) to ensure Broxtowe retains the voluntary sector infrastructure to help residents in difficulty. As well as the resources issue, another aim is to ensure the network remains strong to enable us to continue to offer the current wide range of volunteering opportunities for Broxtowe residents.

- Citizens Advice Local Offices across Nottinghamshire

CAB is part of a consortium of five other local Citizens Advice bureaux working across Nottinghamshire and Nottingham City. They collaborate on funding bids, share resources and expertise and work together to gather evidence for campaign work.

### Volunteers

Volunteers give their time freely. Last year the value of the volunteer hours was in excess of £309,000. In addition, around 55% of volunteers move onto paid work, partly as a result of the skills and confidence gained as a volunteer. In 2017/18 the volunteers helped clients gain a massive £2.25 million of additional benefits. This not only makes a huge difference to a client's wellbeing but it also adds real value by making more money available to be spent in the local economy.

CAB act as champions and advocates for the local community and can provide a fresh and independent local perspective. CAB is in a strong position within the local area, uniquely placed and already able to call upon a powerful mix of:

- local knowledge/expertise coupled with national presence and profile
- working in the areas of greatest need with the most vulnerable
- supported by volunteers and staff from the local community
- providing evidence based services that demonstrate positive, sustainable outcomes able to adapt and respond to change while retaining trust and independence.

CAB also has the ability to reflect the local circumstances and the diverse communities that it works with and this is a fundamental strength. It is important that local authorities have a sound understanding of the vital role independent advice services have in a democratic society, enabling people to exercise their rights and responsibilities through advice, information, support and representation.

Navigating a complex maze of services and regulations makes access to independent advice essential and can have a negative impact on individuals and communities, in particular those who are already struggling to manage.

In light of the above, it is hoped that the Council will see that the award of grant aid would represent real value for money. As a brief demonstration of value, the Council's grant award of £73,750 has helped deliver:

- Over £2.25 million of additional benefits for clients which also support the local economy of Broxtowe
- Providing volunteer hours valued at £309,000
- Prevention of 162 housing evictions, saving the public purse an estimated £8 million
- Over £4.9 million debt handled on behalf of Broxtowe residents.

CAB is also offering volunteering and work experience opportunities to people on Jobseekers Allowance in partnership with Beeston and Eastwood Jobcentres and Law Students from Nottingham Trent University.

#### 8. Consideration

Members are asked to consider the following when assessing this application:

- An amount of £73,750 (based on previous awards) has been provisionally earmarked towards CAB from the overall grant aid budget for 2018/19.
- CAB has requested grant aid with an additional commitment now to repeat the awards in both 2019/20 and 2020/21. The grant aid policy states that the Council would normally only commit to fund an organisation for a single year and only in exceptional circumstances would funding be granted for longer periods.
- The grant awarded in respect of the rental obligation would have no effect on the Council's overall budget, with the potential award having been matched by allowances within the premises income budget.

In accordance with the recommendations made by Cabinet on 2 June 2009 and in response to the review of grant aid to voluntary organisations completed by the People and Places Examination and Inquiry Group, Members should:

- Determine the level of funding on the basis of the CAB's achievement against a set of specified expected outcomes, after duly considering the CAB's expenditure levels and staffing structures.
- Determine the statement of expected activities and outcomes, which might include, for example, the number of beneficiaries and any links to the Council's corporate objectives.
- Determine that a service level agreement be established between the Council and CAB confirming the grant awarded and the statement of expected activities and outcomes as set out above.

## APPENDIX 2

**SERVICE LEVEL AGREEMENT 2017/18**

Citizens Advice Broxtowe has provided the following information in accordance with the terms of the grant previously awarded by Finance and Resources Committee on 13 July 2017 and the Service Level Agreement for 2017/18.

**SCHEDULE A – OUTPUT MEASURES** (*Figures for 2016/17 are given in italics*)

Ref	Outcome Area	Total (Apr-Mar)
6.1	Number of new issues (problems) dealt with	12,397 (13,003)
6.2	Number of clients receiving support during the year	6,544 (6,755)
6.3	Average amount of debt handled per client seeking debt advice	£8,895 (£10,600)
6.4	Estimated amount of benefits gained for clients seeking benefit advice	£2.25m (£2.66m)
6.5	Please list the top five advice needs and the number of new social policy issues recorded for each <ul style="list-style-type: none"> <li>• Benefits</li> <li>• Debt</li> <li>• Housing</li> <li>• Employment</li> <li>• Relationships</li> </ul>	4,365 2,849 962 635 569
6.6	Number of staff employed as at 31 March 2018	13
6.7	Number of volunteers available as at 31 March 2018	55
6.8	Number of new volunteers recruited in 2017/18	8
6.9	Number of volunteer hours worked in 2017/18	17,212
6.10	Value of volunteer hours given 2017/18	£309,000

6.11 Breakdown of service users and volunteers by gender, age, ethnicity and disability for 2017/18:

Description	Service Users		Volunteers	
Gender				
Male	2,879	44%	13	33%
Female	3,665	56%	27	67%
Age				
19 and under	65	1%	-	-
20-49	3,468	53%	7	18%
50-64	1,963	30%	18	45%
65 and over	1,048	16%	15	37%
Not stated	-	-	-	-
Ethnicity (Number of people who consider themselves to be):				
White British	5,366	82%	36	91%
Black British	196	3%	1	2%
White Other	458	7%	1	2%
Black Other	0	0%	-	-
Asian	196	3%	2	5%
Chinese	65	1%	-	-
Other ethnic group	263	4%	-	-
Disability (Number of people who consider themselves to be):	2,094	32%	2	5%

6.12 Please provide a summary analysis to indicate the extent to which the services of CAB have benefited clients.

The Citizens Advice service is independent and provides free, confidential and impartial advice to everybody regardless of race, sex, disability sexuality or nationality. CAB is not simply an advice agency. It is an organisation that helps people to resolve their problems. CAB does this in two ways, through advice and through bringing about policy change. Citizens Advice recognise that people often have many problems which impact on one another and they help people to tackle them.



In 2017/18 CAB handled over 12,000 enquiries on a wide range of subjects including debt, housing and homelessness, family problems and employment issues. Debt and welfare benefits accounted for around 70% of all enquiries. In the last year CAB has handled £4.9 million of new debt on behalf of clients.

The service makes a real contribution to the most deprived individuals and communities and CAB makes a real difference to people's lives. In 2017/18 CAB helped clients gain £2.25 million of additional benefits which makes a huge difference to the client's well-being but it also adds real value by supporting the local economy as in turn there is more money available to be spent locally.

CAB works in partnership with local service providers in the voluntary and statutory sectors and provides outreach advice services within the community targeting our service towards people most likely to be socially excluded.

- 6.13 Please provide a summary analysis of client surveys, to indicate the level of satisfaction with the services of CAB. Also tell us about any changes you have made/plan to make as a result of feedback received.

Each year CAB carries out surveys with its clients which give an indication of how satisfied they are with the service. The survey has changed during the year to fall in line with national membership of Citizens Advice. CAB is well above the national average on all the questions. The results of the latest survey are as follows:

Question	Positive Response	National average
Rate your overall experience of the service	98%	84%
How easy did you find it to access the service?	89%	80%
To what extent did the service help you find a way forward?	96%	79%
To what extend is your problem now resolved?	84%	72%
How likely would you to be recommend the service?	98%	84%

- 6.14 Please provide feedback from volunteers around the level of satisfaction with the training and support they have received, and any specific outcomes achieved e.g. moving into paid work:

In the last year CAB has recruited seven new volunteer advisors. As a result of the training provided and the skills and confidence gained whilst working with the CAB, 55% of volunteers have gone onto paid work, both externally and within the CAB service.

- 6.15 Please tell us about some of your work around improving the policies and practices that affect people's lives. Tell us about any changes which have been made both locally and nationally in relation to the top five advice needs:

The top five advice needs are benefits; debt; housing; employment; and relationships.

Campaigning aims to improve the policies and practices that affect people's lives and is one of the aims of the service. As a charity and being part of the national network CAB has a huge amount of insight and data about the problems its clients and their wider communities face. Through research and campaigns, CAB uses this insight to:

- help us research issues further
- gathering evidence of problems that need resolving
- campaign to get decision makers to change policies and practices.
- prevent issues from recurring.

#### Universal Credit

A priority has been issues related to Universal Credit (UC). CAB has been actively engaged with the national work on this matter, supplying evidence of issues identified with the national team. CAB is working with the Council to highlight the problems and discuss solutions.

CAB is pleased to see that significant progress has been made in this area, with government announcements of changes to the implementation of UC, including:

- Delaying the rapid rollout of 'Full Service' UC
- Introducing free phone calls for claimants
- Reducing the waiting days before UC starts
- Continuing payments of housing benefit for two weeks before UC starts
- Improving the advances process by extending the repayment period

#### Disability Benefits

On behalf of the Nottinghamshire Citizens Advice cluster, CAB has produced a report which covers experience across the county in relation to Employment Support Allowance and Personal Independence Payment. This report highlights the evidence that many individuals are initially rejected through the medical assessment process by the DWP, but the decision at tribunal is often reversed when challenged. This report has been shared with local MP's and councillors.

Income and Job Security

The main focus of campaigns activity recently has been in relation to income and job security. This links to a national campaign. Following survey work earlier this year, CAB produced a report ('Good Work in Broxtowe') which links to the Matthew Taylor report for Government. The CAB report specifically highlights the problems facing many Broxtowe residents in a work context, including:

- Employers failure to pay National Minimum Wage
- Incorrect designation as 'self-employed' resulting in failure to meet obligations to workers (e.g. holiday pay)
- Difficulties enforcing payment of tribunal awards

The report has been sent to numerous influencers and Mr Taylor has commended the report.

A local councillor put forward a motion approving the report and urged the Council to support it by writing to the Secretary of State to ask him to work towards implementing the Citizens Advice recommendations. The motion was passed unanimously.

The CAB campaign focus over the coming year will be:

- Universal Credit – UC is planned to be in full service from Heanor Jobcentre from June 2018 and Beeston Jobcentre from November 2018. CAB will closely monitor the impact of the rollout on its clients and liaise with Citizens Advice nationally and the Council.
- Income/Job Insecurity – Following on from the "Good Work in Broxtowe" report, CAB will continue to monitor instances of poor practice in employment and respond to further Government consultations.
- Homelessness – Changes to the legal framework around homelessness were introduced from April 2018. CAB will monitor the impact of these changes on its clients. It will also review what options are available for clients to avoid rough sleeping with the relevant stakeholders.

6.18 Please provide case studies to indicate some of the outcomes achieved for clients to evidence the top advice needs:

*\* Please note that names have been changed to protect confidentiality.*

Case Study 1 – Employment Advice

Simon\* agreed to work for a local business. His typical working shifts were up to 10 hours per day with no rest breaks.

Simon was paid around £160 per week (around £3.50 per hour) being considerably below the National Minimum Wage. Holidays and days off when work was unavailable were unpaid. Deductions were taken from pay for equipment that needed replacing, reducing net pay even further.

Simon was told what to do and where to work. He was part of a team supervised by the business owner. There was no written contract or anything in writing. Simon was told he was self-employed. The circumstances indicated that Simon was more likely to be a 'worker' which would mean that National Minimum Wage and holiday pay was due. When Simon queried this with his boss, this suggestion was immediately laughed off.

After completing the HMRC 'Employment Status Indicator' tool, the conclusion was that Simon was an employee. CAB assisted Simon to pursue the case through an Employment Tribunal to establish whether arrears of pay are due. Fortunately, due to the recent change in respect of Tribunal fees, Simon did not have to pay to pursue his case. A settlement was reached and Simon accepted a substantial sum to be paid by the business in respect of his claim.

CAB is one of the few local organisations that can offer free, confidential, impartial and independent employment advice. This is only possible due to the core funding it receives and the expertise of its valuable volunteers.

#### Case Study 2 – Housing Advice

Louise\* is 50-years-old and lives alone in a housing association property. She suffers from hydrocephalus, a condition that causes confusion, forgetfulness and unsteadiness resulting in many falls.

Louise is unable to respond to letters or phone calls. She finds it difficult to communicate and attend appointments. This has resulted in her benefits being suspended and Louise facing eviction due to rent arrears and other debts. However, Louise can attend the CAB face-to-face local office and relies on this service.

The CAB Housing Advisor has been helping Louise navigate everyday life for a number of years, ensuring that she stays within the benefits system, retains her tenancy and avoids crisis points.

This shows the need for face-to-face advice locally that is holistic, high quality and sustainable for the future, helping people over a long period of time.

#### Case Study 3 – Benefits Advice

Sharon\* suffers from Meniere's disease with poor balance/control and impaired speech and cognitive ability. Sharon attended the CAB advice service at the Stapleford Care Centre when her Disability Living Allowance was migrated to Personal Independence Payments (PIP). CAB helped Sharon complete the claimant questionnaire but she was turned down for the benefit. CAB helped her to appeal the decision and she was awarded PIP.

Two years later Sharon returned for advice on the renewal of the PIP award and CAB assisted with completion of the forms. Unfortunately the benefit was stopped again, although her condition had deteriorated since the last claim. CAB again helped Sharon appeal and at hearing all the benefits were reinstated.

This case study demonstrates peoples trust in the CAB returning for help on numerous occasions knowing CAB will be there to help when it matters.

#### Case Study 4 – Money Advice

Janet\* has accumulated debts following a divorce. She was left to care for her two children and struggled financially as a single mum. Janet then developed breast cancer and had to undertake an operation and endure chemotherapy and radiotherapy. Since her recovery, Janet has struggled on a low income and eventually debts spiralled out of her control.

Janet lost her part-time job and had to claim Universal Credit. Due to the waiting period she fell into arrears with her rent. Janet found work but after 12 weeks the cancer returned. She was due to start treatment again and was incredibly worried about her debts. CAB made an application to a local charity that awarded £2,000 which covered the rent arrears plus a little more to help until the Universal Credit payments started. CAB will be helping Janet to apply for a debt relief order to clear the remaining debts.

Serious illness can strike anyone at any time. The CAB Money Advice service reduces the stress and anxiety of dealing with a sudden change in circumstances, enabling people to concentrate on their treatment, recovery and wellbeing.

**SCHEDULE B – FINANCIAL MONITORING INFORMATION**

In accordance with the Service Level Agreement, Citizens Advice Broxtowe has provided the Council with financial monitoring information. The final outturn for 2017/18 is as follows:

	Budget 2017/18 £	Actual 2017/18 £	Variance £	Actual 2016/17 £
<u>Income</u>				
Income	167,946	261,558	(93,612)	369,571
Total Income	167,946	261,558	(93,612)	369,571
<u>Expenditure</u>				
Salaries etc.	241,402	254,329	12,927	288,303
Accountancy	6,240	6,588	348	5,520
Advertising/Annual Report	1,279	3,250	1,971	1,445
Business Travel	5,264	2,905	(2,359)	5,988
Courses and Training	3,000	1,825	(1,175)	7,410
Insurance	4,599	1,417	(3,182)	1,432
IT Support/Equipment	5,000	5,215	215	6,448
Volunteers/Staff Expenses	7,992	4,595	(3,397)	5,193
CA Membership	5,220	6,655	1,435	7,128
Postage	3,152	19	(3,133)	4,602
Printing/Stationery	7,360	4,568	(2,792)	9,180
Rent/Service Charges	18,000	13,652	(4,348)	11,519
Repairs and Maintenance	2,600	0	(2,600)	228
Telephone	4,876	5,416	540	5,195
Depreciation	0	0	0	1,128
Capital Additions	0	0	0	0
Recruitment	1,273	625	(648)	0
Governance/Audit costs	1,200	1,392	192	0
Transition Fund - Payment to Partners	2,397	7,585	5,188	2,622
Total Expenditure	320,854	320,036	(818)	347,341
Deficit/(Surplus)	152,908	58,478	(94,430)	22,230