



Draft Grant Funding Plan for Information, Advice and Guidance

Purpose of this document

Bristol City Council has grant funded a network of community Information, advice and guidance (IAG) services since 2011-12 through an outcomes-based grants process, open to Bristol-based voluntary sector service providers. Since then the landscape has changed markedly. Austerity and Welfare Reform have placed significant pressures on the advice sector whilst reductions in local authority budgets have necessitated a reduction in the funding towards advice provision.

In the light of these pressures on us all, it's recognised that the city needs to make best use of scarce resources and move to a more integrated IAG system for the benefit of its citizens over the coming period. The purpose of this grant funding plan is to contribute to that aspiration through aligning its grant funded IAG services around the 3-tier model of preventative services (see *Early intervention, resilience & Bristol's three tier model* below).

The current generic 'open door' offer for face-to-face advice will need to change. Online and other forms of self-diagnostic and advice provision will need to be developed at scale for those best able to help themselves or with less complex issues, ensuring that intensive services are retained for households most at risk or already in crisis.

We recognise in this grant funding plan that there is a significant amount of experience expertise and good practice with existing providers in the sector. The aim of the grant funding plan is to build and support this practice and to ensure it is shared and used consistently. The grant funding plan also identifies some potential developments and structural re-shaping challenges to the existing service model as a 'step-change' towards an integrated 'whole system' model.

Definition and scope

There are different definitions of IAG. For the purpose of this commissioning we will use the following definitions:

- **Information:** provide factual, current and impartial information to clients
- **Advice:** Presenting facts and ideas in an accessible form for customers to consider and recommending a course of action.
- **Guidance:** defining and providing routes which could assist clients to reach their requirements

In terms of 'scope', this strategy relates to IAG provided to members of the public in their private capacity as citizens

This grant relates to information advice and guidance:

- Welfare benefit advice

- Housing
- Employment
- Money and Debt

Including specialist provision of disability and legal advice in relation to the categories above.

Clearly, there is a spectrum of complexity for IAG which ranges from dealing with transactional queries ('am I eligible for child care?') to much more complex problems: 'I'm about to be evicted from my supported housing because I have rent arrears'. It is well-understood that presenting issues are often symptoms of more complex underlying problems.

What we are trying to achieve

We want to support the development of the advice sector to maximise the impact of advice for citizens and Bristol city council investment. Services across Bristol City Council have adopted a three tier model to focus service provision in a much more strategic/systematic way and to support Bristol Citizens to get the right support at the right time. (Although, it is important to note that citizen could access all three levels at once for different issues):

- Tier 1: help to help yourself
- Tier 2: help or a service when you need it.
- Tier 3: help to live your life – more intensive support or services where they are needed most



Applying this model to the advice sector will allow better alignment of Bristol city council services and our grant funded advice services and will allow support to focus on prevention of crisis or quick resolution of crisis. The table below sets out what we want to achieve and the issues we want to address.

We want to achieve	Existing issue we want to address
An integrated, clearly 'branded' user- and referrer- friendly way of communicating what services deliver, to whom and how to access them	<ul style="list-style-type: none"> • Within Bristol there is a complex and fragmented system of external and internal council providers, each separately funded and delivered;
Maximising efficiency through centralising shared elements of service delivery and effectiveness through locating services to cover the key areas of the city	<ul style="list-style-type: none"> • Duplication of some back office functions and governance arrangements with multiple funding agreements
Work towards a clearer shared triage system with a wider community network and explore solutions to using on-line information and self-help	<ul style="list-style-type: none"> • External services have some triaging but in the overall city services there is a weak digital offer and no triage system in place that is currently consistently used by all agencies where citizens seek help and advice;
Develop a shared, agreed set of outcomes to describe the combined impact of the services.	<ul style="list-style-type: none"> • There is a lack of coherent set of outcomes;
Explore the possibility of up-skilling a wider network of informal, 'first line' providers to triage service user need accurately and provide a basic level of support as part of a three-tier model approach	<ul style="list-style-type: none"> • Externally commissioned providers are not always targeted towards the most 'at risk' households (although they do triage and prioritise those that approach them); there isn't always effective signposting
Provide clear evidence of impacts of failure demand and participate in work to reduce initial system failures	<ul style="list-style-type: none"> • Considerable failure demand (especially generated by DWP and some from within BCC)
Explore options for information sharing across a more integrated system to create the most efficient, shortest service user journey possible to the right level of support	<ul style="list-style-type: none"> • Client duplication across the providers
Support the step-change among external BCC funded services into a coherent, clearly-articulated set of services that can contribute to a wider system review. The external providers are in a strong position to model effective inter-agency working	<ul style="list-style-type: none"> • There is no overall 'system' across the city and across agencies;

National context

The Low Commission- future of advice and legal support

The Low Commission was a national commission to investigate the future of advice and legal services in light of changes to the funding of legal aid. Led by Lord Low the commission was formed on the basis that having access to advice and legal support on Social Welfare Law issues is central to ensuring that citizens receive fair treatment at the hands of the state, when in dispute with an employer or when struggling with debt. This type of advice and support is currently provided by both the not for profit sector, through the private sector (solicitors) and occasionally via welfare rights units run by local authorities.

The aim of the Commission was to develop a strategy for the future provision of Social Welfare Law services following the changes to Legal Aid. Some of the key principles underpinning its approach were:

- early intervention and action rather than allowing problems to escalate;
- investment for prevention to avoid the wasted costs generated by the failure of public services;
- simplifying the legal system;
- developing different service offerings to meet different types of need;
- investing in a basic level of provision of information and advice; and
- embedding advice in settings where people regularly go, such as GP surgeries and community centres.

In brief the recommendations of the report were:

- Simplifying access to services.
- Delivery of advice in a number of different ways such as digital and phone access to services, but face to face for those digitally excluded is still an essential element.
- A whole system approach drawing on all advice funding sources.
- Public legal education so that people know their rights.
- Reducing preventable demand, taking early action and simplifying the legal system.
- Charging those that can afford to pay.
- Ensuring consistent quality of advice provision.
- Closer collaboration between advice services sometimes even merging and a similar joined up approach at national level.
- Development of a national strategy for legal advice.
- Local authorities or groups of local authorities should co-produce or commission local advice and legal support plans with local not-for-profit and commercial advice agencies. These plans should review the services available, including helplines and websites, while targeting face-to-face provision so that it reaches the most vulnerable.

- Maximise and coordinate all funding streams for advice and for government to establish a fund to capacity build provision.

Austerity and Welfare Reform

Austerity and welfare reform has had a significant impact on the advice sector. It has resulted in substantial reductions in public spending, primarily through budgetary cuts on departments and services, significantly affecting local government funding and levels of welfare support. In 2017 local government spending on public services will be 22% lower this year than in 2010¹.

At the same time there have been significant changes to the funding of advice services bought about by the changes to the scope of legal aid as a result of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, threatening the provision of these types of services.

The government has set about an ambitious programme of welfare reform introducing Universal credit (UC) and freezing working age benefits (including housing benefit) for four years, impacting on the citizens of Bristol and increasing demand for advice services. Full roll-out of Universal Credit in Bristol begins in June 2018 and by the end of 2018/19 approximately 4,000 households will be receiving UC with support for housing costs. This number will continue to build gradually through the process of managed migration over the next few years. The key risks to the council of UC and Welfare reform are set out in the main body of the needs assessment (see appendix 2) but indications from UC early adopter areas is that there will be a significant impact on citizens and demand on advice services as a result.

The broad impact of these policies since 2010 has been to reverse progress in reducing inequality and poverty; with an increase in zero hour contracts and under employment, poorer pay and conditions (particularly impacting on younger people); a decrease in the number of households achieving a minimum income for healthy living (food and fuel poverty), increases in relative child poverty; increasing levels of material deprivation and an increase in homelessness.

Local strategic context

Corporate strategy

Bristol City Council's Corporate Strategy 2018-23 outlines the challenges faced by the city. Despite economic success, the public sector faces difficulty providing for a rapidly growing population, whilst experiencing an increasing demand for services including social care, transport and education. This is being compounded by ongoing

¹ Source: Institute for Fiscal Studies

reductions in government funding, leaving the council with an anticipated budget gap of around £108 million over the next five years. The council must 'reshape its services' looking at increasing efficiency, 'including looking at the potential of new ways to deliver services and other approaches to collaborative working'.

The City Council strategic themes are for Bristol to be a city that is:

Empowering and Caring: Work with partners to empower communities and individuals, increase independence and support those who need it. Give children the best possible start in life.

Fair and Inclusive: Improve economic and social equality, pursuing economic growth which includes everyone and making sure people have access to good quality learning, decent jobs and homes they can afford.

Well Connected: Take bold and innovative steps to make Bristol a joined up city, linking up people with jobs and with each other.

Wellbeing: Create healthier and more resilient communities where life expectancy is not determined by wealth or background.

The strategy sets out how the city intends to tackle inequality and make a positive difference over the next five years. The intention is to intervene earlier to prevent people presenting in crisis to services and make the city and people living in communities more resilient to shocks and stresses.

In order to be resilient, the strategy says we need work in the following way:

- empower people and communities, helping promote independence and resilience
- work more closely with partners, doing things together to get more bang for our buck
- invest in community-led activity where appropriate to help communities do more for themselves

VCS Prospectus

The VCS Prospectus acknowledged that the success of our city is not shared with all of our citizens and aimed to use the Bristol Impact Fund (BIF) to work towards addressing the key issues of disadvantage and inequality facing some people in the city. The BIF priorities and the small medium and large grant funded projects from VCS organisations create impact by:

- Giving the right help at the right time;
- Helping people to help themselves and each other;
- Building on the strengths of people and communities;
- Connecting people and organisations within and across communities.

Addressing the following Key Challenges:

- Reducing financial, food and fuel poverty;
- Tackling unemployment and underemployment;
- Improving access to information, services and opportunities in the city and increasing digital inclusion;
- Enabling influence and participation in the community;
- Reducing social isolation and improving wellbeing.

Linking to the following impacts:

- reduced disadvantage and inequality;
- improved health and wellbeing;
- Increased resilience.

Early intervention, resilience & Bristol's three tier model

As the City Council budgets have reduced we have had to get smarter in the way that we commission services in Bristol, also encouraged by central government departments, with an emphasis on a targeted early-intervention approach to reduce the need for people to access expensive services when they are in crisis. This approach seeks to foster a greater resilience in people (as outlined by the Corporate Strategy and the Bristol Impact Fund) so that at a time of reducing budgets and services, people are more able to cope with situations that impact on their lives without recourse to more costly reactive services. This approach is demonstrated through the three tier model outlined below:

Prevention: government funded projects

More recently, the city council homelessness services have restructured, building in more of a preventative approach to services. This has been supplemented by funding from the Ministry of Housing Communities and Local Government (MHCLG) to take a more preventative approach to both family homelessness and rough sleeping:

Trailblazer funding is being used to work much more closely with private landlords, the families of young people and debt and welfare advice organisations and an internal advice team to tackle the most common causes of homelessness, which intelligence tells us is private rental (assured) tenancies coming to an end and people being asked to leave the family home. Households are targeted after analysis of the routes into homelessness to prevent people at an earlier stage from becoming homeless. Households are also offered skills to help them to become more resilient and become more able to manage a tenancy

Towards a 'whole-system' approach

As highlighted above in the Low Commission report, there is a need to rationalise provision of advice in the city so that it is correctly positioned to respond in a pro-active preventative way to the needs of the citizens of Bristol. Services need to

target support to those geographical areas and communities in the most deprived areas of the city to prevent crisis happening in households as a result of shocks and stresses that impact on their lives.

The whole system approach is seeking to build on some of the principles of the 'advice network' that have been developed in the City since 2011 by our external, funded organisations. Originally, six (now seven) voluntary sector advice organisations have worked together as an advice network funded through two separate funding streams (the Community Investment fund and the Health Related Benefits Programme). The advice agencies also work closely with the city council in-house Welfare Rights and Money Advice Service (WRAMAS). Over the past six years, the advice agencies and WRAMAS have worked hard to build coordinated, responsive and well-targeted provision to support the most vulnerable citizens in the city.

The intention of this grant funding plan is to build on this way of working, to go beyond pure collaboration towards a genuinely integrated system. We therefore want the successful organisations from this grant funding exercise to demonstrate a more whole-system approach for the citizens of Bristol, piloting innovative approaches.

Informal feedback from non-IGAG services funded through our Bristol Impact Fund which work with citizens in our most deprived communities has stressed how concerns about income worries, rent and housing impinge of work to support physical and mental health and address isolation.

Our grant funding plan recognises these interdependencies and aims to create a whole-system approach to equipping the network of non IGAG organisations in our most hard-pressed neighbourhoods.

Section C– Local demand and provision

Needs analysis for advice provision

In 2017 a detailed needs assessment was produced to map current advice provision and demand in the city (see appendix 2). In summary, it identified rising need, and a fragmented advice system in the city. It also warns that the impact of removing early intervention services such as advice can have costs further down the process that invariably will fall on the city council primarily around homelessness and social care.

In summary its recommendations were to:

- a) To further refine services to ensure that the most vulnerable in Bristol are able to access high quality legal advice in social welfare law and to demonstrate how this will be undertaken.

In particular:

- To meet the advice needs of the most vulnerable disabled people including those with mental health problems.
 - To meet the advice needs of the most vulnerable from BME communities, in particular those communities from Eastern Europe.
 - To meet the advice needs of refugees and asylum seekers.
 - To meet the advice needs of the most vulnerable communities of all ages across the city, in particular the needs of vulnerable older people in the central and inner wards and young people (16-25) in all wards.
 - To meet the needs of the most vulnerable in the most deprived communities in the city, by providing them with accessible pathways to advice wherever they live.
- b) To expand on work to develop and integrate on-line and other information services that assist people to help themselves and understand their rights, as well as providing gateways for the most vulnerable to access further support. To consider how to expand and develop referral routes that can be accessed by information and guidance providers across the city to provide for a more seamless journey for individual clients.
- c) To continue to enable more people to take control of their lives, through the provision of both early intervention advice initiatives and practical support through for example budgeting and financial skills or digital skills.
- d) To provide a coherent plan to tackle the rising demand for housing, immigration and employment advice whilst maintaining the provision of debt and welfare rights advice. In respect of the latter to identify strategies to ameliorate the potential negative impact of the full roll out of universal credit.
- e) To widen opportunities for people in low paid intermittent work to access advice services, particularly for telephone and face-to-face advice.
- f) To identify how agencies will respond to and support the various initiatives instigated by the council.

Need in the city

The Needs analysis commissioned in 2017 was a detailed piece of work that illustrates demand on services in the city. Without updating the entire document some key statistics below illustrate demand in the city and the local impact of Austerity and welfare reform.

Child Poverty

Locally, 2018 figures from End Child Poverty show a significant increase in Child poverty in the city with 25,879 children now defined as living in poverty. Some areas of Bristol (see table below) have seen levels rise as high as 31%, set against the national picture of an average of 19.2%.

Area	Number of children living in poverty	Percentage
Bristol South	7457	28.8%
Bristol West	6605	31%
Bristol North West	6107	25.8%
Bristol East	5710	26%

(Figures from End Child Poverty Jan 2018)

Housing and homelessness

Since 2012 levels of rough sleeping in Bristol have increased rapidly and steadily. Annual Street counts/estimates submitted to Department for Communities and Local Government (DCLG) have increased from 8 in autumn 2010 to 86 in autumn 2017 and increase of 14% from the previous year. This reflects a wider national increase in homelessness and rough sleeping which has increased by 134% over the same time period. Bristol has experienced significant increases since 2013, and has the highest rough sleeping count outside of London. The underlying causes are recession, the impact of Welfare Benefit Reform, rising housing demand in the region and rising house/rental prices (which are increasing homelessness and also limiting the rate of move-on from supported housing), as well as Bristol being a destination city for the South West.

Similarly, family homelessness has been increasing in Bristol for the last five years as a result of the same factors. Since 2011-12 people presenting to Citizen service points has doubled from 6,000 to 12,000 p.a.; Homelessness Acceptances under the 1996 Housing Act have increased fivefold and the number of households with children in temporary accommodation at the end of each quarter has increased from 50 to over 461 (as at June 30th 2017).

Modelling shows that the costs to the council could be large (rent arrears, temporary accommodation, homelessness services) if investment in early intervention is taken away. The administration of each statutory homeless case costs £2,724, advice agencies and advice agencies prevented 217 cases of homelessness last year equating to potential savings of £591,108 (this is without factoring in temporary accommodation savings).

Service demand

Whilst we are aware that advice statistics from the current commissioned advice service doesn't reflect **absolute demand**. It does give us a snapshot of the need across the city in terms of how many people received support and type of advice received.

The absolute demand for advice is difficult to quantify, all agencies anecdotally report that they turn clients away due to lack of resources. We can assume therefore that there is a hidden unmet demand of people who would benefit from advice who never get as far as making initial contact.

Current service use and type of advice

In 2017/18 20,305 individual people were assisted directly with their legal problems by being provided with advice or supported casework by the seven grant-funded independent advice agencies. Many more were provided with information by these agencies, so that they were able to resolve problems by themselves. Of these provided with advice and casework problems:

- 16,929 related to welfare benefits,
- 13,199 to debt,
- 3050 to employment,
- 1634 to immigration and asylum and
- 3291 to housing.

In the same year £14,294,991 was raised for clients by all agencies providing free legal advice in Bristol in the form of backdated benefits, new awards, and other compensatory payments'

Current provision and spend

Current IAG provision in the city is provided through a mixed market of internal BCC delivery and externally-funded organisations, as well as a significant amount of resource which external organisations which bring into the city.

Of the BCC budget for these activities, a reduction of £300,000 was made in 2017/18, with a further £250,000 delivered in 18/19; these reductions have been made from both internaly-l and externally-focused budgets.

Current investment in Information Advice and Guidance activities in the City for 2018/19 is £560,000 to externally funded organisations and this will continue over the 2019/20 and 2020/21 period of this Funding Plan. Existing funded organisations provide a range of support between them around debt issues; employment; housing; immigration; and welfare rights; the client groups focused on include some of Bristol's most vulnerable: people with mental health issues; with long-term health

issues; disabled people, including people with learning disabilities; older people; younger people; people living in Bristol's most deprived areas; carers; LGBT people; BAME people and people from newly-arrived communities.

Other mapping for Social Welfare advice provision in the Bristol (defined as: welfare benefits, debt, housing, employment, immigration and asylum, community care, consumer and discrimination advice) can be found in Chapter 6 of the Needs Analysis (see appendix 2) .

Section D – Our approach to IAG support delivery

How we developed our approach.

In 2017 a series of conversations were held with advice providers in the city with (internal and external). Discussion revolved around the current system, what the drivers are that lead people to access advice support (or end up in crisis for those who do not), test ideas developed from the needs assessment and develop ideas as to what 'whole system' approach could look like.

What was learnt?

Current provision

- The need for advice is often triggered by failure demand elsewhere in the system both nationally and locally. (see needs analysis in appendix 2)
- Demand has been exacerbated recently by the cumulative impact of recession and Welfare Benefit Reform and lack of affordability of housing
- Advice provision underpins many council services, and many officers and commissioned services signpost to and from the advice provision.
- Current provision fails to make best use of early intervention
- The fragmented nature can act as a barrier to receiving the right advice at the right time, disempowering citizens to resolve their own issues.

Whole system approach

The advantages of a whole system approach included:

- Service based around the citizens rather than individual service provision
- A known brand
- Easy Access
- Digital platform for citizens and to support frontline staff
- Joined up services
- Early intervention
- Outcome based provision

Proposed option/model

We have used the conversations that we have had with the advice sector and taken the recommendation of the Low Commission to develop the recommendations in this grant model. This grant is intending to support and drive forward the development of a Bristol model:

We want Bristol City Council's investment in the IAG sector to maximise the impact of advice for citizens by ensuring that citizens get the right advice at the right time.

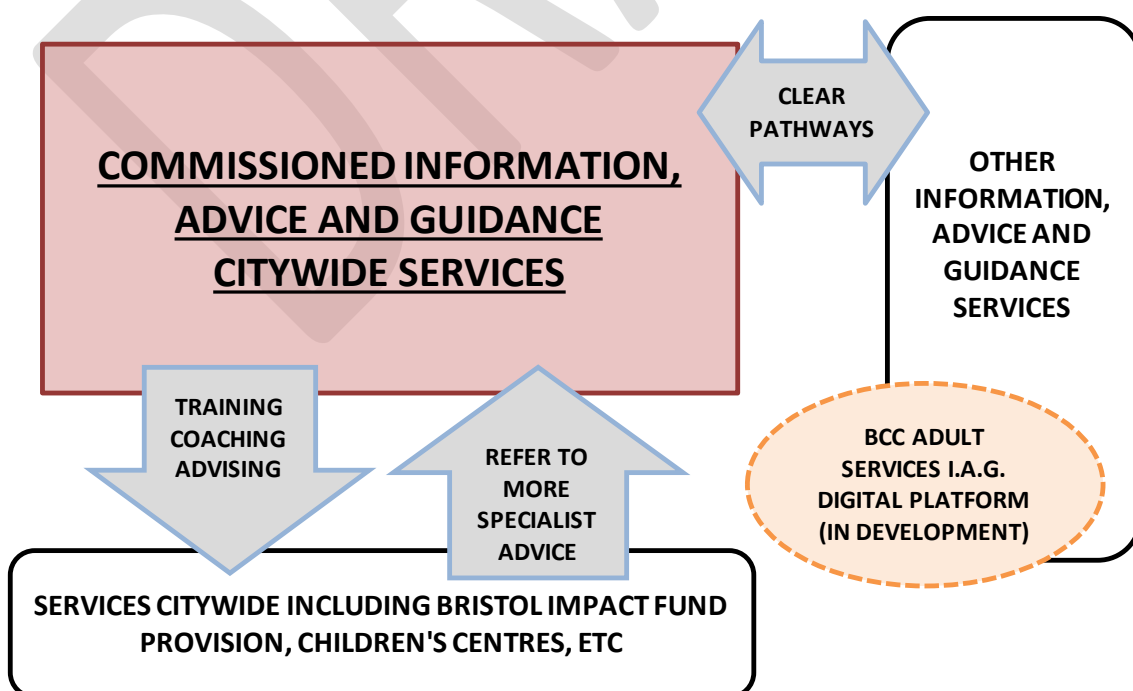
The Funding Plan proposes a new grant funding model for providers which we believe will support a more joined-up set of services in Bristol. It is our intention to make the following approaches to be part of the condition of funding. Funded organisations will be asked to

- Fit IAG services in the city around the 3-tier model currently used across Council Services, namely:
 - **Tier 1:** help to help yourself
 - **Tier 2:** help or a service when you need it.
 - **Tier 3:** help to live your life – more intensive support or services where they are needed most
- Focus support on prevention of crisis or quick resolution of crisis
- Develop activities that meet the following drivers and deliver a joined-up system:

Bristol City Council Funding Drivers	Characteristics of a joined-up system
Maximise co-ordinated, collaborative working	<ul style="list-style-type: none"> • Services are easy to understand clearly organised and easy to access • Clear ways for people get the right level of support for service users and service referrers. • Have a shared identity or brand
Localised delivery to key areas city	<ul style="list-style-type: none"> • Highest areas of need have local access
Maximise customer facing service delivery	<ul style="list-style-type: none"> • Develop ways to help people find information online • Explore how community organisations (that people use every day) can offer people good quality information (Tier 1)
Efficient use of resources, avoiding duplication where possible	<ul style="list-style-type: none"> • Customer facing service delivery is maximised • Make best use of funding by sharing elements of service delivery

Bristol City Council Funding Drivers	Characteristics of a joined-up system
Joint shared outcomes and systemised data collection	<ul style="list-style-type: none"> Describe the impacts of their work in the same way so it is easy to show what they are achieving together
Efficient information sharing	<ul style="list-style-type: none"> Where possible, share information to make record keeping efficient
Co-ordinated development and access to opportunities for funding from outside the council resources	
Efficient use of the council grant management capacity	

- Work with Bristol City Council and other providers in the city to influence and join up with any emerging 'whole system' design for services which may be developed across the period of the funding.
- The external IAG organisations should also work with BCC and other providers in the city to align themselves to any emerging 'whole system' design which may happen across the period of the funding (see illustration below)



What does success look like?

- Citizens seamlessly get the right help, at the right time from the right provider
- An integrated network of non-IAG and IAG providers are delivering a coherent offer across the city to the three-tier model, focused on the citizen
- The city has a dynamic model of IAG provision which can attract additional investment because of its impact
- The city's IAG model is flexible to adapt to changing needs

The following outcomes are key for these services:

These services contribute to the following outcomes:

- Maintain tenancies in social and private housing
- Prevent homelessness
- Support the most vulnerable individuals and families to maintain sustainable finances and maximise their income
- The most vulnerable individuals and families achieve positive results at tribunals and appeals as a result of their access to specialist advice

These outcomes also address in particular the VCS Prospectus Key Challenges:

- Reducing financial, food and fuel poverty;
- Improving access to information, services and opportunities in the city and increasing digital inclusion

Proposed way forward

Commissioning & funding model -

Funding model

- The intention to use the available funding to move towards a whole system approach requires a considerable degree of co-ordination and creativity from external providers and willingness to mobilise additional resources to maximise the capacities and partnership potential of new, expanded working relationships.
- We recognise that the city council's funding is a small element in the overall funding support to our external providers and that the city greatly benefits from the drawing in of financial support from other sources.

- These two years will be a time of potentially radical re-shaping of Bristol's IAG offer and we are looking for external partners to work in a flexible, co-production relationship and to seek to lever in additional resources across the delivery period to contribute to the success of the 'whole system' aims
- In the light of the above we will to make this two-year tranche of funding available through a Grant, rather than tendered as a contract (see Funding Options, below). We will use the recent model in the VCS Prospectus for the Bristol Impact Fund, seeking applications which will deliver against outcomes informed through the consultation process, in order to ensure a whole system approach.

Our Funding Models drivers

- Maximise co-ordinated, collaborative working
- Localised delivery to areas of highest need and city-wide specialist services
- Maximise customer-facing service delivery
- Efficient use of resources, avoiding duplication where possible
- Joint shared outcomes and systematised data collection
- Efficient information sharing
- Co-ordinated development and access to opportunities for funding from outside Council resources
- Efficient use of the Council grant management capacity

To achieve these drivers we have considered the following funding models through which we could make this grant available:

Model 1:

Lead Organisation/Lead body consortium: This model creates a single Funding Agreement for IAG provision; whereby one lead organisation works co-ordinates and manages the grant and delivery of the Funding agreement outcomes in partnership with other organisations. They would be responsible for co-ordination of the partners around a shared delivery model, distributing the grant funding, developing a common assessment framework and suite of collaborative practices to improve pathways and outcomes to deliver the service development goals of the grant.

**SINGLE CITYWIDE COMMISSIONED
INFORMATION, ADVICE AND GUIDANCE SERVICE**

**potentially delivered through collaborative
arrangements**

Drivers	Positives	Negatives	Risks
Maximise co-ordinated, collaborative working	Strong delivery through a single organisation	None	<ul style="list-style-type: none"> • Could reduce providers in the city not included in the funded service • could result in an 'official' set of services competing with 'unofficial' services outside the funded service • increasing confusion for service users and referrers • lead organisation could take the lion's share of the funding for themselves
Localised delivery to areas of highest need and city-wide specialist services	Can be achieved through this model by making it part of the application requirements to demonstrate delivery model to achieve this	Could struggle initially if replacing known providers or competing with existing providers	<ul style="list-style-type: none"> • Could disrupt existing trusted services delivering to communities if they aren't in the funded service • could result in services competing for service users
Maximise customer-facing service delivery	Strong delivery by potentially focusing resources on service delivery through efficient centralised administration	none	
Efficient use	Strong delivery	none	

Drivers	Positives	Negatives	Risks
of resources, avoiding duplication where possible	through single provider centralising service/admin functions		
Joint shared outcomes and systematised data collection	Strong delivery through single provider centralising outcomes and data collection	none	
Efficient information sharing	Strong delivery through single provider	none	
Co-ordinated development and access to opportunities for funding from outside Council resources	Strong co-ordinated development; clear co-ordinated service could be attractive to external funding sources	Could potentially reduce the diversity of funding coming into city	Could compete for funding with providers not part of the service, reducing the external funding coming into the city
Efficient use of the Council grant management capacity	Strong delivery to this driver – one funding agreement for BCC to manage	none	

Model 2.

Coalition or joint or partnership consortium: four separate Funding

Agreements This model emphasises city-wide co-ordination of the IAG services to deliver the service development goals of the grant and to deliver city-wide specialist IAG services as one grant and Funding Agreement; three other service delivery grants to support service delivery in the three areas of the city, based on evidence of need.

**1) CITYWIDE SERVICES INCL LEGAL ADVICE,
PROVIDER WILL CO-ORDINATE SERVICE
DELIVERY ACROSS CITY**

2) NORTH

3) SOUTH

**4) EAST
CENTRAL**

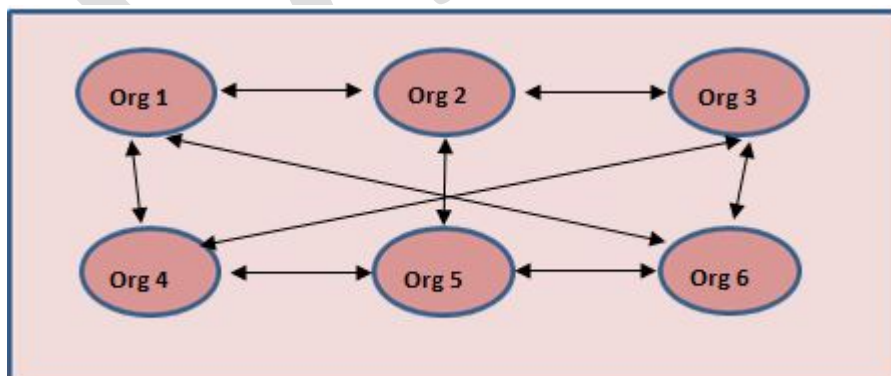
Drivers	Positives	Negatives	Risks
Maximise co-ordinated, collaborative working	Strong delivery as specific roles are explicit in this model	More negotiation required between co-ordinator organisation and other providers	Lead provider and area grant holders will be awarded grants by BCC and will have to work together collaboratively whether there is an established relationship or not.
Localised delivery to areas of highest need and city-wide specialist services	Strong delivery as explicit in the way this model is structured	none	
Maximise customer-facing service delivery	Strong delivery by potentially focusing resources on service delivery through efficient centralised administration; whilst retaining expertise at a local delivery level		One provider could bid for all 4 grants and not co-operate with other local providers, effectively recreating the first model
Efficient use of resources, avoiding duplication where possible	Reasonably strong delivery with explicit co-ordination role, particularly in relation to securing additional funding and providing support to a wider network	Could require more use of resources to support partner organisations management and overheads	
Joint shared outcomes	Reasonably strong delivery with explicit	none	

Drivers	Positives	Negatives	Risks
and systematised data collection	co-ordination role, maintains locally based delivery		
Efficient information sharing	Reasonably strong delivery with explicit co-ordination role	none	
Co-ordinated development and access to opportunities for funding from outside Council resources	Strong delivery through co-ordination role; retains diversity of providers in city; clearly co-ordinated delivery could attract external funding to support this model	none	
Efficient use of the Council grant management capacity	Strong delivery to this driver – four funding agreements for BCC to manage	Slightly less strong than model 1 but still delivers to driver	

Model 3.

Coalition or joint or partnership consortium: separate funding agreements:

This model funds a coalition of delivery partners to join together to deliver the service development goals of the grant, negotiating the co-ordination amongst themselves to meet the conditions of the grant. They each have a separate Funding Agreement with the Council

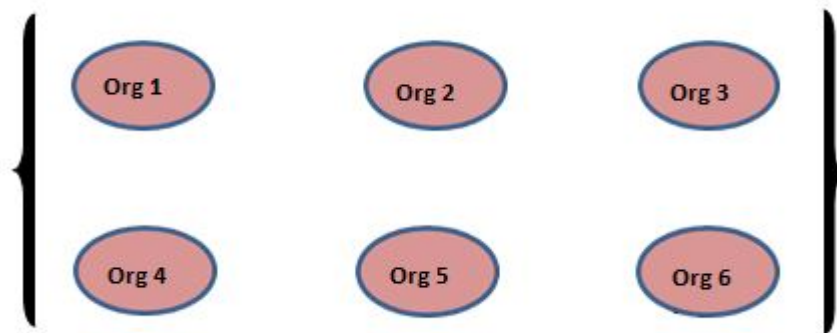


Drivers	Positives	Negatives	Risks
Maximise co-ordinated, collaborative working	Potential delivery through good negotiation and ongoing co-operation	Dependant on successful mutual working which could breakdown; co-ordination role not explicit	Breakdown of working relationships, particularly if new providers secure funding
Localised delivery to areas of highest need and city-wide specialist services	Strong delivery as explicit in the way this model is structured	Continues to deliver potentially fragmented services	
Maximise customer-facing service delivery	Strong delivery: retains existing expertise in range of partner organisations	Potentially waters down the services across a variety of organisations	Risks spreading small amount of funding too thinly across many organisations
Efficient use of resources, avoiding duplication where possible	Potential delivery by negotiation between partners	Less strong – model implies use of resources to support partner organisations management and overheads; more difficult to centralise core elements, relies on goodwill and effective working between the organisations	Dependent on successful negotiation between partners which may not deliver Need to consider how the funding is broken down across organisations and what they need to deliver for this to ensure BCC priorities are delivered and areas get suitable allocation according to need
Joint shared outcomes and systematised data collection	Potential delivery by negotiation between partners	Less strong than models 1 & 2: – requires successful negotiation	Dependent on successful negotiation between partners which may not deliver
Efficient information sharing	Potential delivery by negotiation between partners	Less strong than models 1 & 2: – requires successful negotiation	Dependent on successful negotiation between partners which may not deliver
Co-ordinated development and access to opportunities for funding from outside	Potentially delivers a partnership model and retains diversity of providers in city as long as all providers co-operate; clearly co-ordinated delivery	Tends to deliver a service where each provider will be bidding for their own funding, can be difficult to establish a collaborative	

Drivers	Positives	Negatives	Risks
Council resources	could attract external funding to support this model	approach to seeking additional funding as each organisation retains their own governance	
Efficient use of the Council grant management capacity	this is not the most efficient model for the Council to manage within a reduced resource	Less strong than models 1 & 2 – likely to involve more funding agreements	

Model 4

Solo bids and informal partnership working: This model funds individual proposals from a number of organisations and requires informal partnership working to deliver the development goals of the grant and good practice model on a voluntary basis



Drivers	Positives	Negatives	Risks
Maximise co-ordinated, collaborative working	Potential for co-ordinated delivery but reliant on good negotiation and ongoing co-operation	Very dependant on successful mutual working which could breakdown; no clear co-ordination role	Breakdown of working relationships
Localised delivery to areas of highest need and city-wide specialist services	Good delivery as explicit in the way this model is structured	Continues to deliver potentially fragmented services	
Maximise customer-facing service delivery	Good delivery across a variety of organisations that service users may access	More resources used to support each organisation management/overheads may reduce resources	

Drivers	Positives	Negatives	Risks
		on service delivery No common identify, potential fragmentation, may be lack of clarity where a service user should go for services	
Efficient use of resources, avoiding duplication where possible	Potential delivery by negotiation between partners	Less strong – model embeds use of resources to support partner organisations management and overheads; more difficult to centralise core elements	Dependent on successful negotiation between partners which may not deliver
Joint shared outcomes and systematised data collection	Potential delivery by negotiation between partners	Less strong than models 1 & 2: – requires successful negotiation	Dependent on successful negotiation between partners which may not deliver
Efficient information sharing	Potential delivery by negotiation between partners	Less strong than models 1 & 2: – requires successful negotiation	Dependent on successful negotiation between partners which may not deliver
Co-ordinated development and access to opportunities for funding from outside Council resources	Potential delivery from this model and retains diversity of providers in city; clearly co-ordinated delivery could attract external funding to support this model	Co-ordination more difficult to achieve through voluntary agreements but no explicit co-ordination. More likely that each organisation would continue to seek their own additional funding rather than collaborate	May not deliver a stronger model than currently exists so little change to existing ways of working
Efficient use of the Council grant management capacity	this is not the most efficient model for the Council to manage within a reduced resource	Less strong than models 1 & 2 – likely to involve more funding agreements	

The Council's preferred model:

The Council would prefer model 2 of the four set out above, because we consider it delivers most fully to the drivers with the least negatives and with the most manageable risks (see RAG rating analysis below):

Drivers	Model 1	Model 2	Model 3	Model 4
Maximise co-ordinated, collaborative working	Strong delivery but high risks	Strong delivery and some risk	Reasonable delivery and some risk	Potential delivery and some risks
Localised delivery to areas of highest need and city-wide specialist services	Reasonable delivery and some risk	Strong delivery	Strong delivery but some risks	Strong delivery
Maximise customer-facing service delivery	Strong delivery	Strong delivery but some risk	Strong delivery but several risks	Potential delivery but several risks
Efficient use of resources, avoiding duplication where possible	Strong delivery	Strong delivery But some risk	Less strong delivery	Least strong delivery
Joint shared outcomes and systematised data collection	Strong delivery	Strong delivery	Less strong delivery	Least strong delivery
Efficient information sharing	Strong delivery	Strong delivery	Less strong delivery	Least strong delivery
Co-ordinated development and access to opportunities for funding from outside Council resources	Strong delivery but high risks	Strong delivery	Less strong delivery	Less strong delivery
Efficient use of the Council grant management capacity	Strong delivery	Strong delivery	Less strong delivery	Least strong delivery

How do we move towards this?

Draft Timeline

We are aiming to put in place a set of services which will deliver a co-ordinated this model from **31st March 2019**. This Draft Commissioning Plan will be produced in May 2018 setting out the model proposed and the commissioning timescales based on the feedback from the consultation.

Consultation	June/July 2018
Production of Final Commissioning Plan and sign-off by Cabinet	October 2018
Application and guidance notes published on ProContract	October 2018
Closing date for applications	December 2018
Applicants informed of recommendation	January 2019
Decommissioning impact assessment undertaken as appropriate	February 2019
Negotiation of IAG Impact Fund Grant Funding Agreement(s).	February/ March 2019
IAG Grant Funding Agreements commence for successful	April 2019

Other Information for providers

TUPE

Work of a similar nature providing advice in the city is currently undertaken by seven VCS advice providers. The Council does not know and has no view as to whether TUPE may apply between the current provider of these similar services and any other person the Council may select to provide these services. It will be up to each grant funding applicant to reach its own view on this and if necessary to make enquiries of the organisation funded through the present grant funding agreement and make appropriate allowances for this in any grant application submission.

State Aid

1. State Aid : By providing grant funding to a Voluntary Sector Organisation a local authority may be giving that organisation “advantage” over its competitors. If the grant meets **all** the following criteria it would amount to State Aid:

- Is the measure granted by the State or through State resources?
- Does the measure give advantage to an undertaking that it would not otherwise have?
- Is the measure selective, favouring certain undertakings over others?
- Does the measure distort or threaten to distort competition?
- Is the activity affecting trade between Member States?

2. The European Commission has found on a number of occasions that public financial support for purely local operations did not involve State Aid as the projects were unlikely to have a significant effect on trade between Member States.

The Council has carefully considered the proposed grant funding and believes the following applies:

1. the beneficiaries (i.e. IAG-provision organisations) are active only in a limited area within a member state, such that the services provided by the beneficiary recipient are purely local in nature;
2. the beneficiaries’ services are aimed at a local population and are not marketed to and are unlikely to be of interest to and attract customers from other Member States; and
3. there is no evidence of current or foreseeable cross-border investment or of the establishment of providers from other member states in the relevant sector in the relevant area.

The Council’s view therefore is that there is a low risk that the proposed grant funding would constitute State aid as it will not affect trade between member states or distort, or threaten to distort, competition.

Appendix 1: definitions

Collaborative Grants

We are inviting organisations to apply for grants through collaborative applications where this will enhance the benefit to disadvantaged people. Collaborative working describes joint working by two or more organisations in order to fulfil their purposes, whilst remaining as separate organisations. This may relate to any aspect of the organisations' operational activity, including administration, fundraising, raising public profile, resource sharing and streamlining of costs and service delivery. NCVO defines collaborative working as partnership between voluntary and community organisations. An organisation may work with one other partner organisation or may belong to a wider consortium. The council published a guidance note in 2014 'Collaborative Arrangements – Grant Funding' which gives more information.

We welcome collaborative (or joint) applications. These can be from either Lead Partner collaborations or from Partnership collaborations.

From 'Collaborative Arrangements – Grant Funding'

The following are three models of possible collaborative working arrangements for VCS organisations applying for City Council Grants. It is noted that there are many other types of collaboration; this document describes those that are acceptable to the Council.

2.1 Lead body or Lead Organisation's consortium

The Council would have one single Funding Agreement with the lead body - one designated organisation from a consortium. This lead body would be solely accountable to the Council, having to monitor and report against agreed grant-spend and performance monitoring, and have to 'manage' the 'members of the consortium. There may be one organisation that would be the natural and appropriate choice for lead body with the capacity and resources to manage the funding agreement with the Council. An appropriate and inclusive body, such as a steering group, that comprises representatives from all partner organisations, could be established for the project, to promote transparency and ensure all members' needs and issues are addressed. Who to involve on a steering group would depend on the level of decision-making: trustees/directors would be involved for governance issues; staff would be involved for operational, project delivery issues. If it is decided that the model to be adopted is that of one organisation takes lead responsibility, then the lead body should have a clear joint working agreement with the others.

2.2 Coalition or joint or partnership consortium

This describes a structure that exists where a number of separate organisations agree to work together for a common purpose, sometimes described as 'a partnership of equals'. The agreement may be only a temporary collaboration with a certain aim in mind, or it could be established on a more formal basis.

In this model the Council will have grant funding agreements with all members of the consortium. One consortium member may be nominated to co-ordinate the consortium grant applications – and may be referred to as the lead organisation. However, in these circumstances, the lead is for administrative purposes only and all members of the consortium have responsibility for the management of their funding agreements with the Council.

A steering group, comprising representatives from all partner organisations, could be established for the project, to promote transparency and ensure all partners needs and issues are addressed. Who to involve on a steering group would depend on the level of decision-making: trustees would be involved for governance issues; staff would be involved for operational, project delivery issues.

The member organisations should have a clear joint working agreement which could include, for example, agreement to consult with all partners before any decisions are taken, or changes made to the project, if this is to be a partnership of equals.

2.3 Hub and Spoke Consortium (or 'Special Purpose Vehicle' SPV)

In this formal consortium model, the hub is created as a 'special purpose vehicle', which is a new incorporated organisation (usually a new company). This new organisation is usually developed so that it is equally 'owned' by all the member organisations. The hub's board of directors are elected at an AGM and candidates are drawn from its owner/member organisations. They hold the responsibility of running the hub organisation on behalf of the wider membership. While the hub may apply for the grant, with the support of its members, if successful, the Council will require that all member organisations are signatories to the funding agreement. The Council would not allow the hub organisation to hold the funding agreement, as this exposes the Council to too much risk (for example, if the money is not spent by the member organisations as stipulated in the funding agreement, the Council may find it difficult to recoup the money from the hub organisation – as the assets/funding may in reality be held by the member organisations. When considering this model, organisations should discuss this with the Grant Manager before investing in setting up an SPV. Normally, at the application stage, one of the approaches above is used, and the SPV is only set up for administrative purposes if/when successful. Whilst it may be an administrative convenience for an SPV to be formed for delivery, it is highly unlikely that the Council would award a grant to an SPV, unless all members of the SPV accept joint and several liability for the delivery of the contract (see 2

above). An alternative collaborative approach (as outlined above) would be more viable.

DRAFT