

BRISTOL CITY COUNCIL CABINET

6th September 2016

REPORT TITLE: Extension of advice funding agreements

Ward(s) affected by this report: City-wide

Strategic Director: Alison Comley, Strategic Director for Neighbourhoods

Report author: Hywel Caddy, Investment & Grants Manager

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Purpose of the report:

To seek approval to extend existing advice grant agreements to the VCS advice agencies until 31st July 2017 to give the council the opportunity to consider holistically all council investment in advice services to find the optimum funding and delivery model for advice services for the future.

RECOMMENDATION for the Mayor's approval:

That the Mayor approves the extension of ten funding agreements to seven VCS advice providers. The total funding commitment will be £586,957 (of which £57,089 comes from Public Health and the remainder from the Community Investment budget).

That the Mayor delegates authority to extend the ten funding agreements for up to a further three months to the Strategic Director for Neighbourhoods in consultation with the Cabinet Member for Neighbourhoods should there be any delays to the process.

The Proposal:

Background

1. The council and its partners fund a number of different advice services in a number of different ways – including commissioning advice services, in-house teams delivering advice services and grant funding advice services through the Voluntary and Community Sector (VCS). Current calculations show that approximately £7-8m of council funding is invested in delivering advice or related services.
2. An opportunity has been identified to consider a 'whole system' approach to the provision of advice in the city, designing the system around the individual not the specialism so that the customer journeys are explicit and services aligned to them. There is an opportunity to build on the digital information, advice and guidance (IAG) repository and self-assessment search tool that is currently being developed to ensure that BCC complies with the Care Act (2014) and extend this approach to all advice provision. It is anticipated that development of the repository and triage

system can reduce demand for advice and generate savings from advice investment and provision across the city.

3. A new approach has the potential to improve outcomes and access for advice in the city facilitated by four key elements:
 - Adoption of three tier model by all providers and funders to ensure that investment is targeted to the most appropriate level of provision;
 - Agreed triage and access to advice;
 - Clear pathways into advice services following triage;
 - Agreed universal outcome/impact measures.
4. The development of any new approach would need to be co-produced with advice providers through the Joint Planning Board for Welfare Reform an Advice Provision for the visioning and scoping stages to set an agreed direction of travel for all information advice and guidance. This work has not yet commenced.
5. This potential approach to advice provision links to the recommendations from the *Low Commission for the Cabinet Social Justice Committee on the Future of Advice and Legal Support*:
 - national strategy, maximising advice funding using on-line technology by all but the most vulnerable;
 - local strategies to maximise local sources of funding in LAs and with partners;
 - targeting provision where people access services (such as GP surgeries, Children's Centres, Libraries) and notes the physical and mental health benefits of advice;
 - transforming dispute resolution to introduce greater proportionality into court proceedings;
 - strategic co-ordination between different funding channels, consolidating funding and delivery.
6. We are proposing a phased approach to the development of this new "whole system" of delivering Information, Advice & Guidance, with the complete review of internal and external provision fully implemented by 1st August 2017. This phased approach will enable BCC to identify any early internal efficiencies against the agreed direction of travel, which would contribute to addressing our current in year financial pressures.
7. This report asks to extend BCC's existing advice funding provision to the voluntary community sector until 31st July 2017 to cover this period of work. If necessary, the report asks to extend for a further 3 months to October 31st 2017 should there be any delays to this process. The extension of up to three months will be delegated to the Strategic Director for Neighbourhoods in consultation with the Cabinet Member for Neighbourhoods.

Context for this report

8. £791,945 of grant funding is currently invested in advice services through the Community Investment Strategy 2012 – 2017 (extended from 2015). This grant funding provides funding for a Community Advice Network which is made up of 7

organisations which work together to cooperatively deliver advice services across the city and the Health Related Benefits Programme that provides advice from health centres. 9 of the current funding agreements are due to expire on 31st October 2016 and 1 is due to expire on 31st March 2017 (see appendix 1 for full details).

9. Over the past five years, the VCS advice services have built a strong and effective advice network, which has delivered coordinated, responsive and well-targeted services to support some of the most disadvantaged citizens in the city. The services have demonstrated an ability to flex and adapt to demand, and have shown value for money for the council and the citizens of Bristol by working strategically with BCC to mitigate the impact of Welfare reform and by ensuring consistency of delivery during a period of significant change. Extending the grant agreements will ensure that these services continue to be provided until a potential new city approach is agreed.
10. Demand for advice services far exceeds supply, as a result of recession and Welfare Benefit Reform. Consideration was given to whether savings could be achieved at this point, but the conclusion was that the opportunity for savings and efficiencies comes when looking at the whole system of advice in the city, and making savings via the VCS grant funding agreements at this point would result in a detrimental impact on some of the most disadvantaged people in the city.

Conclusion

11. An extension until 31st July 2017 of £586,957 of current grant funding agreements will allow the city to develop a 'whole system' approach to advice provision underpinned by a digital repository and triage system. This approach will enable the city council to realise savings from the overall investment in advice provision.

Consultation and scrutiny input:

a. Internal consultation: Insert details

Information on the consultation has been sent out widely to all commissioners within the BCC Directorates. The consultation also sought feedback from housing and homelessness officers and was linked with the aims of the Housing and Homelessness Strategies.

b. External consultation:

During the production of the needs analysis, members of the Joint Planning Board for Welfare reform and Advice Provision were consulted.

The draft Commissioning Strategy and the Needs Analysis were also sent out to all the voluntary and community sector (VCS) contacts and equalities forums with an online feedback form; a series of 12 consultation meetings were held including meetings with all Equalities VCS groups and service users.

Other options considered:

Consideration was given to begin tendering for services with adequate time for new services to be in place for the 1st November 2016. This was rejected on the basis that in order to best cater for the existing and future demands for advice in the city, a thorough review and re-design of advice in the city is required, and it is important that all commissioned services align with this process.

Risk management / assessment:

Guidance:

* Ensure a full risk assessment is completed and insert the details here. It must be an honest and open appraisal of the risks. It is never justifiable to set out the risks in private to the Executive but not include them in the report. Responsibility for undertaking the risk assessment lies with the report author. Advice and guidance can be sought from the Directorate Risk Champion.

FIGURE 1

The risks associated with the implementation of the extension of advice funding agreements:

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	Under- performance by the advice providers, impacting on service provision through the city	High	Low	There have been no performance concerns with the advice funding agreements. Continued formal and informal monitoring to ensure that performance and impact of services continues to be effective.	High	Low	Hywel Caddy
2	A reduction of other funding streams could threaten the viability of the advice provider organisations.	High	Low	Organisations have worked to mitigate the worst effects of reductions in legal aid funding and have worked collaboratively to reduce overheads and find other sources of funding.	High	Low	Advice providers and Advice Network
3	Potential complaint from other providers not given the opportunity to provide services.	High	Medium	Legal Advice has been sought.	High	Low	Hywel Caddy

FIGURE 2

The risks associated with not implementing the extension of advice funding agreements:

No.	RISK Threat to achievement of the key objectives of the report	INHERENT RISK (Before controls)		RISK CONTROL MEASURES Mitigation (ie controls) and Evaluation (ie effectiveness of	CURRENT RISK (After controls)		RISK OWNER
		Impact	Probability		Impact	Probability	
1	There would be significant disruption to service provision if the decision is taken not to extend agreements. This could lead to a loss of service continuity, a loss of volunteer experience, a loss of advice service collaboration and networking for local benefit and	Medium	Medium	A clear rationale has been set out as to why grant funding should be extended for a year and support has been sought in ensuring that the decision to extend finding agreements is made.	Medium	Low	Hywel Caddy

	new services having to be established from scratch.						
2	If there was no agreement to extend BCC may consider undertaking a tendering/purchasing exercise for services during 2017-18. This would cause significant disruption to advice services at a time when demand for advice is increasing and other sources of advice funding have ended.	High	Medium	A clear rationale has been set out as to why grant funding should be extended for a year and support has been sought in ensuring that the decision to extend funding agreements is made.	High	Low	Hywel Caddy
	If there was no agreement to extend funding, the funding agreements would end. This would impact on the viability of the currently-funded advice agencies. Reduction or loss of advice services would lead to vulnerable citizens not having access to free advice and would inevitably result in increasing levels of deprivation and homelessness in the city, leading to increased costs to the city in other departmental areas. If advice services had to close as a result of becoming financially unviable, this would result in the loss of skills, expertise, long-standing local presence and relationships or partnerships with other organisations, loss of volunteer expertise, loss of potential to lever in additional funding into the City and loss of an active and effective strategic advice network.	High	Medium	A clear rationale has been set out as to why grant funding should be extended for a year and support has been sought in ensuring that the decision to extend funding agreements is made.	High	Low	Hywel Caddy

Public sector equality duties:

The original Equality Impact Assessment is included as Appendix 2.

Eco impact assessment

The Eco-Impact Assessment Report appended to the Cabinet Report for Commissioning Community Advice Services (25th Nov 2010) is still relevant as there are no material changes to the proposals. The link to the report is given below.

Resource and legal implications:

Finance

a. Financial (revenue) implications:

The recommendation seeks the extension of ten funding agreements to seven VCS advice providers due to expire 31 October 2016. The individual grants are set out in Appendix 1

confirming the annual financial value and the value of the proposed extended period. All but one of the grants are being proposed to be extended for a period of nine months through to July 2017; the Disability Information and Advice Service is proposed to be extended from March 2017 only. The total funding required for the extended period for all of the grant extensions is £586,957, which is the total of £510,211 for the Community Advice Network and £76,746 for the Health Related Benefit Programme.

Funding for 2016/17 comes from the existing community investment and public health budgets. Should the recommendation be approved, funding for 2017/18 will need to be identified in the medium term financial strategy and specifically the annual budget for 2017/18.

Advice given by Robin Poole, Finance Business Partner
Date 28 July 2016

b. Financial (capital) implications:

There are no capital implications for this report

Advice given by Robin Poole, Finance Business Partner
Date 28 July 2016

Comments from the Corporate Capital Programme Board:
n.a.

c. Legal implications:

Local authorities are entitled to make grants under the General Power of Competence (s.1 Localism Act 2011). Grants are not subject to the Public Contracts Regulations 2015 and therefore an extension of these agreements should carry minimal risk from a legal perspective.

Advice given by Eric Andrews
Date 12 July 2016

d. Land / property implications:

Three of the advice centres are based in Bristol City Council owned premises. North Bristol Advice Centre are based at 6 Gainsborough Square on a 10 year lease at a peppercorn rent. Citizens Advice Bureau are based at 48 Fairfax Street and pay a concessionary rental of £15,000 pa (the full market rental is £50,000 pa). St Pauls Advice Centre are based at 146 Grosvenor Road. North Bristol Advice Centre and occupy on the basis of an annual tenancy at a peppercorn rent.

The City Council currently provides the premises on a concessionary basis in support of the services. The rental value that the City Council would receive if the premises were let on the open market would be in the region of £60,000 per annum.

Advice given by Chris Woods, Principal Portfolio Management Officer, Strategic Property
Date 28 July 2016

e. Human resources implications:

Bristol City Council has grant-funded 7 external VCS advice agencies. There are no reductions, restructuring and/or redundancy implications for Bristol City Council staff.

Advice given by Sandra Farquharson, HR People Business Partner
Date 04 July 2016

Appendices:

Guidance:

Appendix 1 – Detail of funding agreements to be extended.

Appendix 2 - Welfare Benefit Reform Impact Bristol.

Appendix 3 – EQIA.

Access to information (background papers):

Commissioning Community Advice Services Cabinet Report 25th November 2010
(no longer on BCC website, available on request).

Community Investment Strategy 2012-15 Cabinet Report 21st July 2011
(no longer on BCC website, available on request).

[Extending Advice Funding Agreements from April 2015 to October 2016](#)

[Low Commission: Future of Advice and Legal Support](#)

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