

# **Suffolk Cross Authority Task and Finish Group - CITIZENS ADVICE**

## **FINAL REPORT AND RECOMMENDATIONS**

### **Purpose and Membership**

The original impetus for this Task and Finish Group emerged from a 2018/19 Babergh/Mid Suffolk Joint Overview and Scrutiny Committee's examination of Citizens Advice in their districts. In part, this was prompted by concerns over changes in funding within Suffolk. It became clear that a larger Suffolk wide approach would be required to examine Citizens Advice properly and effectively. The BMSDC Joint Overview and Scrutiny Committee resolved to approach all other authorities in Suffolk to form this group. It has never been the intention to target or criticise any particular body and the members from the four authorities involved have approached this apolitically, though we all operate in different political environments. The aim has always been to examine, to provide a perspective, and seek positive outcomes.

It's interesting to note that the members listed below represent all the major political groups operating in Suffolk. True to the best practice of good Scrutiny, this has not been a factor, but is still a useful balance.

Cllr Patrick Chung	Member of West Suffolk Council Overview and Scrutiny Committee
Cllr Sandra Gage	Vice-Chair of Ipswich Borough Council Overview and Scrutiny Committee
Cllr Elizabeth Harsant	Chair of Ipswich Borough Council Overview and Scrutiny Committee
Cllr Alastair McCraw	Chair of Babergh Overview and Scrutiny Committee (Chair)
Cllr David Nettleton	Chair of West Suffolk Council Overview and Scrutiny Committee
Cllr Adrian Osborne	Vice-Chair of Babergh Overview and Scrutiny Committee
Cllr Keith Scarff	Vice-Chair of Mid Suffolk Overview and Scrutiny Committee
Cllr Keith Welham	Chair of Mid Suffolk Overview and Scrutiny Committee

## **Meeting Structure**

The December Task & Finish Group meeting was organised into three sessions.

First, an extensive presentation was given by Citizens Advice Chief Officers followed by questions. This dealt with Value, Impacts and Funding. These officers were:

Carol Eagles - Mid Suffolk Citizens Advice

Colleen Sweeney - Sudbury and District Citizens Advice

Jane Ballard - Citizens Advice West Suffolk

Mel Jones - Citizens Advice Diss, Thetford and District

Nicky Willshere - Ipswich and District Citizens Advice Bureau

The second session added interested parties and representatives from authorities, primarily concerned with Impacts, and involvement in funding.

The final session was a discussion period with the members of the group on all aspects.

The T&F group established these three points as crucial from the start: The Service Value, the Impacts on other authorities and the future Funding of Citizens Advice in Suffolk.

## **VALUE**

Some Key Points:

Citizens Advice have been in operation in the UK for 80 years. As an organisation they have existed longer than the NHS or any of our own authorities. In Suffolk they operate from 8 central locations spread across the county. Each LCA has charitable status, operating (under their trustees' oversight) as part of a national network. They are, in effect, franchisees with the same policies, standards, training and accreditation as the National charity. All are audited annually.

In 2018/19 Suffolk LCA's helped 21,947 people with 86,884 problems. This is equivalent to well over 3% of the adult population. Each client has an average of 4 problems to address. Currently the client base is growing at a rate of 7% p.a and the problem base at 30%.

Contact with clients can be by telephone, email, webmail, and webchat, but face to face contact remains essential. The network of 14 locations, operating from the 8 central offices, in Suffolk, allows this to be practical at a human level. In addition, the websites received 340,000 visits in 18/19, providing instant advice.

The service extends to all aspects of modern life, but the principal issues are Debt Management, Benefits and Tax Credits, and Relationships and Family. The fastest rising number of issues deal with Universal Credit, but Legacy benefits will exist for some time to come. Universal Credit roll out currently extends to between a quarter and a third of benefit claimants. The caseload in this area will only rise, but the rate and method of rollout remains uncertain.

A full list of issues and problems covered would be too lengthy, but a simpler question might be 'What issues are NOT dealt with by Citizens Advice'?

The service is provided by professional paid staff heavily supported by 425 volunteers. These volunteers are fully trained by the BCA, and their importance cannot be understated, as will be seen under Impacts. Many volunteers will have strong local connections with the individual bureaux. The Suffolk CABs have formed a network The Suffolk network (Suffolk Alliance of Citizens Advice), which allows all staff opportunities for specialisation, shared resources and a fully collaborative approach. These organisations are constantly transforming.

All advice offered, is free, confidential and demonstrably independent. The simple value of financial, social and, in some cases, existential advice in a secure and trusted environment was clearly demonstrated to the group. A less obvious value also exists in providing clients with the knowledge, confidence and ability to handle their own problems. This empowerment often leads people to be able to provide support and advice themselves to even more people. 91% of clients say they would recommend the service.

More complete supporting information is available from the papers and presentations that the T&F group has used.

## **IMPACT**

The second session was attended by the following witnesses:

Louise Hardwick - Ipswich and East Suffolk CCG

Chris Nock - BMSDC Funding Officer

Tom Barker - BMSDC Assistant Director - Sustainable Communities

Peter Whittall - IBC Operations Manager – Housing Advice

Tina Williams - IBC Benefits Manager

Lee Crowdell - BMSDC Tenant Services Corporate Manager

As well as the social impacts of Citizens Advice it has always been clear that there are direct and indirect impacts on other service providers. Most notably these are typified by local and national authorities but may also include other charities.

Using 2018/19 figures, it is estimated that for every £1 invested in CA, £3.52 is saved by national government and local authorities. That same £1 generates £20.84 in wider economic and social benefits. In Suffolk this translates to £8.1M saved and a wider benefit of £48.1M.

In the field of debt management and benefit assistance the Suffolk Alliance managed £9.1M of debt and gained their clients £3.6M in income. This is part of an approach of early intervention to tackle poverty. The knock-on effect of that may not be measurable but is nonetheless very real.

One overlooked impact is in healthcare. Around 20% of patients consult their GP for what are primarily social problems. Many of the typical problems of benefits, housing issues and debt worries lead directly to health issues in themselves. The worry and stress induced can lead to depression, personal neglect and escalating situations. The Clinical Commissioning Groups (CCG's) in Suffolk recognise the value of helping people to help themselves. For this reason, they have provided funding to Suffolk CA and hope to continue this. GP's also have recourse to 'Social Prescribing', directing people to appropriate support including CA.

It has already been noted that very few cases involve just a single problem. The housing departments and benefits managers see the same patterns as CA in their own caseload. Debt management issues will often include Council Tax and rent arrears. Benefits, and advice related to them, have a direct impact on the ability to manage finances. As much of the current approach in these aspects of local government is in intervention and prevention, the existence of CA provides a useful impact in filtering, directing enquiries and providing a trusted human element. All the witnesses agreed that this was very much a two-way process, where they in turn could direct people to CA or other appropriate bodies. Equally, all witnesses agreed that much of the CA impact was not measurable. Anecdotally, they were all aware of these impacts and valued CA as an active resource reducing workload. Accordingly, the Districts and Borough continue to provide the majority share of CA funding in Suffolk.

If we seek strong and healthy communities, a holistic approach to health, housing, benefits, debt, relationships and legal matters is one we should seek. CA fits that profile exactly and has much higher trust levels.

We lacked a witness from Suffolk Trading Standards, but were provided with a statement from Graham Crisp, Head of Trading Standards SCC. This was reproduced within the SCC Scrutiny Committees Evidence for their meeting examining the SCC Budget for 2020-2021. That will be covered in the Funding section, Trading Standards having been the SCC funding section for CA in the past.

In this area, Suffolk CA's operate a consumer phone service which assesses issues, provides advice and refers to Trading Standards if necessary. In 2018/19 this dealt with 1,122 cases in Suffolk, over 21 a week. In addition, the local offices dealt with a further 1,330 clients with 2,075 consumer problems and 224 'scam' related issues.

It seems reasonable to suppose that nearly 2,500 cases would have a significant impact and cost to Trading Standards, quite apart from other positive benefits. In addition to those issues, in 2018/19 LCA's also addressed problems relating to public health, social care, travel & transport within SCC's services. A total of 4,344 problems last year relating to services across the whole of Suffolk County Council.

## **FUNDING**

### **CORE COSTS AND FUNDING**

The following figures describe the basic costs of running CA services in West Suffolk, Mid Suffolk, Babergh and Ipswich.

Staff	£722,704	68%
Office Costs	108,589	10%
Rent	138,500	13%
Workforce (Training/Travel)	54,480	5%
Services	<u>49,312</u>	4%
	£1,073,561	

This seems an even more modest figure considering that 283 Volunteers provided work with an economic value estimated at £1.7M.

The equivalent Funding of Core Services in the same areas was:

Districts/ Borough	£534,016
County Council	113,216
CCG	113,216
Grants/Trusts	42,430
Donations	<u>93,648</u>
	£896,526

This would produce an effective deficit of £177,035. Individual CA's singly and jointly also carry out Project work on behalf of a variety of other bodies. A proportion of Core costs can be absorbed within these project funding arrangements, effectively cross subsidising the Core service.

In summary, these authority areas (Suffolk less East Suffolk) and other funders have received £2,773,561 of value for an outlay of £896,526. Quite apart from the National and Local savings achieved and the economic and social benefits, this represents extraordinary value for money.

### **FUTURE FUNDING OF CITIZENS ADVICE IN SUFFOLK**

At the time of writing the local authorities are preparing their draft budgets for consideration in January 2020.

Babergh and Mid Suffolk are preparing to continue their current levels of funding, but on a three-year basis.

Ipswich Borough Council have a long history of such three-year funding arrangements for CA and expect to continue them.

West Suffolk Council was created on 1 April 2019 and voluntary and community organisations, including Citizens Advice, are able to apply for funding via the Council's Community Chest scheme. This offers funding for up to two years, with the exception that Citizen Advice can apply for funding up to three-years. Funding is approved by Cabinet each year, following recommendations made to it by a Grant Working Party.

We feel unable to report on East Suffolk figures, but a continuation of current funding is hoped for.

The CCG's (NHS Ipswich and East Suffolk CCG and NHS West Suffolk) will continue with the second year of funding arranged last year. This was secured by SCC and amounts to the same £184,000 for 2020/21, paid through SCC.

Suffolk County Council Scrutiny Committee will meet on the 7<sup>th</sup> January 2020 to pre-scrutinise the SCC 2020-21 budget. The proposals (paras 13-16 of Evidence Set 6) are for a three-year settlement at £120,00 p.a. This must be very welcome in comparison to the zero-sum planned in the 2019-20 budget setting process. It is also a positive that the need for the security of a longer period is recognised. This does mitigate the position, but of course will still see a reduction in funding for the coming year (from £184,000 in 2019-20). SCC suggest that solutions to transformational progress be sought, including a potential reduction from five to four LCA's across Suffolk.

The existing inherent deficit position for the LCA's would presumably incentivise them to explore all possibilities in any case. SCC look to demonstrate that its own resources are used effectively. They look for a similar efficiency and effectiveness within the LCA's. It seems clear to this Task and Finish Group that the Suffolk LCA's already demonstrate an extremely cost-effective service. The matter of transformation must remain the responsibility of the LCA's and their trustees. Volunteers, on whom the service relies, have strong attachments to their own local LCA, wish to keep travel time and costs down and there are risks of losing their services. There is competition for volunteers too. It's also unclear whether any sanctions would apply or how they could, should the desired transformation not take place. Given that SCC would become the third largest funder in the forthcoming year, it would seem a little harsh to impose conditions.

SCC's requirement to demonstrate social and economic impact has been undoubtedly demonstrated in the evidence that the Task and Finish Group has received and gained through questioning the LCA managers and witnesses.

For these reasons the Task and Finish Group would hope that SCC might reconsider their offer, but that is a matter for SCC themselves and beyond our direct remit.

## **RECOMMENDATIONS**

The Task and Finish Group report to our respective Scrutiny Committees in January. Budget preparations are already well underway, and we lost significant time during the General Election. One of the groups parent Scrutiny committees met on the 2<sup>nd</sup> January to consider their own recommendations. These formed the basis of the Groups own recommendations when we met on 7<sup>th</sup> January 2020.

Our direct reporting and recommendation route, under our Terms of Reference, is to our own committees and Councils. Some of these measures will already be under consideration from earlier work done.

In the case of all other authorities and funding organisations, we offer this report and recommendations without prejudice and in the public interest. It is understood that some decisions may have already been taken in draft format. However, these are capable of change prior to any final Budget votes. We believe they should be considered at least.

## **RECOMMENDATIONS – SUFFOLK CROSS AUTHORITY CITIZENS ADVICE TASK AND FINISH GROUP, 7th JANUARY 2020.**

**(a) The Task and Finish Group recommend to Suffolk County Council that it meets the previous proportion of basic core funding needs of Suffolk CAB's by agreeing to restore its grant for 2020/2021 to at least £184,000 per annum; and**

**(b) The Task and Finish Group recommend to the Clinical Commissioning Groups and Suffolk County Council that they work together to ensure that – between them - a minimum of £368,000 is granted to Suffolk CAB's annually beyond 2020/21; and**

**(c) All Suffolk Executive's attention should be drawn to the Task and Finish Group paper when considering allocations of Community Cash Grants, or any other funding mechanism, for 2020/21 onwards and that those Executives should seek that, having regard to the Task and Finish Group paper, they should seek to avoid any reductions to current annual grants to Citizens Advice Bureau when considering these allocations for 2020/21 onwards; and**

**(d) All districts/boroughs should be made aware of the cash allocations being made to Citizens Advice by all other Suffolk authorities, in particular where more than one authority contributes to an individual LCA; and**

**(e) The Task and Finish Group recommends that where multiyear arrangements are agreed for LCA's, these should be rolling agreements, subject to annual review and annual inflationary increases, to be agreed by Councils; and**

**F) The Task and Finish Group recommends that Communities teams, or their authority equivalent, are approached to seek other means of funding for the LCA's and that they and each of our constituent Councils explore means of raising awareness of the benefits provided by CAB to the organisation.**

We hope our study of the Value, Impact and Funding needs for Citizens Advice in Suffolk speaks for itself. Members of the group found the experience of a Cross Authority Scrutiny process to be both valuable and interesting. We hope it proves useful for others.

Our final overwhelming conclusion was that the Suffolk LCA's Core Services need Core Funding. They offer 'Value for Money' that any authority (ours or any others) would find impossible to match, and simultaneously support our own services. Every additional £1 invested in Citizens Advice would be well spent.

Alastair McCraw

Chairman, Suffolk Cross Authority Task and Finish Group (Citizens Advice).

20<sup>th</sup> December 2019.

[alastair.mccraw@babergh.gov.uk](mailto:alastair.mccraw@babergh.gov.uk)

Mobile tel. no. 07548 154296