



FOR PUBLICATION

DERBYSHIRE COUNTY COUNCIL

REPORT TO CABINET MEMBER FOR HEALTH AND COMMUNITIES

06 March 2023

**Report of the Interim Director - Organisation Development and Policy
(ODP)**

**Interim Grant for the Provision of Specialist Advice Services
(Cabinet Member for Health and Communities)**

1. Divisions Affected

1.1 County-wide

2. Key Decision

2.1 This is not a key decision.

3. Purpose

3.1 To seek approval to continue payments to specialist advice service voluntary and community sector (VCS) organisations from 1 April 2023 to 31 March 2024 whilst funding is redesigned and commissioning plans are developed and implemented.

4. Information and Analysis

4.1 The Council currently awards two annual grants for specialist advice services to Derbyshire Law Centre and Citizens Advice Mid Mercia. The funding was originally allocated in response to identified needs in respect of the inaccessibility of specialist advice services for vulnerable residents due to high costs and recognition that specialist legal advice could not be adequately met through the existing provision.

- 4.2 Citizens Advice Mid Mercia receive an annual grant of £10,400 to support its core costs in providing specialist legal advice and assistance in South Derbyshire. The grant supports provision for 67 cases annually relating to employment and some immigration cases.
- 4.3 Derbyshire Law Centre receive an annual grant of £90,124 to support its core costs in providing specialist legal advice, assistance and representation throughout the county. The Law Centre directly supports 750 cases per year across Derbyshire for employment, housing, homelessness, debt, discrimination and immigration and 202 cases covering employment advice services for Derbyshire Dales, Erewash and Amber Valley.
- 4.4 Since November 2019, the Council has been reviewing all grants provided to the voluntary and community sector. On 28 July 2022, Cabinet considered the findings of the consultation and proposals on the voluntary sector grants review and approved recommendations as follows:
- The Council adopts the principle of no longer supporting the award of grant funding to any organisation in the future without a fixed or scheduled end date (save for in exceptional circumstances).
 - The Council will commission identified activity where appropriate.
 - Agree the criteria for grant assessments, to be used to determine whether funding should be secured in the future through commissioning.
- 4.5 Grant assessments undertaken in August 2022, concluded that the activity and outcomes achieved through the provision of services by Derbyshire Law Centre and Citizens Advice Mid Mercia Bureau should continue and be included in a thematic review of similar services. Activity relating to advice services including the provision of support to people and communities in need, are included in the Public Health Service Plans and there is an existing contracted service in the form of a commissioned generalist advisory service. For these reasons it was recommended that the two specialist advisory service grants outlined in this report be considered in conjunction with existing commissioned advisory services.
- 4.6 To move from the current grant position to a consistent commissioned model for specialist advice services, officers are in the process of engaging with stakeholders. The alignment of specialist advice service funding to the existing public health budget will enable a commissioning exercise to commence. New contracts for specialist advisory services

are anticipated to be in place by April 2024 and the Cabinet Member for Health and Communities will receive updates on progress throughout the year.

- 4.7 Current funding arrangements for specialist advice services end on the 31 March 2023 and therefore, to ensure the sustainability of organisations and the continuation of valued activity until a future commissioned approach has been agreed and implemented, the Cabinet Member for Health and Communities is asked to consider an interim funding arrangement, until 31 March 2024 to bridge this gap. To adhere to the Councils new funding policy regarding grants, it will be made clear to providers that future funding beyond the agreed period is not guaranteed.

5. Consultation

- 5.1 Not required.

6. Alternative Options Considered

- 6.1 Option 1 - The Council could do nothing and allow the current grants to end on 31 March 2023. This would impact those organisations currently delivering specialist advice activity, potentially leaving some vulnerable residents without support. It would also result in the loss of valued activity that supports objectives within the Public Health Service Plan.

7. Implications

- 7.1 Appendix 1 sets out the relevant implications considered in the preparation of the report.

8. Background Papers

- 8.1 Report to Cabinet - Voluntary and Community Sector Review 30 July 2020
- 8.2 Report to Cabinet – Voluntary and Community Sector Review 29 July 2021
- 8.3 Report to Cabinet – Voluntary and Community Sector Review 6 December 2021
- 8.4 Report to Cabinet – Voluntary and Community Sector Review 28 July 2022

8.5 Report to Corporate Management Team – Voluntary and Community Sector Grants Review and Infrastructure Provision Update 15 November 2022

9. Appendices

9.1 Appendix 1 – Implications

10. Recommendation(s)

That the Cabinet Member:

- a) Approves the continuation of payments to VCS organisations providing specialist advice services for a twelve-month period from 1 April 2023 to 31 March 2024 as set out in this report.

11. Reasons for Recommendation(s)

- 11.1 The assessments completed for the provision of specialist advice activity determined that future funding should be secured through commissioning. The commissioning process will not be in place by 1 April 2023.
- 11.2 Extending the funding for a finite period will bridge the gap between the current position ending and the development of alternative arrangements. The interim arrangement would align to the agreed grant policies and processes, with no expectation that funding would continue beyond the stated bridging period. This would allow time for a fair and robust process to be put in place by no later than 31 December 2023, for funding to be made by no later than 1 April 2024.

12. Is it necessary to waive the call in period?

12.1 No

Report Author: Jodie Harrison

Contact details: Jodie.Harrison@derbyshire.gov.uk

Implications**Financial**

- 1.1 The base budget for specialist advice services grants was reduced by 30% in 2016. Since this time the budget shortfall has been met from general reserves pending the review of VCS grants.

| Funded organisation | Current Grant (£'s) | Base budget (£'s) | Shortfall (£'s) |
|----------------------------|--------------------------------|------------------------------|----------------------------|
| Derbyshire Law Centre | 90,124 | 64,133 | 25,991 |
| Citizens Advice Mid-mercia | 10,400 | 7,401 | 2,999 |
| Total | 100,524 | 71,534 | 28,990 |

- 1.2 For the 2023/24 financial year the budget shortfall which has been met in the past from general reserves will be met by Policy and Research reserves.

Legal

- 2.1 The Council has power to provide grants to voluntary and community sector organisations under the general power of competence set out in section 1 of the Localism Act 2011.
- 2.2 The Council's Financial Regulations state that grants below £0.100m require Cabinet Member authorisation.
- 2.3 The Council's standard grant agreement shall be used to set out the terms and conditions for which the grant is made. This includes conditions for clawback of funding in certain circumstances and states that the Council is not liable for any employment liabilities.

Human Resources

- 3.1 The voluntary and community sector organisations currently funded by the Council as part of this report are independent of the County Council and therefore there are no human resources considerations.
- 3.2 As funding is redesigned or withdrawn, then there could be a specific HR impact on the individual organisations which were fully ascertained through the review process. There may also be structural and

resourcing implications for internal services which will be fully scoped as commissioning plans progress.

Information Technology

- 4.1 There are no Information Technology considerations associated with this report.

Equalities Impact

- 5.1 The provision of specialist advisory services including specialist legal advice aims to prevent ill health by helping people deal with their social and financial problems such as redundancy, debt, homelessness, and domestic abuse. These services can be expensive therefore making them inaccessible to the most vulnerable people. The continuation of these services will help to ensure that the identified need is addressed.

Where grants are commissioned, the Council believes that this would have a positive effect through providing a more stable funding platform by which organisations can grow and enhance their offer.

Where funding is proposed to be thematically redesigned, it is anticipated that this would have an overall beneficial impact on Derbyshire residents as it would put in place a longer-term funding approach and emphasis on better outcomes with the funding provided.

As commissioning plans are executed, individual exit plans will be developed for the organisations affected to manage the potential loss of grant funding or for the preparation of commissioning arrangements. This will also ensure individual beneficiaries impacted are supported through any transition.

With any change, it is anticipated that regardless of the outcome, there will be a level of anxiety in respect of the recommissioning of funding, especially as some of these groups have been long standing and provide activities to vulnerable groups. The Council will work closely with organisations ensure that plans and timeframes are clear and any transitions can be managed as effectively as possible.

Corporate objectives and priorities for change

- 6.1 By making an interim grant this will assist those organisations to retain volunteers and staff, who otherwise may begin to look for alternative opportunities or employment. This would ensure continuity of service for those people supported which in turn would reduce dependency on

other services. As it is expected to have longer term funding arrangements in place in the new process, this will assist with staff retention for those successful providers.

Other (for example, Health and Safety, Environmental Sustainability, Property and Asset Management, Risk Management and Safeguarding)

- 7.1 In preparing this report the relevance of the following factors has been considered: human resources, health, environmental, transport, and crime and disorder considerations.