



**FOR PUBLICATION**

**DERBYSHIRE COUNTY COUNCIL**

**REPORT TO CABINET MEMBER FOR HEALTH AND COMMUNITIES**

**19 February 2024**

**Report of the Executive Director - Corporate Services and  
Transformation**

**Provision of Specialist Advice Services 2024-25**  
(Cabinet Member for Health and Communities)

**1. Divisions Affected**

1.1 County-wide

**2. Key Decision**

2.1 This is a key decision because it is likely to be significant in terms of its effect on communities living or working in an area comprising two or more electoral areas in the County.

**3. Purpose**

3.1 To:

- a) Update the Cabinet Member for Health and Communities on progress to review specialist legal advice services; and
- b) Seek approval from the Cabinet Member for Health and Communities to award grants totalling £100,524 to specialist legal advice service voluntary and community sector (VCS) organisations from 1 April 2024 to 31 March 2025 as set out in this report whilst funding plans are developed and implemented.

**4. Information and Analysis**

- 4.1 The Council currently awards three annual grants for specialist advice services to Derbyshire Law Centre and Citizens Advice Mid Mercia, as outlined in Appendix 1 to this report, totalling £100,524. 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 receives an annual grant of £10,400 to support its core costs in providing specialist legal advice and assistance in South Derbyshire.
- 4.3 Derbyshire Law Centre receives an annual grant of £60,524 to support its core costs in providing specialist legal advice, assistance and representation throughout the county. Derbyshire Law Centre also receives an annual grant of £29,600 to support core costs in providing specialist employment advice services within the South of the county (Derbyshire Dales, Amber Valley and Erewash).
- 4.4 The Council has been reviewing all grants provided to the voluntary and community sector since November 2019. In August 2022, following 12 weeks' public consultation earlier that year, an assessment process concluded that the activity and outcomes achieved through the provision of specialist legal advice services should continue to be supported.
- 4.5 In March 2023, the Cabinet Member for Health and Communities agreed to secure current funding arrangement until 31 March 2024 with the intention to review current funding arrangements. Since this time officers have worked with colleagues in Public Health to explore potential future options.

### **The Council's financial position**

- 4.6 Since the VCS Funding Review was concluded and the new approach was agreed for implementation, the Council has faced significant financial challenges.
- 4.7 This has resulted in a projected overspend for 2023-24 and the introduction of a series of financial controls including a temporary recruitment pause and controls over non-essential spend. A significant budget gap has also been identified for 2024-25 and it is anticipated that there will be similar challenges in future years. This has significantly changed the context within which the Council funds the delivery of services and activity.

- 4.8 All current and planned budget allocations must therefore now be scrutinised to support the Council to meet its legal obligation to deliver a balanced budget both for the 2024-25 financial year and future years. All funded activity will be assessed and prioritised against the Council's statutory duties, its strategic objectives and proposed budget savings.
- 4.9 As the Council does not have a specific statutory duty to provide specialist legal advice the activity outlined in this report is discretionary and therefore alternative funding options to support the Council's budget position must be considered over the coming year.

### **Moving forward**

- 4.10 Current funding arrangements for specialist legal advice services end on 31 March 2024. To ensure the sustainability of organisations and the continuation of activity while funding is assessed against the Council's wider budget priorities, the Cabinet Member for Health and Communities is asked to agree to secure current funding arrangements, until 31 March 2025.
- 4.11 To adhere to the Council's 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 - Do nothing. The Council could do nothing and allow the current grants to end on 31 March 2024. Ceasing funding at this point would contribute towards addressing the Council's budget deficit. However, this would impact those organisations currently delivering specialist advice activity and would also impact activity that supports objectives within the Public Health Service Plan. Although grants are allocated on an annual basis it is important that organisations are given appropriate notice of any changes as specified in Best Value Guidance and the Derbyshire Compact. This option is therefore not desirable as it would not support the Council to meet these obligations.
- 6.2 Option 2 - Extend for a time limited period (six months). The Council could extend grants for a time limited period with a review at six months, ensuring continuation of activity whilst further work is undertaken to assess the funding against the Council's emerging financial position and

budgetary priorities. However, this option would leave organisations with limited ability to plan activity and budgets and could therefore result in a loss of specialist advice services and expertise before a definitive decision on the future funding/approach is agreed.

## **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 28 July 2022

## **9. Appendices**

9.1 Appendix 1 – Implications

## **10. Recommendation(s)**

That the Cabinet Member for Health and Communities:

- a) Notes the progress to redesign specialist legal advice services funding.
- b) Approves the award of grants totalling £100,524 to VCS organisations providing specialist advice services for a twelve-month period from 1 April 2024 to 31 March 2025 as set out in this report whilst funding plans are developed and implemented.

## **11. Reasons for Recommendation(s)**

11.1 The assessments completed for the provision of specialist advice service activity determined that future funding should be thematically reviewed. The context of the review has now changed significantly and this review will not be complete by 1 April 2024.

11.2 Extending the funding to 31 March 2025 would allow for the implementation of alternative arrangements and would align to the agreed grant policies and processes, with no expectation that funding would continue beyond the stated period.

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

12.1 No

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**Implications****Financial**

- 1.1 There is no movement in departmental expenditure. The budget remains the same with no further cost incurred.

<b>Funded organisation</b>	<b>Current Grant (£'s)</b>
Derbyshire Law Centre	90,124
Citizens Advice Mid-Mercia	10,400
<b>Total</b>	<b>100,524</b>

- 1.2 Whilst the proposed allocations are based on funding agreed in respect of the 2024-25 year and can be met from the existing Strategy and Policy £2.44m budget, all areas of the Council have been required to make both in-year financial savings and propose further areas for budget savings in 2024-25 to support the Council's financial position.

**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 workforce implications.
- 3.2 As funding is redesigned or withdrawn, then there could be a specific HR impact on the individual organisations which will be fully ascertained through the review process.

## **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.
- 5.2 As funding is assessed, 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.
- 5.3 With any change it is anticipated that, regardless of the outcome, there will be a level of anxiety in respect of the review 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 to 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 Making a grant 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.

## **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.