

# CITIZENS' ADVICE FUNDING

1 OCTOBER 2021 (VERSION 6)

## Introduction – Citizens’ Advice Funding

We are the principal funders of Guildford and Ash Citizens Advice (CA). Each CA is a separate independent charity and (in common with other CAs) neither organisation would be viable without substantial funding from the Council.

In 2021/22 (subject to confirmation by the Executive), our core grant support totals £300,000 (Guildford £225,000 and Ash £75,000). Separately, we have a funding agreement with Ash CA for £63,000 per annum to provide a money advice service for homelessness prevention, which is funded through government grant. That is outside the scope of this mandate.

Whilst all Surrey district and borough councils provide financial support to CAs, our own funding is significantly higher than elsewhere. Although direct comparisons are not straightforward (e.g. some councils may provide free accommodation in addition to financial support), it is clear that total funding of £250,000 would be more in line with other councils (although still at the higher end). Appendix 1 provides further information.

As a Council, we have had to deliver significant savings ourselves through channel shift, modernisation and new ways of working. With our support, the CAs (and Waverley CA) have been discussing closer joint working and mergers to reduce costs. We have also encouraged them to consider new service delivery options by adopting a more outreach-based approach. Changes could deliver savings in terms of staffing and accommodation. Guildford CA currently occupies Council-owned premises for which it pays an annual rent of £41,400 and service charge of £10,941 (covered by our grant). (The market rental is estimated at £53,000 per annum.). Without significant change, there are questions about the ongoing viability of Guildford and Ash CAs in their current form.

This mandate sets out the options for future funding of the CAs in the context of our extremely challenging financial position and corporate priorities.

## Introduction – Citizens’ Advice Funding (continued)

As part of the consideration of the mandate, it is important to note the benefits that the CAs provide to our residents and the contribution they make to our own corporate priorities.

Citizens’ Advice is a network of independent charities that gives free, confidential information and advice to assist people with money, legal, consumer and other problems. Primary issues include debt management, welfare benefits, housing, immigration and asylum, employment, consumer complaints and landlord-tenant disputes. Services provided by CAs can help address issues such as social exclusion and child poverty, mental health, homelessness and housing conditions, older people and those with long term illnesses and disabilities accessing welfare benefits and care advice.

Guildford and Ash CAs provide support to 4,000 to 5,000 clients each year. A significant proportion of those will be referrals from the Council and many will also be our tenants. Although we have no statutory obligation to fund CAs, there is no doubt that demand for our services would increase markedly without the advice and support they provide.

# CITIZENS' ADVICE FUNDING - STRATEGY

## **1. Why should a programme/project be started now?**

A decision is required on future funding of Guildford and Ash CAs to inform discussions about future joint working and collaboration and to deliver potential savings as part of our Savings Strategy.

## **2. What is the good idea or problem to be solved?**

In the context of the challenging financial position facing the Council and its corporate priorities, to determine the appropriate level of future funding for Citizens Advice services in the borough.

## **3. What is the purpose of the project and what outputs and outcomes will it deliver?**

Depending on the preferred option, the decision could deliver financial savings to the Council of at least £50,000 per annum. It will also inform discussions between the CAs on joint working and new delivery options to ensure services are provided in the most cost-effective way.

## **4. What priority, corporate objective or strategy is fulfilled by this project?**

A reduction or cessation of funding would contribute to savings required as part of the Council's Medium Term Financial Plan.

Services provided by the CAs are highly valued and contribute to our priorities of supporting our most vulnerable residents.

# CITIZENS' ADVICE FUNDING - OPTIONS

## 5. What are the strategic options available to GBC to deliver a solution?

### a) **Do Nothing**

Continue with existing funding levels for the CAs of £300,000.

### b) **Do Something**

Introduce a phased reduction of funding for the CAs to bring Guildford's funding more into line with other councils and deliver some financial savings:

£300,000 (2021/22) £275,000 (2022/23) £250,000 (2023/24)

### c) **Do More (1)**

Make more substantial reductions to CA funding. The viability of the CAs could be threatened beyond certain funding levels and there would be an increased impact on capacity and service quality. This could result in increased demand for Council services.

### d) **Do More (2)**

Explore alternative ways of providing existing CA services (e.g. in-house or formal procurement exercise)

### c) **Do Most**

Discontinue all CA funding. Although delivering savings of £300,000 per annum, this would lead to the closure of the CAs and place increased demand on Council services.

The Executive Liaison Group considered this mandate at its meeting on 30 June 2021 and expressed support for Option (b).

# CITIZENS ADVICE FUNDING - CONSIDERATIONS

**6. Who are the lead Director and Service Manager who will lead and direct the project and use/maintain the projects products once they are handed over?**

Dawn Hudd, Strategic Services Director

Steve Benbough, Strategy and Communications Manager

**7. What are the impacts on other Operational Service Leaders or projects?**

Reductions in CA funding that resulted in significant impacts on service delivery could place increased demands on Council services, such as housing and debt advice, family support and community services.

**8. What general approach will the project take to deliver?**

Any decision will be implemented and managed by the Strategy and Communications Manager. The Strategy and Communications Manager and Community Services Manager will offer to support the CAs in discussions on joint working, mergers and new service delivery models.

**9. When and why must the project start and finish?**

A decision is required now to inform ongoing discussions between the CAs and to assist with their future financial planning. Any changes to funding will need to be incorporated in the Council's own budget preparations for 2022/23.

# CITIZENS' ADVICE FUNDING - RESOURCES

## **10. Which stakeholders are or will need to be involved in the project?**

Corporate Management Team  
Lead Councillor/Executive  
Council representatives on the Guildford and Ash CA Boards  
Guildford, Waverley and Ash CAs

## **11. What specialist resources (internal and external) are needed to consider this mandate and develop a strategic outline business case?**

A strategic outline business case will not be required and any decisions will be taken forward as part of the Council's savings strategy.

Legal support will be needed to prepare a funding agreement to reflect any agreed changes.

## **12. What Rough Order of Magnitude (ROM) are the likely Whole Life Costs (WLC) of the project and live service?**

Current funding of Guilford and Ash CAs is £300,000 per annum. The preferred option within this mandate suggests potential savings of up to £50,000 per annum.

# CITIZENS' ADVICE FUNDING – RISKS, ASSUMPTIONS & ISSUES

## 13. What are the strategic Risks, Assumptions, Issues, Dependencies, Constraints & Opportunities?

### Risks

Criticism from Guildford and Ash CAs, other stakeholders and press about any reduction of funding.

A fast and substantial reduction of funding may place the viability of the CAs at risk.

Withdrawal of services caused by substantial funding reductions may place increased demand on Council services.

### Assumptions

That the Council wishes to review CA funding in light of current financial constraints.

That there is a wish by all parties for the CAs to deliver cost-effective services for vulnerable residents in future.

That the Council will continue to provide substantial funding to the CAs in future

That significant opportunities exist for cost savings by the CAs through joint working or mergers, new service delivery models and rationalisation of accommodation needs.

### Issues

Any merger involving Waverley CA would require consideration of equitable funding by Guildford and Waverley Borough Councils.

To determine whether an equality impact assessment is required.

Public consultation may be required if funding reductions led to closures or loss of services.

# CITIZENS' ADVICE FUNDING – DEPENDENCIES, CONSTRAINTS AND OPPORTUNITIES

## Dependencies

There are no specific dependencies (other than the assumption that the CAs are able to deliver the efficiencies required to enable the ongoing provision of services).

## Constraints

Long-term financial pressures.

Viability of the CAs would be put at risk by substantial funding reductions.

## Opportunities

To deliver financial savings required as part of the Council's savings strategy and within the 2022/23 budget.

More cost-effective delivery of services by the CAs through collaboration and new delivery models.

Guildford CA could make significant cost savings by vacating its current accommodation in Hayden Place and this would allow the Council to consider alternative uses of the premises.

# Internal GBC Stakeholders (Contributors to this Issue/Mandate)

**Involved or sighted so far**

Steve Benbough, Strategy and Communications Manager (author)

Sam Adam, PMO Officer

Faye Gould, Procurement Manager

Dawn Hudd, Strategic Services Director

Samantha Hutchison, Community Services Manager

Jo James, Senior Policy Officer (Strategy)

Siobhan Kennedy, Housing Advice Manager

Claire Morris, Director of Resources

Louise Odell, Interim Project Officer

Diane Owens, Lead Specialist Legal

Marieke van der Reijden, Head of Asset Management

Vicky Worsfold, Lead Specialist Finance

Corporate Management Team

Councillor Joss Bigmore, Leader of the Council

Councillor Julia McShane

**To be consulted at the next step**

Executive Liaison Group

Strategy and Resources EAB

# Citizens Advice Bureau Funding (Appendix 1)

Borough / District Council	Total CA Funding	Total Number of Clients
<b>Guildford</b>	£368,410 (2020/21)	3,072 (2018/19) (Guildford)
		1,340 (Ash) (2019/20)
<b>Woking</b>	£239,500 + accommodation (2020/21)	6,632 (2019/20)
<b>Waverley</b>	£210,000 (2020/21)	4,332 (2018/19)
<b>Elmbridge</b>	£195,180 (2020/21)	4,204 (2019/20)
<b>Runnymede/ Spelthorne</b>	£178,700 + rental support (2020/21)	3,177 (2019/20)
<b>Epsom and Ewell</b>	£134,473 + office space (2019/20)	3,232 (2019/20)
<b>Mole Valley</b>	£120,000 (2020/21)	3,035 (2018/19)
<b>Tandridge</b>	£111,802 (2020/21)	
<b>Reigate and Banstead</b>	£111,000 (2020/21)	4,460 (2019/20)
<b>Surrey Heath</b>	£80,000 (2019/20)	4,472 (2019/20)