

Report to Cabinet
12 September 2012
Report of Head of local neighbourhood services
Subject Grant awards for debt and money advice services

Item

7

KEY DECISION

Purpose

To recommend grant awards to third sector organisations for debt and money advice services

Recommendation

To approve the following grant allocations for the period October 2012 to March 2014:

Outcome: Prosperous City

Money Advice and budgeting service (MABS) - £60,000 for providing an innovative debt consolidation and repayment service

Age UK Norwich - £17,500 for providing an income maximisation service aimed at a vulnerable section of the community

Norfolk community law service (NCLS) - £17,500 for providing a representation and advocacy service for people in the city concerning access rights to welfare benefit decisions

Corporate and service priorities

The report helps to meet the corporate priority "A prosperous city" and the service plan priority that debt issues had become manageable following face to face advice

Financial implications

The cost of these services for 2012/13 is £30,000 with £21,000 allocated from the core grants budget and £19,000 from the financial inclusion budget. The cost of these services for 2013/14 is £65,000 with £25,000 allocated from the core grants budget and 40,000 allocated from the financial inclusion budget.

Ward/s: All wards

Cabinet member: Councillor Waters – Deputy leader and resources

Contact officers

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Background documents

None

Report

1. In 2011, cabinet approved a new commissioning framework, which set out to create a model that would secure value for money through better relationships with public, private and voluntary organisations.
2. The framework also set out to help organisations have a better understanding of the commissioning process and what they should expect when working with Norwich City Council.
3. The framework also demonstrates the council's continued commitment to invest in the voluntary and community sector (VCS).
4. Using the commissioning framework, a review was undertaken of the council's grants provided for general, debt and money advice services which indicated a need to base these awards using an evidenced based approach.
5. Cabinet therefore agreed in January 2012 to bring all current grant agreements for general, debt and money advice together so they ended on the 30 September 2012 and that a needs assessment would be undertaken for debt and money advice services as a basis to commission these services in the future.
6. The needs assessment was undertaken jointly in collaboration with providers and partners and identified significant issues of deprivation, debt and poverty in some parts of the city and local evidence to indicate the link between debt, poverty and poor health, particularly mental illness.
7. The assessment identified the following priorities:
 - Dealing with debt, debt repayment and supporting people to take control of their debt is identified as a priority - this is not a one-off requirement, as clients often require ongoing support in many cases
 - Being able to respond to the increasing level of multiple debt and advice requirements
 - The provision of advice, support or assistance should be free at point of contact
 - Services should be:
 - widely-publicised and promoted for when people want to access advice
 - accessible, recognising that individuals may not be able to travel across the city to access services
 - Providers should cross refer clients where there are multiple needs
 - Some services are not financially sustainable
 - Benefit take-up should be encouraged and targeted
 - A need for increased access to debt relief order provision and increasing the number of trained advisers to deliver this
 - Partnership working, inter-agency referrals and more effective information sharing
 - Preventative measures or services which stop people going into debt to begin with are important
 - Crisis support and management and being able to deal with when it occurs.
8. Whilst these findings do not identify specific activities that should or will be funded, or indeed indicate that the resources are available to deliver them, they do identify where pressures on services are starting to occur and which may worsen over time and if resources are available where they should be targeted.

9. However, the council is committed, where possible to ensuring the right support is provided to people on low incomes. Through the commissioned services it wants to:
- Improve people's financial well-being and reduce inequalities of participation and opportunity
 - Positively change behaviour that introduce more sustainable lifestyles
 - Provide good quality advice information or advocacy services in order to promote access to justice for under-represented groups.

Outcomes

10. Historically the council has concentrated on measuring outputs from advice services. This may have included the numbers of clients, amounts of debt, changes in the levels of debt etc. This has been common throughout the field of advice services with providers often being asked for different performance data sets by different funders.
11. Due to the changing focus on outcomes and outcome-based performance management, there is a greater focus being placed on what it is these services achieve.
12. Discussions with providers have identified the need to consider the change in behaviour of clients and to break the revolving door cycle. This work is in its infancy and will continue to be developed over time with a need to:
- be measuring the rights things
 - performance capture and reporting not being overly onerous on providers
 - being proportionate to levels of funding
 - work towards a single set of measures that are used by all providers
13. The following have been identified as important in terms of why debt and advice services are provided and what they should be achieving:
- advice has to be about changing behaviour with evidence of applying advice and learning with the individual
 - advice should be working towards breaking the cycle both short and long term
 - clients should understand their own rights and responsibilities.
14. Using these as a basis, the city council will be using the following outcome measures within its corporate performance suite and these have started to be used by some providers.
- money issues becoming manageable following face to face advice
 - savings being accrued for the first time
 - individuals are aware of the services and benefits that reduce in-work poverty
 - people are confident about dealing with money issues or calling on outside agencies to assist.

Grant Allocations

15. Grant applications were received and assessed in line with new procedures set out in the commissioning framework. These assessments were undertaken by officers

according to the outcomes required and the head of service has discussed the proposals with the portfolio holder.

16. It is recommended that cabinet approves the allocations of grant funding for the period 1 October 2012 to 31 March 2014.
17. A further budget allocation of £81,000 has been allocated for free debt advice for non-council tenants and a report will be presented to Cabinet in October for this to be allocated.

Integrated impact assessment



NORWICH
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with completing the assessment can be found [here](#). Delete this row after completion

Report author to complete

Committee:	Cabinet
Committee date:	12 September 2012
Head of service:	Bob Cronk
Report subject:	Grant awards for debt and money advice services
Date assessed:	9 August 2012
Description:	

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	An evidence based approach has been used to guide the commissioning of these services using a needs assessment to ensure, as far as possible, that the services are targeted.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The commissioning of debt and money advice services, is one of the core priorities within the council's draft financial inclusion strategy
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Increased levels of indebtedness which are not resolved or are resolved less quickly may result in families being financial excluded and therefore children being more vulnerable and therefore at risk. Ensuring vulnerable and indebted families are supported with access to free advice and information services for debt and money issues, and other services that contribute to greater financial inclusion, will contribute to reducing this risk

	Impact			
<u>S17 crime and disorder act 1998</u>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	There is evidence to indicate that in some individuals, economic deprivation and increased indebtedness can lead to a path into crime. The services proposed within the strategy will contribute to reducing this risk.
Human Rights Act 1998	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The life chances or individuals who are already socially and financially excluded are reduced. The institute of fiscal studies have previously indicated that the continuing financial climate will result in a greater number of families and children being in poverty. The services proposed within the strategy will contribute to reducing this risk. .
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The strategy identifies vulnerability within residents and indicates priorities which if resources become available, can be targeted and will contribute to the health and well being of these residents
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The life chances or individuals who are already socially and financially excluded are reduced. The institute of fiscal studies have previously indicated that the continuing financial climate will result in a greater number of families and children being in poverty. The services proposed within the strategy will contribute to reducing this risk.
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Natural and built environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	

Recommendations from impact assessment

Positive

The proposals in this report will contribute to improving the life chances and quality of life of many socially and financially excluded individuals across the city. Whilst the resources across all providers are reduced, greater collaboration, targeting by using a needs based approach and focussing on those most in need are a cornerstone of this work and will contribute to mitigating the impacts of these issues.

Negative

Neutral

Issues