

Supporting Information and Impact Assessment

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| Proposal: | Reduction in the funding given to the Torbay Citizens Advice Bureau (CAB) |
| Executive Lead: | Cllr Julien Parrott, Lead for Adults and Children |
| Director / Assistant Director: | Caroline Taylor, Director Adult Services |

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| Version: | 3.0 | Date: | February 2017 | Author: | Fran Mason/Chris Lethbridge |
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| Section 1: Background Information | |
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| 1. | <p>What is the proposal/issue?</p> <p>The proposal is to reduce the funding given to the Torbay Citizens Advice Bureau (CAB).</p> <p>The proposal is to reduce the funding by £8k (17/18) and a further £6k (18/19). This would equate to an approximate 10% reduction for each year (based on current 16/17 budget of £75k).</p> |
| 2. | <p>What is the current situation?</p> <p>Torbay CAB provides free, impartial, confidential and independent advice, information and assistance to the public. The issues covered range from life events through all aspects of benefits, debt, disabilities, employment law and relationships. In 2014/15 the main areas of enquiry related to benefits (27%), debt (19%) and housing advice (12%), though clients can often present with multiple, interrelated issues. More recently the percentage of clients seeking debt advice has doubled, whilst benefits enquiries (in percentage terms) remain steady.</p> <p>As a charity Torbay CAB receives no direct funding from government and is dependent on grants and donations from a variety of sources. Torbay Council provides a grant of £75k that in 2014/15 equated to approximately 30% of Torbay CAB's funding. This is not a statutory service.</p> <p>The current Service Level Agreement (SLA) between Torbay Council and Torbay CAB is renewable on a yearly rolling basis unless parties choose to terminate by agreement.</p> <p>Due to significant budget pressures faced by Torbay Council we are proposing to reduce the level of funding provided by the authority, whilst still providing financial assistance to the CAB to support them in delivering services to the community. Torbay CAB actively seeks to secure resources from other areas, whilst at the same time exploring opportunities to deliver their services more</p> |

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| | <p>effectively and efficiently.</p> <p>No significant implementation costs are associated with this proposal, though potential costs to the wider community are reflected in section 2. of this Impact Assessment.</p> |
| <p>3.</p> | <p>What options have been considered?</p> <p>As there is no statutory requirement for the council to support the local CAB, one option could be to cease funding completely (this has occurred in at least one other local authority and maybe in others).</p> <p>However, given the nature of Torbay’s economy and the underlying deprivation present in some of our communities, it is not felt appropriate at present to cease funding completely. The proposal offers a balance between achieving savings for the council (which will be partly balanced by the CAB itself exploring options to work more efficiently) and still providing an independent advice and information service to the people of Torbay.</p> <p>In parallel to this, future options will be developed with regards to how we commission and procure information, advice and advocacy services and encourage providers to build on their partnerships with each other, to achieve a more integrated offer to the public.</p> |
| <p>4.</p> | <p>How does this proposal support the ambitions, principles and delivery of the Corporate Plan 2015-19?</p> <p>Ambitions: Prosperous and Healthy Torbay</p> <p>Principles:</p> <ul style="list-style-type: none"> • Use reducing resources to best effect • Integrated and joined up approach <p>Targeted actions:</p> <ul style="list-style-type: none"> • Protecting and supporting vulnerable adults |
| <p>5.</p> | <p>Who will be affected by this proposal and who do you need to consult with?</p> <p>The proposal directly affects Torbay CAB, together with potential users of their services.</p> <p>Consultation will take place with the following:</p> <ul style="list-style-type: none"> • Torbay CAB; and • The general public. |

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| <p>6.</p> | <p>How will you propose to consult?</p> <p>Consultation on this proposal will commence following the announcement of the Mayor's draft budget proposals in November 2016. This will include direct consultation with Torbay CAB.</p> <p>To ensure that all potential future users of this service are given the opportunity to have their say, information along with a survey will be made available online and in paper as part of the wider consultation on the Mayor's budget.</p> |
| <p>Section 2: Expected Implications and Impact Assessment (These sections will be updated and expanded following the consultation period.)</p> | |
| <p>7.</p> | <p>What are the <u>expected</u> financial and legal implications?</p> <p>The proposal would achieve a financial saving of £14k over the next two years.</p> <p>There are limited direct cost implications though the proposed reduction in funding to the CAB might lead to an increase in presentations to Torbay Council information and advice services (see below).</p> <p>There are no legal implications as we are not proposing to terminate the contract at this stage, which is renewable on a yearly rolling basis. The funding is not statutory.</p> |
| <p>8.</p> | <p>What are the <u>expected</u> risks?</p> <p>As we are not proposing to discontinue funding to Torbay CAB and the proposed budget reductions are relatively small, the expected risks are minimised. However, the impact on the service provider might require them to reduce their service and case-load. A reduced level of information and advice might therefore risk:</p> <ul style="list-style-type: none"> • the CAB may not be able to deliver as many advice sessions to their client base, which may have a negative impact on individuals (including reduced incomes); • there may be an increase in demand across other functions e.g. the council's Connections service (face-to-face and telephone enquiries), GPs, etc; • any reduction in the level of advice provided could lead to higher costs in the wider system e.g. loss of preventative interventions; and • if the proposal is not accepted, savings will need to be found elsewhere. |

Section 2: Implications and Impact Assessment

9. Public Services Value (Social Value) Act 2012

Not applicable.

10. What evidence / data / research have you gathered in relation to this proposal?

There are high levels of deprivation with Torbay falling within the top 14% of most deprived districts in England and Wales in the rank of average scores (Source: Deprivation Indices 2015).

Torbay's total individual insolvency rate was ranked first out of 348 districts, boroughs and unitary authorities in 2015 (Source: The Insolvency Service).

In 2015/16 the service had over 12,000 contacts and directly advised 6,662 clients. The service gave advice on 16,785 problems during 2015/16: an increase of 6% on 2014/15. Debt is the main enquiry area for the service with 42% of enquiries falling within this category (more than double the figure for 2014/15). The specialist debt advice service helped 488 people in 2015/16 (Source: Torbay CAB Annual Report 2015/16).

As part of the budget consultation council colleagues met with the manager of Torbay CAB and the proposal was also included in the questionnaire available to the general public.

11. What are key findings from the consultation you have carried out?

A question on this proposal was included as part of the general budget consultation – the results from this are as follows:

Citizens Advice Bureau:

To reduce the funding given to the Torbay Citizens Advice Bureau (CAB). This proposal is expected to save £8,000 in 2017/18 and £6,000 in 2018/19. CAB provides free, impartial and confidential advice, information and assistance to the public. They support people through a range of issues such as debt, benefits, employment law and relationships. The proposed budget for next year would be £68,000.

| Do you support this proposal? | Number | Percent |
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| Yes | 126 | 30.2% |
| No | 271 | 65.0% |
| No answer | 20 | 4.8% |
| Total | 417 | 100.0% |

In addition, the provider of the service submitted a written response. Feedback has been analysed and grouped into key themes, with examples of comments made:

| Themes | Examples |
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| Not Government funded | "... is not funded by Government , but relies on grants and funding from local and national organisations, including Torbay Council." |
| Advice given | "... provides free, impartial and independent confidential advice on any issue, to anyone, throughout the Torbay community." |
| Well known | "... has been established in the Torbay area for over 50 years and is well known by individuals and providers." |
| Referrals from Torbay Council | "... receives referrals from Torbay Council on a regular basis ... the level of referrals has increased significantly and Torbay Citizens Advice is processing more forms on behalf of the council." |
| Reducing funding | "... has had its budget cut since 2014 to the present level which is a 50% reduction. ... proposed cuts will result in a further fall of 18.6% on present level and 60% since 2014." |
| Benefits to clients, community and alleviates burden on other services | "... gained £1,321,715 for clients in financial benefits, which would be put back into the community" "If our service is to be further reduced then we believe, based on our information, that the whole of Torbay's public services will find their current challenging burden increased." |
| Specialist service | "Torbay Citizens Advice is now the only free debt advice service, with nationally certified specialist caseworkers, providing face to face quality assured advice for the people of Torbay." |
| Supports disadvantaged groups | "We are all aware that Torbay's population is unfortunately, significantly over represented in certain criteria by several groups some of which are socially disadvantaged, the elderly, the unemployed and those in work who ... are just about managing. ". ... These disadvantaged groups comprise a significant percentage of our community and they use, appreciate and depend upon the service provided by Torbay Citizens Advice. One benefit of their utilization of our services is that they manage their affairs more effectively with improved mental and physical health." |
| May need to reduce services | "When our Grant was cut this year we reluctantly had to reduce the Bureau's opening hours to the public." |

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| | | We are most anxious not to reduce our Services any further. Additional cuts in our Grant may leave us with no alternative but to do so.” | |
| 12. | Amendments to Proposal / Mitigating Actions None. | | |

Equality Impacts

| 13 | Identify the potential positive and negative impacts on specific groups | | | |
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| | | Positive Impact | Negative Impact & Mitigating Actions | Neutral Impact |
| | Older or younger people | | <p>According to Advice Trends: Quarterly client statistics of the Citizens Advice services in England and Wales (July – Sep 2016) CAB proportionally sees more clients in the ‘working age’ bracket (25 – 64 years of age).</p> <p>Any decrease in funding and potential subsequent reductions in service might therefore impact more on this population group in Torbay.</p> | |
| | People with caring Responsibilities | No differential impact. | | |
| | People with a disability | | <p>According to Advice Trends: Quarterly client statistics of the Citizens Advice services in England and Wales (July – Sep 2016) CAB proportionally sees more clients with a disability.</p> <p>Any decrease in funding and potential subsequent reductions in service might therefore impact more on this</p> | |

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| | | population group in Torbay. | |
| Women or men | | <p>According to Advice Trends: Quarterly client statistics of the Citizens Advice services in England and Wales (July – Sep 2016) CAB proportionally sees slightly more female clients than men.</p> <p>Any decrease in funding and potential subsequent reductions in service might therefore impact more on this population group in Torbay.</p> | |
| People who are black or from a minority ethnic background (BME) (<i>Please note Gypsies / Roma are within this community</i>) | No differential impact. | | |
| Religion or belief (including lack of belief) | No differential impact. | | |
| People who are lesbian, gay or bisexual | No differential impact. | | |
| People who are transgendered | No differential impact. | | |
| People who are in a marriage or civil partnership | No differential impact. | | |
| Women who are pregnant / on maternity leave | No differential impact. | | |
| Socio-economic impacts (Including impact on child poverty issues and deprivation) | | According to Torbay CAB's Annual Report (2015/16) as a result of providing support to people there were confirmed financial gains for clients | |

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| | | <p>totaling £1,321,715 during 2015/16.</p> <p>The proposed reduction in funding to the CAB might mean that fewer clients are helped, possibly leading to a fall in income flows to the local economy.</p> <p>According to Advice Trends: Quarterly client statistics of the Citizens Advice services in England and Wales (July – Sep 2016) CAB proportionally sees more clients who are unemployed or economically inactive.</p> <p>Any decrease in funding and potential subsequent reductions in service might therefore impact more on this population group in Torbay.</p> | |
| <p>Public Health impacts (How will your proposal impact on the general health of the population of Torbay)</p> | | <p>According to Advice Trends: Quarterly client statistics of the Citizens Advice services in England and Wales (July – Sep 2016) CAB proportionally sees more clients with long-term health problems and/or mental health issues.</p> <p>Any decrease in funding and</p> | |

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| | | potential subsequent reductions in service might therefore impact more on this population group in Torbay. | |
| 14 | Cumulative Impacts – Council wide (proposed changes elsewhere which might worsen the impacts identified above) | A reduction in council funding might mean that the CAB might not be able to absorb any increase in demand or might lead to delays in responding to enquiries e.g. through a possible reduction in the opening hours available to the public. | |
| 15 | Cumulative Impacts – Other public services (proposed changes elsewhere which might worsen the impacts identified above) | Any national or local changes to benefits policies e.g. such as the introduction of Universal Credit might have a cumulative impact on the service. This may include an increase in overall enquiries related to benefits or more clients being redirected from other service such as Jobcentre Plus. | |

