

District-wide Strategic Grants – funding arrangements with CASS and SPARK 2021/2022

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Purpose of the Report

1. This report seeks the approval of District Executive on the funding of our two strategic voluntary sector partners, Citizens Advice South Somerset (CASS) and Spark Somerset for the period 2021/2022

Forward Plan

2. This report appeared on the District Executive Forward Plan with an anticipated Committee date of March 2021.

Public Interest

3. SSDC supports a range of voluntary and community sector groups, organisations and projects via its one-off community grants programme, administered by the Area Committees. It also supports, through regular funding, a small number of strategic district-wide organisations approved by District Executive. This financial investment in the sector not only provides direct support to groups working in the local community but also assists the council in the delivery of the council plan.

Recommendations

4. That District Executive -
 - a) Agrees to a further one year core funding agreement for the period April 2021 to March 2022, for Citizens Advice South Somerset and Spark Somerset.
 - b) Agrees to a one-off uplift of **£11,335** for CASS to fund an additional 22.5 hours a week Adviser to support the significant increase in service demand due to Covid19 for the period April 2021 to March 2022

- c) Agrees to a one-off inflationary uplift of **£1,500** for Spark Somerset for the period April 2021 to March 2022
- d) Agrees that the funding of CASS for 2022/23 and beyond will be subject to the outcome of the package of support work described in paragraph 8.1.3 below.
- e) Agrees that the future funding of Voluntary and Community Sector (VCS) infrastructure for 2022/23 onwards will be subject to the outcome of a commissioning process, based on an updated assessment of the future needs of the VCS post Covid.

Background

5. South Somerset District Council has maintained a long-term service delivery and funding relationship with the above two organisations over many years.

The organisations are considered strategic voluntary sector partners for the District Council delivering services across the whole district that support some of the most vulnerable residents and contribute to a resilient and thriving voluntary and community sector.

In January 2020 District Executive agreed that one year agreements be awarded for the period 2020/2021 and that the funding of voluntary sector will be subject to the outcome of a wider piece of commissioning activity to be determined in line with emerging council priorities.

Funding of both organisations has been subject to District Executive approval with performance also reported to District Executive.

6. CASS

- i. CASS is an independent charity and part of the Citizens Advice network across England and Wales. They work in partnership with other agencies and groups.
- ii. CASS provides free, confidential, advice to help people resolve their problems and also campaign to raise awareness about the big issues that affect people's lives.
- iii. They provide advice on a wide range of issues including benefits, debt, employment, consumer, housing and family relationships. Their goal is to help everyone find a way forward no matter what problem they face.
- iv. CASS is the major provider of free, confidential, independent and impartial advice in the South Somerset area. Advice services are quality assured under the national Citizens Advice Membership Scheme
 - In addition, the organisation aims to improve policies and practices that affect people's lives
 - CASS has been serving the community of South Somerset since 1961

- v. With the arrival of Covid19 the current operating environment remains very demanding and the future extremely challenging.

7. Spark Somerset

- i. Set up in 1981, Spark Somerset was part of a national network of Councils for Voluntary Service (now commonly called Voluntary & Community Action. These are civil society, development organisations whose main purpose is to support the work of other organisations in the VCS; particularly smaller and volunteer run community groups.

Its role includes:

- Helping new initiatives to develop and new organisations to form
 - Providing advice and information on all aspects of running and managing the organisations they work with, including effective governance, recruiting volunteers and accessing sustainable funding or generating income.
 - A leadership role within the sector, encouraging organisations to work together in collaboration and partnership.
 - Representing the views of its members to statutory bodies and others.
- ii. With closure of the voluntary sector support provided by Engage earlier this year, Spark Somerset is now the only remaining countywide VCS infrastructure organisation, funded by all the councils, whose principal purpose is to support the wider voluntary and community sector.
 - iii. It was agreed by SLT and approved by District Executive Committee in January 2020 that Spark Somerset would be funded, with a small inflationary uplift, for a further 12 months (April 2020 to March 2021) and that a Voluntary Sector Infrastructure Service would be newly commissioned with effect from 1st April 2021.

8. Impact of Covid19

8.1. CASS

- i. As a consequence of Covid19 all the Somerset CA's have been compelled to undertake a process of service transformation in order to be able to continue the delivery of services whilst unable to open offices and provide one-to-one advice work. Many traditional CA volunteers are older people and have been required to self-isolate, therefore impacting directly on organisational capacity.
- ii. Staff and volunteers have worked remotely from home using telephone, email and web chat as the principal channels for the public to access help.
- iii. In particular there has been a significant refocusing on digital transformation with a single Somerset customer online advice portal (supported with funding

from Somerset Community Foundation) <https://citizensadvicesomerset.org.uk/>

This has also required significant investment in the Somerset Adviceline – a single telephone access number that has enabled residents from anywhere in Somerset to access information and advice irrespective of which particular Citizens' Advice picks up the service request.

- iv. Critically Covid19 has been the catalyst to facilitate much greater collaboration between the 5 local CA's in Somerset delivering all manner of benefits in terms of both service delivery (see point iii above) and efficiencies in back office functions – all ambitions of the package of support work that the District and County Councils have been working on during the latter part of 2019 and 2020.
- v. As a direct consequence of Covid19 CASS has seen a **44%** Increase in Demand for General Advice (the core service) as compared with the same period last year (April to December).
- vi. The Freephone Adviceline and email advice are now the main routes into advice for the people of South Somerset. This is the core service and is distinguished from separately funded specialist projects.
- vii. At the same time as this increase in demand CASS saw a huge drop in active volunteers from 52 to a current figure of 23 and in order to maintain service levels staff have been re-deployed into Adviceline.
- viii. As a result of the significantly increased demand an additional **£11,335** uplift has been requested for 2021/22. This will enable CASS to fund an additional 22.5 hours a week Adviser for the 2021/22 year (alongside the 2 funded by CASS reserves). This post would boost capacity by handling approximately **920** clients, deployed on Adviceline and the proposed Priority Towns Project.
- ix. The Priority Towns Project has been set up to address a recorded drop in client numbers from Wincanton, Crewkerne, Yeovil (Westfield) and Martock as a consequence of the changes to service delivery precipitated by Covid19. These are all areas where high numbers of low income and/or disabled people live.
- x. A more detailed dashboard of performance data is attached at Appendix A.

8.1.2. Post Covid Recovery

As can be seen from the service demand figures during the pandemic, the requirement for Citizens Advice services has escalated significantly and is expected to rise further with the anticipated increase in people losing their jobs, the end of furlough, indebtedness and problems accessing welfare and benefits.

Even once the pandemic officially comes to an end, the demand for services will continue to be high due to the legacy impacts on people. Therefore the continued funding of CASS is essential to ensure that people's advice needs are being met. Without CASS, demand would most likely transfer to the council

which it would be unable to meet within its existing staff and financial resources, infrastructure and expertise.

8.1.3. Future Transformation

- i. The transformation work undertaken in response to Covid has shifted the focus of the original objectives of the package of support agreed by the Somerset Councils and has had the unintended consequence of moving the transformation agenda on at a rapid pace. The focus of the work, due to start in March 2021, will concentrate on the following
 - Developing a core service offer and standard operating procedure (SOP);
 - Developing the capacity and scope of Somerset Adviceline as the main point of access to the core advice service in Somerset

The costs of delivering this programme of work will be met from the contributions agreed by all the respective councils in the last financial year at the level of £5,000 per council.

- ii. The outcome of this programme of work will be reported on next year as part of the core funding decision for 2022/23 and onwards.

8.2. Spark Somerset

- i. Following the January 2020 DX committee decision to commission VCS Infrastructure for 2021/22 a commissioning timetable was produced and preparatory work begun, in consultation with our Procurement Specialist, when the Covid19 lockdown began.
- ii. The Covid-19 crisis had an immediate impact on the VCS sector, and the resultant explosion of grass roots community activity which arose in response required Spark to 'drop everything' and respond as quickly and flexibly as they could to the emerging needs.
- iii. Spark's exemplary role during Covid19 has been well documented with their ability to respond quickly and proactively in the support of all the Covid19 community groups that sprung up across the county. Examples of Spark's Covid19 activity can be found in Appendix 2.
- iv. Alongside the response to Covid19 Spark have attempted to continue with as much Business as Usual but this has been seriously curtailed, with activity limited to what can be achieved over the phone and online.
- v. As a consequence of the above, the plans to undertake a VCS Infrastructure commissioning exercise were postponed given the shift in priorities for both Spark and SSDC.

8.2.1. Post Covid Recovery

- i. Given the documented impacts that have been inflicted on the local VCS due to the Covid pandemic, and the pre-pandemic issues as identified in the 2020 State of the Sector survey (see Appendix 2), having a secure well-funded VCS infrastructure organisation able to meet the support needs of local community groups and voluntary organisations will be crucial to the sector's recovery and growth.
- ii. The voluntary and community sector will be a key partner in helping with the recovery post Covid and in delivering the council's areas of focus, particularly under the Healthy and Self-reliant Communities theme addressing the key challenges facing Somerset as identified though the work undertaken on Stronger Somerset.
- iii. In addition to supporting the activity of individual organisations and groups who can contribute to the Stronger Somerset agenda, Spark itself is funded to deliver projects in the areas of health and wellbeing such as Social Prescribing and the Open Mental Health project (one of only a small number of national pathfinder projects funded by Central Government).
- iii. It is only by guaranteeing the core funding of organisations such as Spark that they are able to attract external funding and successfully tender for services/projects that enhance the offer available to the community.

8.2.2. Commissioning for the Future

- i. Whilst it is likely that all the councils will continue to agree their own funding arrangements with Spark, during Covid19 there has been significant collaboration between the County and District Councils and the CCG regarding the longer term funding of VCS infrastructure.
- iii. A more strategic approach to funding VCS infrastructure will help to support post Covid recovery for the VCS whilst strengthening and developing community action.
- iv. Through the joint discussions a core set of five Infrastructure functions have been agreed by all the parties which will form the basis of future funding arrangements and will support a common reporting framework.
- v. Spark are in the process of collecting and bringing forward evidence to help inform what the needs of the VCS sector will be post Covid and where therefore the emphasis of Infrastructure work is most likely to be needed.
- vi. Working with the Lead Specialist – Communities, the role of the wider VCS sector in Covid19 recovery and supporting the council's key Themes and Areas of Focus, (particularly those relating to Healthy and Self Reliant Communities) will be scoped.



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- vii. All of the above will then inform the commissioning process and look to provide circa three year funding in order to give financial stability, particularly through Covid recovery and in the transition to whatever new local government arrangements are agreed for Somerset.

Constitutional implications

9. Grants to Outside Bodies are covered by SSSDC's Financial Regulations (15.3).

Financial Risks

10.1. CASS

- The CASS Trustees have approved a deficit budget in 2020/21, drawing on **£32,300** of reserves in order to continue to fund 2 salaried posts on Adviceline in readiness for the next expected demand in service due to Covid19.
- However despite a deficit budget and the withdrawal of reserves, CASS would remain a solvent organisation operating in 2021/22 with total reserves of **£198,635**, of which **£90,635** are free reserves. This would provide a minimum of 3 months operating costs in a worst case scenario of the organisation being wound down.
- **£34,334** of new funding has been secured by CASS during 2020/21 from the National Lottery Community Fund for a Somerset Advice Academy training 60 new telephone advisers who will graduate into service from May 2021 onwards. A **£30,000** anonymous donation has also been secured which will be utilised specifically to support families experiencing financial hardship as a result of Covid19.

10.2. SPARK

- Trustees are in the process of setting their 2021/22 Budget.
- Decisions on core funding from the Somerset councils are all expected in February or March 2021. It is anticipated that core funding levels will either be at the same level as 2020/21 or, as in the case with Sedgemoor, and possibly Mendip, subject to an increase.
- Additional funding secured in 2020 includes £137k Grant from the Lottery to support community development and volunteering legacy in 3 areas of Somerset (Chard in South Somerset). £36,835 for 6 months from December 2020.

Financial Implications

11. The recommendation to Members is to approve a one-year extension to the agreements with CASS and SPARK, including an inflationary uplift for Spark and one-off Covid mitigation uplift for CASS.

11.1. CASS

- In addition to the core contribution of £121,730, it is proposed to increase CASS's funding for 2021/22 by **£11,335** to fund an additional 22.5 hours a week Adviser post that would boost capacity by handling approximately 920 clients, deployed on Adviceline and supporting the proposed Priority Towns Project (see paragraph 8.1.1(ix))

11.2. Spark

SPARK's core funding of **£75,520** funding will continue for a further year at the current level plus an inflationary increase of **£1,500**.

Current and proposed payments to these two organisations are summarised in the following table:

Organisation	2020/21			2021/22		
	Core Grant	One Off Uplift/Inflation	Total	Core Grant	One Off Uplift/Inflation	Total
CASS	£121,730	£23,305	£145,035	£121,730	£11,335	£133,065
SPARK	£74,260	£1,260	£75,520	£75,520	£1,500	£77,020
Total	£195,990	£24,565	£220,555	£197,250	£12,835	£210,085

In addition to the above there is a further **£9,000** in the Corporate Grants budget which is allocated to support SSDC's contribution to the county-wide Disability Consultation and Engagement Service.

11.3 Summary

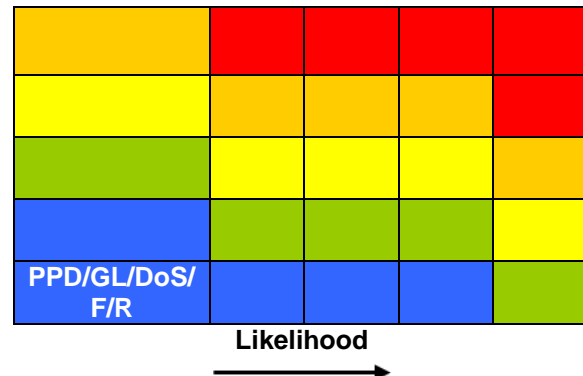
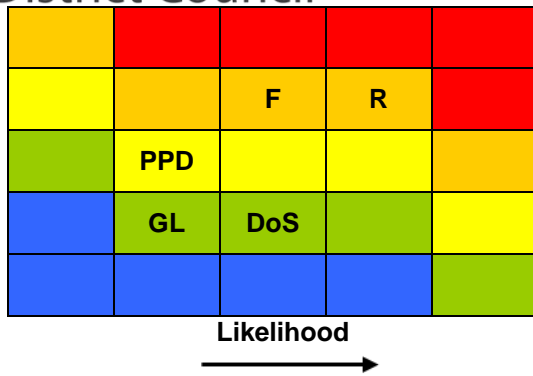
- The 2021/22 budget for strategic district-wide voluntary and community sector grants is **£229,590**.
- The proposed levels of funding for 2021/22 for CASS and Spark Somerset, including uplifts, totals **£210,085**.
- In addition there is a **£9,000** allocation towards the Somerset Disability Engagement and Consultation service.
- All of the above can be met from within the 2021/22 Grants budget i.e. the total of the above commitments in 2021/22 is **£219,085**. This will leave a balance of **£10,505**

Risk Matrix

Risk Profile before officer recommendations Risk Profile after officer recommendations



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Key

Delivery of Services – DoS	Catastrophic impact and likelihood certain Significant impact and likelihood probable Moderate impact and likelihood possible Limited impact and likelihood unlikely Minimal impact and likelihood remote
Health and Safety - HS	
overnance and Legal – GL	
Financial - F	
Project/Programme Delivery - PPD	
Reputation - R	
SC - Staffing and Capacity	

Council Plan Implications

12. The work of both CASS and Spark helps the Council deliver on the following values and priorities in the 2020/24 Council Plan:

The work of both CASS and Spark contributes to the following elements of the council Corporate Plan

Aim: Delivering for our communities

Values: Working collaboratively - Working with partners to enhance outcomes for our communities

Theme: 'Healthy and Self Reliant Communities' and the following priorities

- Work with partners to keep, and help our residents feel safe in their homes and communities
- Work with partners to reduce the impact of social isolation and create a feeling of community
- Work with partners to support people in improving their own physical and mental health and wellbeing
- Enable quality cultural, leisure and sport activities
- Proactively support residents facing hardship
- Help tackle the causes of economic exclusion, poverty and low social mobility
- Support older people to live and age well by increasing independence, reducing loneliness, and improving financial security



South Somerset District Council 2021/22 Priority Projects

1. Lead the recovery and revitalisation of our economy and communities to be stronger, more resilient and more vibrant than before Covid-19.
4. Address child poverty, social isolation and low levels of social mobility across the district

By contributing to an effective Voluntary and Community Sector, Spark can also be shown to make a contribution to the priority of making SSDC a cost effective organisation through building a mature voluntary sector which the council can confidently do business with and thereby achieve greater Social Value.

Carbon Emissions and Climate Change Implications

13 None

Equality and Diversity Implications

13.1 Working with the voluntary sector is one of the Council's means of providing services to hard to reach groups and engaging with communities and individuals who otherwise find it hard to access public services. CASS and Access for All deliver services to some of the most vulnerable people in the district whilst SPARK contributes to a thriving and resilient voluntary and community sector. Supporting the VCS increases community engagement and participation.

13.2 If members support the recommendation then there will be no negative impacts in respect of the Protected Characteristics covered by the Equality Act.

13.3 If members are minded to recommend either a reduction in the value, or to not support any of the recommended levels of funding, a full Equality Analysis will need to be carried out and reported to DX before recommendations are implemented.

Privacy Impact Assessment

14. None

Background Papers

District-wide strategic grants – funding arrangements with CASS and SPARK 2020-2021; Funding for Citizens Advice South Somerset (CASS) February 2019; District-wide strategic grants – Proposal for new two -year funding agreements with Access for All, CASS and SPARK 2018-2020; District-wide Voluntary Grants 2017-18; District-wide Voluntary Grants 2016-17; District-wide Voluntary Grants 2015-16;