

Decision Report - Executive Decision

Forward Plan Reference: FP/23/09/03

Decision Date – 8 November 2023

Key Decision – Yes

Voluntary, Community, Faith and Social Enterprise (VCFSE) Strategic Funding

Executive Member: Cllr Theo Butt Philip Lead Member for Transformation and Human Resources

Local Member(s) and Division: Not applicable

Lead Officer: Sara Skirton, Service Director – Partnerships and Localities

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1. Summary / Background

- 1.1** The voluntary, community, faith and social enterprise sector (VCFSE) is an acknowledged key partner for the Council and broader Integrated Care System (ICS) as underlined by the signing of a new Memorandum of Understanding on 28 September 2023.
- 1.2** Further to Local Government Reorganisation Programme 6 December 2022 endorsing the LGR Joint Committee decision on 4 February 2022 to reaffirm grant funding to VCFSE organisations from April 2023, work has been led by the Partnerships and Localities service to review and consolidate agreements with the VCFSE sector to develop a more strategic, sustainable and efficient approach. The decisions in this paper relate to core funding for two key strategic partners for the Council: Citizens Advice Somerset and Spark Somerset; and the administration of small grants for voluntary groups.
- 1.3** A cross-council working group has been established to support further join-up in relation to VCFSE funding and engagement. MTFP Board has been consulted (2nd October) in informing these recommendations. MTFP Board noted that work to review and rationalise grants, including small community grants and council lotteries, is ongoing. The Board also recognised the need to provide early certainty and stability to key voluntary sector partners and to do so, that decisions need to be taken sooner.

2. Recommendations / Action required

Executive is asked to agree:

- 2.1. To a three-year core funding agreement (Early Help and Prevention) for the period 1 April 2024 to 31 March 2027 (with options to extend 1 plus 1), for Citizens Advice Somerset (CAS) and Citizens Advice West Somerset (CAWS).
- 2.2. To a total core funding (Early Help and Prevention strand) allocation of £629,000 in year one followed by funding of £600,000 in subsequent years for Citizens Advice Somerset and Citizens Advice West Somerset, allocated as follows -
 - i. £629,000 – CAS £581,137; CAWS £47,863
 - ii. £600,000 – CAS £552,137; CAWS £47,863
- 2.3. To up to five-year contract, jointly funded with Somerset ICB, to support VCFSE infrastructure and sector engagement with Spark Somerset for 1 April 2024 to 31 March 2027 (with options to extend 1 plus 1), with a combined value of up to £750k per annum.
- 2.4. To allocate a minimum £250k local authority contribution to VCFSE infrastructure per annum for 3 years.
- 2.5. To delegate responsibility to the Service Director Partnerships and Localities in consultation with the Lead Member for Transformation and Human Resources to finalise and agree a mechanism to support a small grants process.

3. Reasons for recommendations

- 3.1 To provide assurance to the VCFSE sector, their partners, stakeholders and client groups of continuation of funding, and to take the opportunity to consolidate the number of separate agreements which the Council currently has in place through drawing together funding previously awarded. Multi-year agreements provide greater security of funding and enable VCFSE organisations greater flexibility in the delivery of outcomes and support innovation. A revised specification will also ensure consistency of service provision across the county, provide greater coherence and will reduce duplication as well as the contract management, monitoring and reporting burden.
- 3.2 Previously comprising five independent Local Citizens Advice (LCA), Mendip, Sedgemoor, South Somerset and Taunton have now merged to form Citizens Advice Somerset with Citizens Advice West Somerset (CAWS) remaining a separate entity for the time being. Citizens Advice services make a significant contribution to individuals and communities through giving free, impartial and confidential information and advice to everybody regardless of race, gender, age, religion, sexuality or disability. The impact of Covid-19 and the cost-of-living crisis has reinforced the importance of ensuring appropriate advice services are in place. Existing agreements ending on 31 March 2023 provide an opportunity to consolidate the arrangements. This provides assurances to the funders of CA specialist projects that the core business is secure and enables Citizens Advice services to effectively plan and sustain services. Separate local authority decisions will be taken in relation to Local Assistance Funding and more specialist / targeted services such as housing and homelessness.

- 3.3** The provision of support to voluntary groups is key in securing a strong, vibrant VCFSE sector which supports and can help deliver Somerset Council's ambitions for the county and its residents. Spark Somerset is Somerset's sole council for voluntary service and the recognised countywide VCFSE infrastructure provider. Spark is a member of the National Association for Voluntary and Community Action, the national co-ordinating body for infrastructure organisations. Infrastructure support enables individual VCFSE groups and organisations to develop, improve and sustain their services through the provision of training for staff and volunteers, advising on operational and governance policy and procedure, assisting with funding applications and bid writing, and ensuring safeguarding responsibilities are met. The support also co-ordinates the voice of, and advocates on behalf of, the VCFSE sector in its partnerships with the public sector and is key to the implementation of the engagement model with the VCFSE sector.
- 3.4** There are currently several disparate legacy agreements in place with the VCFSE sector. With District agreements due to end 31 March 2024 there is the need and opportunity to rationalise and review the alignment of existing agreements to the new Council priorities and ensure a more coherent approach to VCFSE funding going forwards and greater equity in opportunities for other groups to apply for funding.

4. Other options considered

- 4.1.** If a decision is not taken now in relation to Citizens Advice and Spark Somerset, it risks destabilising key VCFSE strategic partners and, without confirmation of funding, the loss of staff and curtailed service activity. It would have a significant negative impact on the Council's reputation and undermine the Council's approach to working with the VCFSE sector which is a key stakeholder in further designing and delivering the new Authority and transformation thereafter.
- 4.2.** No alternative options exist in terms of the provision of core funding. It is a well-established fact that the vast majority of grant making charitable trusts and other third-party funders do not provide core funding. Whilst they will fund projects, which the Somerset CAs and Spark Somerset have been very successful in securing, projects themselves cannot be delivered without the surety of core funding.
- 4.3.** One option could be to provide single year funding agreements. This option was rejected as being inefficient in terms of time taken to negotiate agreements and more importantly it would undermine the ability of key strategic partners to plan their services for the longer term.

5. Links to County Vision, Business Plan and Medium-Term Financial Strategy

- 5.1.** The VCFSE sector is critical to the delivery of all four Council Plan ambitions. Working/collaborating with partners is a recurring theme in the Council Plan and the VCFSE is recognised as a key strategic partner in the shared aim of improving lives in Somerset.
- 5.2.** Priority 15 of the MTFs outlines the need to review and rationalise grants to the VCFSE, alongside Priority 16 which recognises the need to identify

transformation projects that deliver on-going savings and reductions in cost over the MTFP.

- 5.3.** The Council's Target Operating Model (TOM) speaks of a systematic approach to working with the sector in partnership whilst recognising the importance of their independence, with a stated ambition of wanting to work more with the sector so as to deliver more and better outcomes together; an ambition that would be difficult to deliver if cuts to the sector are seen as a 'soft target' to achieving savings. If the TOM objective is to be realised we need to ensure effective and sustained engagement with, and support for, the sector in influencing and shaping the new Council.
- 5.4.** Somerset Council joined Somerset Integrated Care Board in signing a Memorandum of Understanding with the VCFSE sector in September 2023. The MoU frames the strategic relationship between the Council and VCFSE sector, and the new contract will enable implementation of the agreed engagement and advocacy model.

6. Financial and Risk Implications

- 6.1.** The Council's Medium-Term Financial Strategy (MTFS) 2024/25 to 2026/27 outlines a three-year approach for balancing the Council's budget and recognises the importance of financial resources in enabling the effective planning, management and delivery of services. Strand 15 has identified the need to review and rationalise the number of legacy agreements with the VCFSE sector and recognises that some decisions relating to VCFSE may need to be taken sooner. A cross-council working group has been established to provide greater clarity as to what VCFSE engagement currently takes place, as well as what activity is currently funded and the source of this funding.
- 6.2.** The impacts of Brexit, the war in Ukraine, Covid-19, together with major change programmes within the Somerset public sector, continue to be felt by the VCFSE sector. The UK cost of living crisis has a complex impact for many charitable and community groups through rising demand, reduced funding and increase energy and staffing costs. Whilst there was a rise in Covid-19 related grant funding, this was time limited and short term and has since ended. Covid-19 also resulted in an overall decrease in the number of volunteers; a position from which voluntary groups have still not recovered.
- 6.3.** The negative impacts of reduced or stopping funding to the VCFSE, particularly at a time of increased vulnerability as they recover from the effects of both Covid-19 and the cost-of-living crisis, include: -
- i. A reduction in service delivery and innovation
 - ii. Staff redundancies
 - iii. Reduced sustainability with potential closure of organisations
 - iv. Fewer active volunteers
 - v. Devaluing their economic contribution
 - vi. Reduced ability to visibly follow through the commitment to invest in places
 - vii. Health and Wellbeing impacts
 - viii. Community Safety implications
 - ix. Emergency response undermined
 - x. Potential breach of the Public Sector Equality Duty
 - xi. Reputational damage to the council

xii. Increased costs to the council

6.4. This proposal was considered by the MTFP Board on 2 October 2023.

6.5. The arrangements with Citizens Advice and with Spark will be developed and led by the Partnerships and Localities Service. Somerset Council funding for both elements will come from the Partnerships & Localities budget, with a £50k contribution to CA in 2024/25 from Public Health. The availability of funding noted in this paper has been confirmed.

Somerset Integrated Care Board will initially contribute £140k per year to support the VCFSE infrastructure contract alongside Somerset Council's core contribution (£250k) with other council service contributions to be confirmed. The contract will be framed to enable expansion of the service offer as additional resources which can be applied to these priorities are identified within Somerset Council and through third parties.

Core funding of £629k will be provided to Citizens Advice in 2024/25 followed by £600k in 2025/26 and 2026/27. The funding will be allocated:

2024/25 (£629k)	CAS £581,137; CAWS £47,863
2025/26 and 2026/27 (£600k)	CAS £552,137; CAWS £47,863

Implementation of these proposals does not represent any unfunded commitment of Somerset Council funding.

6.6. Value for Money and Impact

- It is estimated that local government contributes around £400m out of a total of £20bn (2%) of all grants to the VCFSE sector in the UK (source: '360 giving' 2021/22 figures).
- Whilst one of the smaller contributors overall, local government funding is often the means to levering in funding from larger grant makers, and is critical to supporting the core operating costs of VCFSE organisations that other funders are less likely to support.
- In terms of the leverage that council funding can unlock, in Somerset in 2022/23, 442 VCFSE organisations received a total of 630 grants from 20 different funders with a total value of £10,030,666 (source: '360 giving'). As a conservative estimate this represents between £2 and £5 external leverage for every £1 of council funding. Infrastructure support is key in maintaining VCFSE organisations' ability to maximise their income through grants and donations.
- The sector also provides value for money through the volunteering opportunities it facilitates fulfilling roles and providing services which otherwise would have to be undertaken by paid staff.
 - The economic value of volunteering provided by Somerset adults aged 16+ who engaged in formal volunteering (i.e. with a group, club or organisation) at least once a year for 3 hours (138,562 people) is **£6.68** million. The value of volunteering provided by adults aged 16+ who volunteer at least 3 hour per month (82,198 people) is **£47.55** million (in both cases using the 2022 national social value framework value of £16.07 per hour).
- Volunteering also contributes to the economy through skills and workforce development vital in moving disadvantaged people closer to the jobs

market, for equipping young people to take up paid employment and in supporting people to retain and change career.

- In assessing the impact of the sector, official data fails to account for spillover fiscal benefits associated with charitable and voluntary activity. For example each time a charity supports a homeless person into stable accommodation and employment, they can help reduce crime, raise tax revenues, and lower expenditure on public services in areas like health.
 - Estimates from the National Council of Voluntary Organisations (NCVO) suggests that each success creates between **£6,000** and **£22,000** of savings for the public sector. That means each £1 spent by charities on such activity is likely to generate more than £2 of spillover fiscal benefit (source: NCVO 2023 Civil Society Almanac)
- The Citizens Advice case study in para 12.2.1 highlights the value for money that the VCFSE delivers. The headline VFM/impact figure is a saving of **£9,247,444** to the public sector in Somerset as a consequence of CA's work.
- 40 new Somerset charities were registered in 2022/23. Of the 2150+ charities in the county, 73% operate on less than £100k income per year and 87% of the VCFSE sector's people are volunteers. Evidence from the National Association for Voluntary and Community Action demonstrates that small and medium sized charities, and volunteer-led community groups, are most likely to need support to remain active, sustainable and well governed.
- Spark engaged with over 650 groups, over 80 groups received funding advice and Somerset groups raised well over £850k in 2022/23 with Spark's support.
- The Spark-a-Change platform enabled 356 volunteer roles to be advertised and 572 new volunteers to be recruited into Somerset groups in 2022/23. Nearly 80 new organisations started using the platform to promote volunteering opportunities.

6.7. Citizens Advice

Funding for core service has predominantly been provided by Partnerships and Localities and Public Health. For 2023/24 **£647,109** of core (Early Help and Prevention) funding has been provided.

Adult Social Care separately provide Local Assistance Scheme funding which is passed on as grants to support clients with crisis / emergency interventions and to alleviate immediate needs. Citizens Advice retain a small proportion of the funds to cover management costs and a separate decision will be taken by Adult Social Care regarding this funding.

Through the housing services the Council's Community Services Directorate provides funding for specialist casework to support homelessness reduction and prevention and debt advice, and a separate decision will be progressed in relation to this funding.

The Council has previously provided one-off funding to support Covid-19 and cost of living responses. A full breakdown of the funding received from Somerset Council for 2023/24 can be found at **APPENDIX 3**.

The funding recommendation members are asked to support represents a reduction on that provided in 2023/24. An award of **£600,000** per annum in years two onwards will be a **7.4%** reduction whereas an award of **£629,000** in year one represents a reduction of **2.8%**.

The reduction in the proposed funding for 2024 to 2027 is principally because of the savings that Public Health are required to achieve.

- I. A grant of **£629,000** in year one will go some way to mitigate the effects of the negative impacts of the reduced funding of £600,000 in year two onwards as follows -
 - addressing the loss of the Adviceline capacity by doubling the volunteer adviser recruitment and training programme with a target of increasing active volunteers by an additional 24 per year (over and above natural turnover).
 - funding an intensive volunteer recruitment and training programme. This would enable the CA's to retain one Trainer /Supervisor who would run four training courses during 2024/25.
- II. Funding of **£600,000** from year two onwards will result in the following negative impacts.

a) Citizens Advice Somerset

- Down-size offices in Yeovil at the end of the current lease (September 2024) and move to smaller premises. This will reduce capacity for face-to-face work in Yeovil from the current 6 interview rooms (3 at Petters House and 3 at the Foyer) to 3 interview rooms at the Yeovil Foyer.
- Review other premises and look to make savings in relation to the offices in Shepton Mallet.
- Reduce the evening adviceline service from the current 3 evenings a week to retaining a service one evening a week. This will make salary savings on the staff and supervisors running this provision.
- Review the Community Access Points (CoAP) and scale back plans for a CoAP in each Local Community Network area. CA will reduce the number of CoAPs by concentrating provision on the areas of highest need.
- Reduce the number of paid advisers working on the Adviceline service by 1.4 FTE. This will reduce the capacity to help clients by 1,540 clients per year.

b) Citizens Advice West Somerset

- Reduction of 10 hours per week on Adviceline resulting in about 300 fewer clients a year being served.
- Reduce outreach sessions from six to four and reduce the number of dates to attend these services, resulting in approximately 100 clients fewer being seen.
- May need to consider reduced office hours which will exclude approximately 520 clients each year.

- Reduce the debt adviser service which could potentially increase the likelihood of evictions in an already struggling area, which carries its own cost to the Council.
- Increased disadvantage to rurally isolated and digitally excluded residents, with West Somerset having a higher proportion of this social group. It could be argued that they are potentially democratically isolated and excluded.

6.8. Audit Committee 29 June endorsed a new corporate risk (org0066) regarding the continued risk of financial instability of the sector exacerbated by the financial pressures on Somerset Council and the requirement to make savings. With the implementation of Dynamics and the establishment of new cost centres there is a need to ensure correct coding is being used to identify VCFSE expenditure.

Current risk	Likelihood	3	Impact	4	Risk Score	12
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Controlled risk	Likelihood	2	Impact	3	Risk Score	6
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Failure to implement the recommendations risks destabilising the VCFSE sector and poses reputational damage for the Council and undermines a key component of the authority's approach to engaging and supporting vibrant communities. Uncertainty could impact on recruitment and retention with further impact on viability of VCFSE organisations and the quality of the services they deliver. It would also undermine positive working relationships with the VCFSE sector at a time when the Council has signalled through signing the MoU the importance of more joined up working and collaboration.

7. Legal Implications

- 7.1.** Legal services input will be required in drafting agreements with individual VCFSE organisations.
- 7.2.** Ongoing join up with Commercial and Procurement and commissioners is required to continue review, rationalisation and consolidation of grant and other funding agreements, and to ensure they align with other commissioning activity and priorities. Opportunities for joint commissioning are being explored with NHS Somerset ICB as part of integrated care system.

8. HR Implications

- 8.1.** There are no HR implications arising from this report.

9. Other Implications

9.1. Equalities Implications

It should be noted that a number of equality communities rely heavily on the support provided by the VCFSE partners which have filled the preventive support landscape, especially over the last 10-12 years. Should this support be reduced or removed, we will need to fully understand the impact on equality communities and the stability of the remaining VCFSE sector due to this reduction in funding. Local authority funding often plays a key role in levering in additional funding to the VCFSE sector. It also supports work that would not have funding available from anywhere else, but could have a substantial impact

on small and marginalised communities. Consideration of a sustainable long-term model of funding from the authority will help provide reassurance for the VCFSE sector.

A full Equality Impact Assessment for Citizens Advice has been completed and appended to this report (Appendix 2). This report's recommendations represent a reduction in funding compared with 2023/24, and will impact negatively on clients sharing Protected Characteristics. The overall impact of reduced funding is set out in section 6.4 of this report but by working with our CA's to identify potential mitigations a decision to fund at £629,000 per annum, as opposed to £600,000 will go some way to achieving that. A grant of £600,000 will result in the closure of some service elements and a reduced number of clients who can be assisted.

A full Equality Impact Assessment for the VCFSE support contract is appended to this report as Appendix 1. The infrastructure element of the contract is funded at the same level as 2022/23, and does not include an increase to reflect inflationary pressure and increased demand over the last four years. This will result in a reduction in the overall service capacity with some potential equality impact. The engagement model element of the contract is funded well below the initially proposed figure and will therefore not deliver the scale and scope of engagement and advocacy which the partners aimed for. There is a risk therefore that minority groups and the organisations which work with and support them, may be excluded from the engagement and advocacy support mechanisms. In developing the working arrangements, mitigation of the impact on equality groups and communities will be a priority.

9.2. Community Safety Implications

Crime rates are known to increase in an economic slowdown when people are exposed to unemployment, lower wage levels and are at a higher risk of falling into debt. The support that the voluntary sector, and in particular Citizens Advice services provides has a role to play in mitigating this. In addition, support through young people's charities can help provide diversionary activities and together with grassroots community groups and the wider sector help reduce social isolation and promote community cohesion.

9.3. Climate Change and Sustainability Implications

Somerset Council has declared both a Climate and Ecological Emergency. The VCFSE engagement model and Spark's wider support for the sector enables Somerset Council and other stakeholders to work in partnership with the VCFSE in progressing priority actions.

Effective support and funding for VCFSE organisations can enable them to secure and lever in additional external funding to support Somerset's communities and provide opportunities to contribute to a strong, diverse and sustainable local economy.

The proposals refer to Somerset-based charities which employ local staff and volunteers to deliver services close to the areas of need. Supply chains are short and generally local, and delivery of the services will not require additional staff travel.

The climate and sustainability implications arising from these proposals are therefore generally positive.

9.4. Health and Safety Implications

No implications have been identified.

9.5. Health and Wellbeing Implications

There is good evidence of the importance of working with partners across the VCFSE sector to address the wider determinants of health - the 'causes of the causes' – through supporting services and organisations which can address the conditions that cause people to become ill. These include social isolation, financial and housing issues, or the ability to live with a long-term health condition or disability. Without these services many more people would make significant demands on health and social care services, and would likely need care and support for longer.

In recent years the VCFSE sector has also performed a critical role in responding to the pandemic, supporting guests and hosts under the Homes for Ukraine scheme, responding to flooding and extreme weather events, and most recently in supporting residents during the cost-of-living crisis. Without a sustainably resourced VCFSE sector the resilience of Somerset to external and local events will be significantly curtailed. Spark is the VCFSE lead in the Somerset Emergency Volunteer Action Group and has played a key role in supporting the response to local crises.

The sector is recognised as an equal partner to the new Integrated Care System in Somerset, and will support the system with understanding and responding to population health needs at source, addressing potential rise in demand for health and social care services. To perform this role effectively it needs security of funding and a voice in strategic planning across the system.

It is well evidenced that many of the services and support people rely on are provided through community-based VCFSE organisations. Strengthening and securing support for these local groups and organisations enables them to focus on meeting the needs of their communities.

The health and wellbeing implications arising from these proposals are therefore positive.

9.6. Social Value

The VCFSE sector delivers innate social value through the charitable or not-for-private-profit basis of most organisations, providing insight and evidence on community needs, mobilising volunteers, supporting service users, providing local employment opportunities, training and skills development, often reaching further into 'hard to reach' and seldom heard groups and communities than public sector bodies can.

VCFSE organisations in Somerset are in the main small, employ local people and volunteers, and have short supply chains, which helps keep money in the local economy.

The social value implications of this proposal are therefore positive. There is scope for the authority to strengthen its approach to social value through consideration more broadly of corporate social responsibility and how as a Council it influences partners and other organisations operating in Somerset.

10. Scrutiny comments / recommendations

- 10.1.** The Chair of Corporate and Resources Scrutiny Committee has been consulted on the proposals in this paper. Noting that the work to review the Council's relationship with and support to the VCFSE is ongoing, the intention is to bring a paper to a future meeting of the Scrutiny Committee, to reflect on the full scope of the work currently being undertaken and the pivotal role of the sector in supporting Somerset's communities.

11. Background Papers

- Appendix 1 – Spark Somerset VCFSE support Equality Impact Assessment
- Appendix 2 – Citizens Advice Equality Impact Assessment
- Appendix 3 – Somerset Council Funding 2023/24
- Appendix 4 - Citizens Advice Somerset other funding sources 2023/24
- Appendix 4a - Citizens Advice West Somerset detailed breakdown of non-council funders 2023/24

12. Background

12.1. VCFSE Infrastructure support

- 12.1.1.** Individual voluntary, community and social enterprise (VCFSE) organisations and the sector collectively have long been valued partners to the public sector, and it is widely recognised that VCFSE organisations play an essential role in creating vibrant and inclusive communities, improving health and well-being, reducing inequality and supporting quality of life.
- 12.1.2.** Somerset system partners have a shared vision for a diverse, vibrant, sustainable and resilient VCFSE sector. The provision of support to voluntary groups is key in securing a strong VCFSE sector which supports and can help deliver Somerset Council's ambitions for the county and its residents.
- 12.1.3.** While the partnership and alignment of effort and ambition often relates to planned and funded service delivery, the value and role of the VCFSE sector is much wider and includes:
- Provision of support and services to people and communities, through paid staff and volunteers
 - Valuable insight gained through being rooted and engaged in communities.
 - Providing a mechanism for articulating and listening to stakeholder voices. VCFSE groups have a vital lobbying and campaigning role and can reach into communities to raise voices which the public sector may otherwise miss.
 - Ability to take a holistic, preventative, person-centred and place-based approach to supporting community health, wellbeing and quality of life.
 - Links across and within different communities of interest and experience
 - The ability to be flexible, adaptable and responsive
 - Expertise in meaningful impact measurement and joint design and development of services
- 12.1.4.** Infrastructure support enables individual VCFSE groups and organisations to develop, improve and sustain their services through the provision of training for staff and volunteers, advising on operational and governance policy and procedure, advising and assisting with funding applications and bid writing, and ensuring safeguarding responsibilities are met. The support also co-ordinates

the voice of, and advocates on behalf of, the VCFSE sector in its partnerships with the public sector and is key to the implementation of the engagement model with the VCFSE sector and ICB.

- 12.1.5.** Spark Somerset is the county's sole council for voluntary service (CVS) and the recognised countywide VCFSE infrastructure provider. Spark is a member of the National Association for Voluntary and Community Action (NAVCA), the national co-ordinating body for infrastructure organisations. Spark is also Somerset ICB's appointed strategic partner and the VCFSE sector's chosen lead support and advocacy body.
- 12.1.6.** The contract will draw together the resources previously awarded/granted to Spark by Somerset County Council and the four district councils alongside the NHS Somerset contribution. The specification and single contract will ensure consistency of service provision across the county, coherence in the arrangement and reduce the contract management, monitoring and reporting burden.
- 12.1.7.** The commission will be led by the Partnerships and Localities Service with Somerset Integrated Care Board initially contributing £140k per year alongside Somerset Council's core contribution (£250k) with other service contributions to be confirmed. The contract will be framed to enable expansion of the service offer as additional resources are identified which can be applied to these priorities.
- 12.1.8.** The contract will commence on 1st April 2024 for the:
- Provision of support to Voluntary, Community, Faith and Social Enterprise (VCFSE) organisations.
 - Delivery of the VCFSE engagement model in line with the Memorandum of Understanding signed with VCFSE and ICB in September 2023.
- The contract value will be up to £750k per annum, with an estimated total value of up to £3.55m. The contract duration will initially be three (3) years with the option to extend by a further two 12-month periods. The maximum contract duration is therefore five (5) years.

12.2. Citizens Advice

- 12.2.1.**
- a) Somerset's CAs are independent charities and part of the Citizens Advice network in England and Wales. They work in partnership with other agencies and groups.
 - b) Somerset's CAs are the only provider of universal advice services that are free, confidential, independent and impartial.
 - c) Advice services are quality assured under the national Citizens Advice Membership Scheme.
 - d) CA's goal is both to support residents with their immediate needs and specialist casework where required, and critically to enable and empower residents to take greater control over their lives.
 - e) CA provides advice on an extensive and often interrelated range of issues including benefits, debt, employment, consumer, housing and family relationships.
 - f) In the year August 2022 to July 2023 Somerset's CA served **21,289** unique clients with **92,957** issues.

- g) The top 5 issues that CA dealt with are -
- Benefits - **33,972**
 - Debt – **11,998**
 - Housing – **9,605**
 - Financial Services and capability – **7,079**
 - Family and relationships – **4,973**
- h) The benefits of the advice provided by CA for residents contribute significantly to positive health and wellbeing outcomes. Reference to a wide range of research, reports and data that demonstrate these benefits can be found in the Equality Impact Assessment at Appendix 1.
- i) In the 2022/23 financial year CA delivered **£6,845,567** of benefits realisation for its clients. This is additional income, a large proportion of which will be spent in the local economy.
- j) In addition to the direct benefits delivered for CA clients, CA delivered **£9,247,444** of savings to the public sector in the 2022/23 financial year. A detailed breakdown of these savings can be found at Appendix 2.
- k) Furthermore the fiscal benefit of their Debt Advice work was **£3,132,510** and in terms of **Return on Investment**, for every £1 invested in their service -
- **£3.46** in fiscal benefit was delivered (financial savings to local and national government due to fewer payments for out-of-work benefits, costly evictions, re-housing evicted tenants and less demand on the NHS).
 - **£26.46** in public value (when people have fewer problems they have higher levels of wellbeing, participation in society and productivity).
 - **£12.76** in value to the people helped (help individual clients to achieve financial outcomes like getting back-dated benefits, writing-off debts and securing refunds for consumer issues).
- l) CA provide a non-statutory but essential service and were the service not available this would likely result in a significant rise in the number of residents contacting the council both on issues of direct interest for the council to resolve (e.g. rent and council tax arrears), and also other issues which CA deal with but fall outside of the council's purview and for which there is no other appropriate service to make a referral. This would be at extra cost to itself.
- m) In the same way CA also assist the council recover income through assisting in the reclamation of arrears and debt.
- n) CA plays a key role in preventing escalation of demand on statutory services and/or enabling demand on statutory provision to be stepped down as appropriate by providing support and advice early on in people's lives.
- o) CA provide good value for money by way of their use of volunteers as compared with paid staff. In the 6 months October 2022 to March 2023 CA employed 19.8 FTE and deployed 105 volunteers; a ratio of 5.3 volunteers to paid staff. Whilst CA are currently updating how they capture the economic value of volunteering we know that in the first 6 months of 2022/23 the value was **£490,022**

12.3. Small Community Grants and Lotteries

- 12.3.1.** The scope of the cross-service working group includes a review of small community grants and lotteries that were run by some of the predecessor district councils. Both Mendip District Council and Somerset West and Taunton Council ran lotteries to generate income to support local good causes. These arrangements are currently being reviewed. This paper seeks delegations to consider and agree options for small grants and a steer will be sought regarding the future of the lotteries.

Report Sign-Off

	Officer Name	Date Completed
Legal & Governance Implications	David Clark	21/10/2023
Communications	Peter Elliott	24/10/2023
Finance & Procurement	Jason Vaughan / Nicola Hix	31/10/2023
Workforce	Alyn Jones	23/10/2023
Asset Management	Oliver Woodhams	19/10/23
Executive Director / Senior Manager	Alyn Jones	23/10/2023
Strategy & Performance	Sara Cretney	25/10/2023
Public Health	Lou Woolway	24/10/2023
Executive Lead Member	Councillor Theo Butt Philip	30/10/2023
Consulted:		
Local Division Members	Not applicable	
Opposition Spokesperson	Councillor Faye Purbrick	24/10/2023
Scrutiny Chair Corporate and Resources	Councillor Bob Filmer	30/10/2023