

## REPORT TO CABINET

REPORT OF: CHIEF EXECUTIVE AND  
DIRECTOR OF FINANCE AND STRATEGIC  
RESOURCES

REPORT NO: FIN209

DATE: 11<sup>TH</sup> OCTOBER 2004

<b>TITLE:</b>	CITIZEN'S ADVICE BUREAU FUNDING 2005/06
<b>FORWARD PLAN ITEM:</b>	
<b>DATE WHEN FIRST APPEARED IN FORWARD PLAN:</b>	
<b>KEY DECISION OR POLICY FRAMEWORK PROPOSAL:</b>	

<b>COUNCIL AIMS/PORTFOLIO HOLDER NAME AND DESIGNATION:</b>	LEADER
<b>BACKGROUND PAPERS:</b>	Letter written to and documents submitted by the CAB as reported to the Capacity and Resources DSP on 30 <sup>th</sup> September

## PURPOSE OF REPORT AND SUMMARY

### Introduction

1. The purpose of this report is to inform the Cabinet of the present position on the current funding arrangements for the C.A.B. and make recommendations on the best method of dealing with this.

## DETAILS OF REPORT

### Background

2. The current funding arrangement with the C.A.B runs until 31<sup>st</sup> March 2005. Future reviews of funding were conditional on the following.

“That the District Council will provide

- a) funding to the Grantham and Stamford C.A.B. of £57,800 per annum for the three years, 2002/03, 2003/04 and 2004/05, and
- b) rent-free accommodation at 39 High Street, Stamford, and free weekly use (one day a week) of the Corn Exchange, Bourne

In return, the Council will expect to see the following:-

- a) The restructuring of the Bureau to become South Kesteven C.A.B;
- b) Grantham C.A.B. to relocate to new premises.
- c) Continued opening of both C.A.B. sites and Outreach provision in Bourne, The Deepings and other rural areas of the district.
- d) Achievement by the new South Kesteven C.A.B. of Legal Services Commission's Quality Mark Status by March 2004.

If the Quality Mark status is achieved, Council funding after 2004/05 would be reviewed early in 2004 in the light of C.L.S. funding.

If Quality Mark status is not achieved within this timescale the Council grant for 2004/05 should be viewed as the final payment within the agreement.”

3. It has been important to ascertain the situation on the last of these conditions. If the quality mark had not been achieved by 31<sup>st</sup> March then this particular funding agreement comes to an end. If the Council received an application for funding from the C.A.B. this would be a new bid for support.

4. The Chief Executive had written to the C.A.B. on 24<sup>th</sup> May 2004 and I followed with a letter on 2<sup>nd</sup> July 2004 asking for confirmation of the situation. At the time of writing this report no written confirmation has been received. Through several meetings with representatives of the C.A.B. and dialogue with the Lincolnshire and Rutland Community Legal Service Partnership, I have established that the required quality mark was not achieved by the South Kesteven C.A.B. by 31<sup>st</sup> March 2004.
5. The C.A.B. has asked to carry out a presentation to members, and the Capacity and Resources DSP hosted this on 30<sup>th</sup> September 2004. This allowed full scrutiny of the issues surrounding the C.A.B. Cabinet members were present to listen to the discussion. The C.A.B. are requesting grant aid of £135,000 for 2005/6 and continued rent free accommodation at Stamford.

#### COMMENTS OF THE CHIEF EXECUTIVE

6. The funding of the C.A.B. is an important issue facing the Council. The Council is currently considering the completion of its prioritisation process, and in accordance with the timetable set by the Council a further report on this will be considered on the 28<sup>th</sup> October. At the time of writing this meeting has not occurred so I have not addressed the priorities of the Council in my comments.
7. From the information available to the authority it would appear that the C.A.B. did not meet all the criteria set, in particular the quality mark was not secured for the whole organisation by the requisite time set and it appears that the outreach work in the rural areas was not provided.
8. The bid for next year represents a considerable increase in expenditure. Unfortunately the opening hours as scheduled in Appendix B does not indicate any outreach work in the rural areas, nor any increase in Grantham's opening hours (beyond the current six provided) unless additional funding and volunteers are secured. On this basis I cannot recommend to the Council that the bid is approved.
9. Because the proposals do not offer any increase in the level of service provision previously set by the Council there does not appear to be any scope for reducing the level of grant-aid requested unless the Council wishes to reduce the standard of service provision it has previously set.

#### PROVISION OF SERVICES IN THE EVENT OF THE C.A.B. WITHDRAWING SERVICES FROM SOUTH KESTEVEN.

10. If for any reason the C.A.B. is not able to provide a service after 1<sup>st</sup> April 2005, the Cabinet will need to consider whether it needs to provide any form of service to meet its obligations, particularly to persons at risk of becoming homeless. This would not of course, replace the full service provision offered by the C.A.B. Prompt, accurate and readily available quality marked debt advice can make a significant contribution to all of the following groups:
  - a) Low-income owner-occupiers, particularly those who have recently entered the housing market and whose mortgage repayments are a considerable portion of their income.

- b) Council tenant who have fallen into rent arrears as a result of financial debts.
  - c) Private rented tenants who may fall into rent arrears and then homelessness because they are not claiming benefits to which they are entitled.
11. It is estimated that the cost of either providing or procuring a service, potentially using volunteers, where available, would be £50,000 per annum.

## RECOMMENDATION

12. In view of that, it is recommended that:
- a) the C.A.B. are informed that the current years Council grant is the final payment within the existing agreement.
  - b) the C.A.B. be informed that given their failure to meet the criteria set in the previous three years, their funding request for £135,000 for 2005/06 is not accepted.
  - c) the Cabinet consider proposals for a housing quality marked debt advice service to become operative if the C.A.B. can no longer provide a service in South Kesteven.

D KERR  
CHIEF EXECUTIVE

J BLAIR  
DIRECTOR OF FINANCE AND STRATEGIC RESOURCES.

28<sup>th</sup> September 2004