

Proving Value for Money

A report from South Hams Citizens Advice

Aug 14th 2015

Executive Summary

The aim of this report is to demonstrate the continued need for the services that South Hams Citizens Advice (SHCA) can provide. We explore the correlation between our work and that of South Hams District Council (SHDC) and establish how our work directly benefits the council. We examine our current funding model, including the Outreach and Home Visits service, and explore the value for money we generate for individuals, communities and society at large. We conclude by looking forward and put forward ideas for how we can continue to deliver a quality service for the residents of South Hams when facing decreasing investment and increasing demand for our services.

Background Information

In recognition of the contribution that SHCA makes to the goals and values of the district council a service level agreement (SLA) was established in 2013. This SLA allows for a grant of £41,867 to be given to the charity annually in support of its core services. The current SLA runs to March 31st 2016 and provides for continuation of the agreement on the proviso that both parties are happy to do so and that six months' notice is given.

An additional SLA has been in place since 2011 to allow for the provision of an Outreach and Home Visits service. This SLA provides an annual payment of £10,000 to SHCA and enables us to provide face-to-face services at centres in Ivybridge, Kingsbridge and Dartmouth. Over time the Outreach and Home Visits service has become an integral part of the way our service is delivered across the district, being particularly important for vulnerable and housebound residents who may face transport challenges or perhaps struggle to access face-to-face or digital services.

SHCA has reported quarterly against the targets set out in both SLAs and has appeared annually at the Overview and Scrutiny Panel. In July 2015 the Panel noted a number of points to be addressed at a subsequent meeting, to which we respond here:

1. **The perceived subjectivity of the report.** By contrast this report aims to present an objective view based entirely on facts.
2. **Concerns around clients unable to access services in Plymouth.** Whilst it is currently the case that Plymouth Citizens Advice are only able to see clients who live and work in the city, we make every effort to ensure residents in the western regions of South

Hams are not prejudiced in any way. SHCA and the Plymouth bureau intend to look for projects to draw in joint funding so that we can help people who would find it easier to access cross border services.

3. **Concerns that 'Adviceline', the telephone system operated by SHCA, is available to residents across Devon.** In response we state that our telephone service is organised with two imperatives in mind: local prioritisation, and efficiency through the pooling of resources. A caller in the South Hams will be put straight through to SHCA whenever an assessor is available i.e. Monday-Friday 9am – 4pm. At other times, callers 'overflow' to other bureaux in Devon and those assessors can make appointments for clients at SHCA when required. In return for this facility, SHCA takes overflow calls from other parts of the county if there is capacity. This pooling of resources greatly increases the chance of any given caller receiving a service, while preserving a bias towards callers speaking to their local Citizens Advice. (Data on call rates is shown in Appendix 1.)

In addition, we offer two additional facilities for South Hams residents: direct access to a local number for returning clients, and an answer phone facility for South Hams resident should they wish to leave a message.

Supporting the Work of SHDC

Our work directly supports the aims and goals of SHDC, in some cases helping it to meet some of its statutory duties. Some examples of the value we bring are shown in the table below:

| Area of duty | SHDC/SHCA Area of Work | Added Value from SH Citizens Advice | Evidence of SHCA Activity |
|--------------|--|---|--|
| Council Tax | To make people aware of their entitlement to Housing Benefit and Council Tax Benefit and publicise the benefits schemes available. | Advise people on their entitlements. Ensure priority debts are dealt with. Assist with budgeting, managing arrears. Deal with appeals. Help people under investigation. Maximise income through benefit checks, assist with applications . Negotiate with creditors and bailiffs. | 2015/16 Q1 We helped 134 people including * 54 with council tax reduction * 59 with council tax arrears |

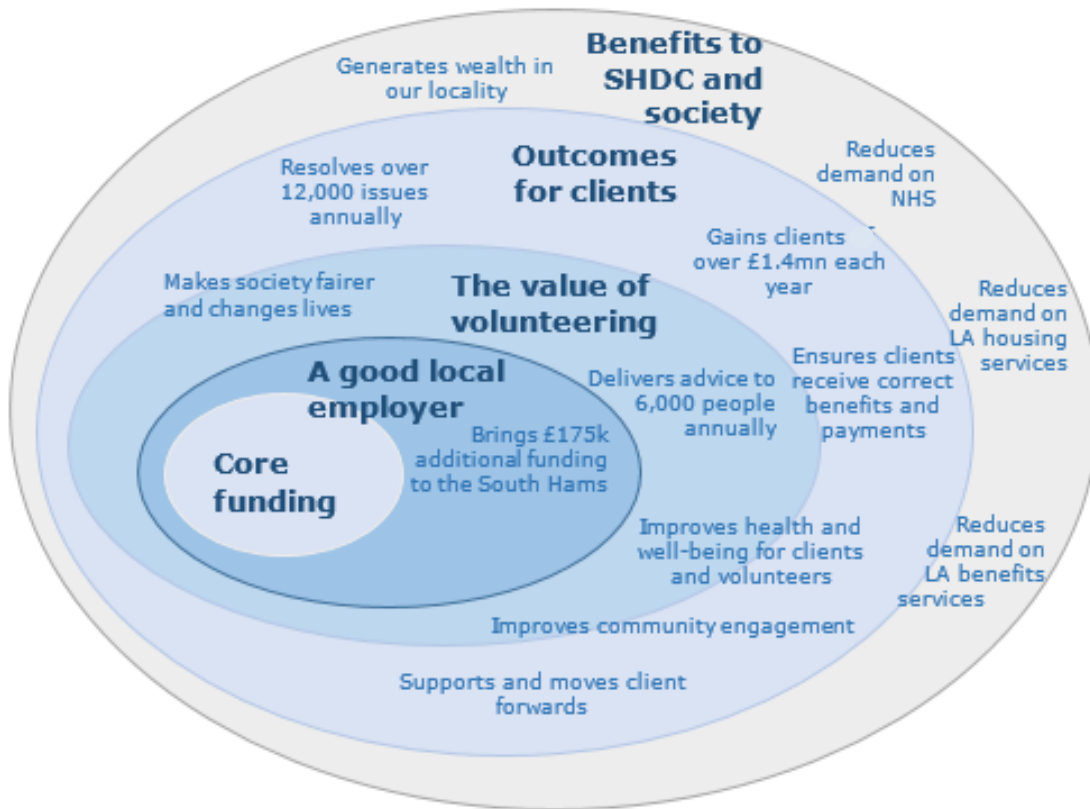
| Area of duty | SHDC/SHCA Area of Work | Added Value from SH Citizens Advice | Evidence of SHCA Activity |
|----------------------------------|--|---|---|
| Housing | Help people understand their rights regarding homelessness, renting in the private and social housing sector and applying for accommodation in social housing | <p>Advise tenants (private sector and social housing) on their rights & responsibilities.</p> <p>Negotiate for timely repairs to properties.</p> <p>Advise on debt, compile financial statements, negotiate with creditors.</p> <p>Debt management plans, DRO, bankruptcy, budgeting</p> <p>Interpret and explain long and complicated letters.</p> <p>Prevent arrears by assisting with budgeting and income maximisation.</p> <p>Avoid homelessness - both rented and mortgaged.</p> <p>Ensure due process is followed.</p> | <p>2015/16 Q1 - We helped 314 clients:</p> <ul style="list-style-type: none"> * 43 with actual or threatened homelessness * 99 with problems in the private rental sector (including harassment by landlord) * 25 with rent arrears (private, council and housing association) * 42 people with debt relief orders |
| Benefits | To make people aware of their entitlement to various benefits and publicise the benefits schemes available. To facilitate the claiming of different benefits at both the Department for Work and Pensions and Local Authority offices. | <p>Advise people on their entitlements.</p> <p>Help people under investigation.</p> <p>Assist with completion of lengthy application forms.</p> <p>Carry out benefit checks (often multiple 'what if checks').</p> <p>Deal with mandatory reconsiderations and appeals.</p> <p>Occasional attendance at tribunal with clients.</p> <p>Income maximisation work to ensure in receipt of all benefits.</p> | <p>2015/16 Q1 We helped 774 people:</p> <ul style="list-style-type: none"> * 106 with housing benefit queries * supported 3 appeals (2 social security and 1 debt) * helped 54 people with claims for council tax reduction (other enquiries were Child & Working Tax Credits 145, ESA 108, PIP 100) |
| Energy Efficiency | Improve energy efficiency. Reduce carbon emissions. | <p>Raise awareness of energy efficiency savings.</p> <p>Offer advice on insulation, boilers and grants available.</p> <p>Help with applications.</p> <p>Help clients compare and switch tariffs.</p> | <p>2015/16 Q1</p> <ul style="list-style-type: none"> * We undertook 30 tariff reviews with clients * We helped 33 people with fuel debts |
| Road Traffic Management/ Parking | Payment of parking fines. | Advise on parking fines and blue badge applications | <p>2015/16 Q1</p> <ul style="list-style-type: none"> * We helped 21 people |

| Area of duty | SHDC/SHCA Area of Work | Added Value from SH Citizens Advice | Evidence of SHCA Activity |
|-----------------------------|---|---|--|
| Consumer goods and services | Informing clients of their statutory consumer rights, time limits for taking action and support throughout the process. | Provide consumer advice via access to Trading Standards. Assist with negotiating with third parties, writing letters, completion of small claims applications. | 2015/16 Q1 209 client interactions including: * 32 complaints around product safety |
| Employment | Ensure European working time directives are adhered to. | Facilities to refer to employment specialist if required. In house - work out holiday entitlement; inform clients of their statutory and contractual employment rights and actions available to enforce these rights; assist with grievances; write letters; negotiate with the employers. Explore other issues which loss of job can trigger - debt, relationship breakdown, loss of property, benefit checks etc. | 2015/16 Q1 We helped 334 people, including: * 88 around terms and conditions * 61 around pay and entitlements |
| Young People | Ensure there is a complaints procedure for looked after children, children in need, care leavers and others about the discharge of their functions. | Provide advice to young people, work with and refer into relevant organisations. | 2015/16 Q1 * 15-19 year olds: 18 clients * 20-24 year olds: 107 clients |
| Environmental Protection | Tackle poor environmental quality. | Provide advice on noisy neighbours and neighbourhood disputes. | 2015/16 Q1 * We helped 33 people with boundary disputes, noisy neighbours and other anti-social behaviour |

Our Current Funding Model

The income provided by SHDC and DCC funds our core activity; it provides a stable base from which all our charitable activity can happen. It pays for a place from which we can operate, some of our core staff, most of our IT infrastructure and covers essentials such as insurance and membership fees. From this position of core stability we can use it as a platform to deliver our service: we recruit and train staff and volunteers to provide information and advice; we ensure advice is accurate and quality assured; we attract additional funding to the region, as demonstrated in the diagram below. As you will see, the

value of core funding is magnified many times over. We benefit individuals, communities and society at large. Conversely without core funding, the service, and all the benefits it brings, would cease to exist.



Value for Money

Core funding in recent years has been in the region of £81,000 - £91,000. However our annual core costs are in the region of £130,000 meaning that all things being equal, each year we face a shortfall of circa £45k - £55k. To support the core running costs we bid for national and local funding and use the grants to run additional projects and negotiate contractually approved re-charge costs to support the core. Last year we generated £184k of project work, all of which enhances the service levels available and directly benefits South Hams residents. This year we estimate an additional income of £195k.

To give a view of our value for money, below is a table of our core costs for 2014/15, the number of client interventions and the cost per client interaction with the grant funding of £81,267 against the actual core costs of £131k.

| | 2014/15 | | | | |
|--|-----------|-----------|-----------|-----------|---------|
| | Quarter 1 | Quarter 2 | Quarter 3 | Quarter 4 | TOTAL |
| Number of unique clients | 1435 | 1475 | 1365 | 1851 | 6126 |
| Number of client contacts | 3,422 | 4,693 | 2,707 | 3,563 | 14,385 |
| Number of enquiry issues | 2,990 | 3,921 | 1,993 | 3,468 | 12,372 |
| Grant funding Devon CC | | | | | £33,700 |
| South Hams grant funding | | | | | £41,867 |
| South Hams Money Advice Services | | | | | £0 |
| Parish & town Councils | | | | | £5,700 |
| Total grant funding to core costs | | | | | £81,267 |
| Average cost per client contact (face to face/phone /email/ letter/ web-chat) | | | | | £5.65 |
| Core support actually costs £131k therefore £50k support from other CAB activities, going to fund core | | | | | |
| CAB independent projects subsidy per support per contact | | | | | £3.48 |
| Total average cost per interaction therefore is | | | | | £9.13 |

You will see that each client interaction costs £5.65 with the £81k funding. However this is net of the subsidy the SHCA operations creates from funded projects which brings the cost to this level from the gross amount of £9.13 per interaction. Even this level is less than a fully-funded paid resource, where an average hourly pay rate of £12.81 (including employer costs, NI & pension), grossed up with all the on costs of the business, becomes £17.96 per hour.

The use of our highly skilled trained volunteers reduces this £17.96 fully-costed, hourly rate down to the rates that are expressed above and why for such an expertise of advice SHCA is exceptionally good value. It should also be expressed that at no point is a client charged for any service, whether it take 30 minutes or a number of days to resolve. It is this principle that makes our value for money proposition so powerful for SHDC parishioners.

Outreach and Home Visits

Our outreach work has continued to grow each year and we currently see around 750 clients per year through this service. Thanks to a growing volunteer contribution we have recently been able to double our service provision in Dartmouth and Ivybridge which now offer weekly rather than fortnightly sessions.

We have been in receipt of a small, additional grant from Ivybridge Town Council since September 2014. Careful budgeting has allowed us to extend our work here beyond the end of the project so it will now run to 31st December 2015.

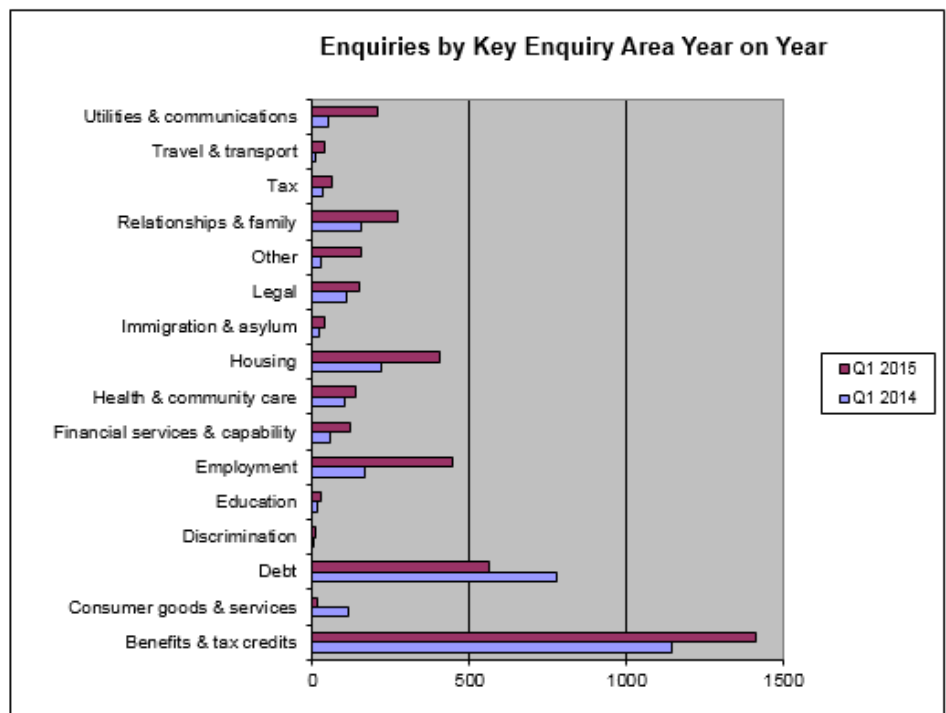
Our home visiting service is essential for clients who are housebound – perhaps through illness, caring responsibilities or because they have little or no access to transport. This programme has been supported by Big Lottery funding for the past two years and project funding came to an end on July 31st 2015. However we recognise the critical value of this service and through careful use of resources are able to extend the service to December 31st 2015.

The table below shows some of funds we are currently applying to fund our services:

| Project Name/Type | Funder | Our Partners | Bid Value | Value to SHCA |
|-----------------------------|-------------------------------------|---|-----------------------|---------------|
| Empowering Women | Dept for Communities and Local Govt | Counsellors Southwest (50%) | £19,961 | £9,981 |
| Supporting Recovery | Big Lottery: Reaching Communities | Mind, Counsellors SW, Totnes Caring, Dartmouth Caring | £368,900 over 3 years | £33,000 pa |
| Apprentices | Paul Hamlyn Trust Youth Fund | | £60,000 over 2 years | £30,000 pa |
| Health Advice | BUPA | | TBC | |
| Understanding Mental Health | Santander | | £2,300 | £2,300 |
| New Directions | Big Lottery: Help Through Crisis | ASTF partnership + SoundArt, Counsellors South West | £400,000 over 5 years | £30,000 pa |
| What's the Damage? | Money Advice Trust | SoundArt Radio - Lead partner | £26,000 | £1,000 pa |

A Good Local Employer

SHCA currently employs 11 local people on part-time and full-time contracts including Specialist and Generalist Advisors, Advice Session Supervisors, Service Delivery Manager and a General Manager. In addition we have trained three apprentices and supported them to achieve NVQ Level 2 in Customer Service with support from South Devon College. One apprentice has already completed the course and has found local employment as a Supervisor with Teignbridge Citizens Advice.



Staff and volunteer retention is very high with many members of the organisation in post over five years enabling us to build up a bank of expertise. We have a particular strength in

providing specialist advice around debt and benefits. However we are an agile organisation and more recently are responding to emerging trends in client enquiries around *employment, housing, relationships and utilities & communications* as shown in the chart below.

The Value of Volunteering

Our strong national brand and local reputation means that we are able to attract high calibre volunteers that would not necessarily be attracted to other organisations. We have a reliable, consistent and highly motivated volunteer workforce that regularly volunteers with us at least one day per week. Our volunteers fulfil a range of roles including Assessors, Generalist and Specialist Advisers, IT support, Social Policy Coordinator and Trustees. Volunteers regularly give at least one day a week and last year 48 volunteers donated over 15,000 hours, amounting to a contribution over £265,000 worth of volunteering hours. We expect this trend to continue as we further utilise their skills and expertise.

| | 2013/14 | 2014/15 | 2015/16 |
|--|----------|----------|-----------|
| £ value of volunteer hours donated to SHCA | £238,026 | £265,873 | £301,456* |

*projection

The average initial cost of training and recruiting a volunteer to Citizens Advice is £2,770 and the ongoing cost per volunteer each year is £1,720. However the benefit they bring far outweighs this. Research undertaken by Citizens Advice shows that developing volunteers and supporting them to volunteer within their local area brings tangible benefits such as:

- Volunteers report gaining at least one practical skill
- 4 in 5 believe volunteering has a positive effect on their health
- 9 in 10 feel more engaged with their community

Outcomes for Clients

The purpose of our work is to provide advice and information for everyone in society who needs it. The clients we support are some of the most disadvantaged members of society. A recent Citizens Advice report showed that our clients are almost five times as likely to live on a low income than an average member of the England and Wales population. The report goes on to say: *There are often greater risks associated with allowing these people's problems to escalate, but enabling them to make material differences to their lives helps mitigate social and health inequalities¹.*

We are impartial, independent and non-judgemental and we look at each person's situation holistically. We work with our clients to identify the root cause of their issue and as you will see from the table below we often find that the presenting problem is not the client's only problem. Furthermore demand for our service is increasing year on year:

| | 2013/14 | 2014/15 | 2015/16 |
|--------------------------------|---------|---------|---------|
| Number of Clients Helped | 4,965 | 6,126 | 6,700* |
| Total number of enquiry issues | 7,207 | 12,372 | 14,000* |

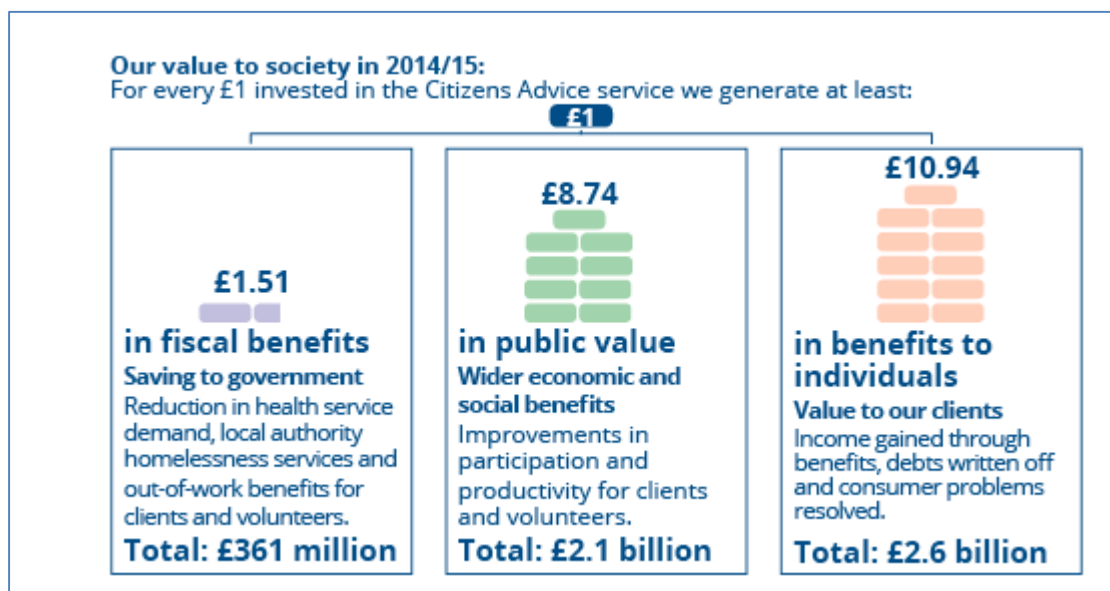
In some circumstances clients 'fall through the gaps' in the welfare and benefits system. We help clients navigate interactions with statutory and non-statutory bodies and ensure that each client's case is resolved. Where necessary we challenge an organisation's processes and procedures when they adversely affect clients. We are currently working with one client who will soon receive over £11,000 in back payments of benefits which he should have been receiving for the past two years.

¹The full report is available at: <https://goo.gl/vayCXa>

Benefits to Society

Although much harder to measure, we can demonstrate some of the benefits that our work generates for society. Citizens Advice have recently published a report¹ on the social return on investment which demonstrates that for every £1 invested in us yields over £20, shown in diagrammatic form overleaf. The report gives conservative estimates that our work benefits every client by £10.94, saves government and public services at least £1.51, and creates a social and economic value to society of £8.74.

Furthermore there are the intangible benefits already referred to in this report of increased health and well-being of clients, volunteers and staff, increased income brought to the district, and the subsequent reduced demand on the NHS and other services by clients.



Looking Forward

Our work in rural locations, especially home visits, is critical to the most vulnerable members of our district and we would like to expand this service. We are currently looking to widen our outreach activities, for example by co-locating in community locations with

high footfall such as GP surgeries or community centres. We are in talks with SHDC Locality Officers to explore the value of holding joint surgeries from time to time. We have established a direct referral route for Locality Officers should they encounter residents who need our support.

SHDC is undoubtedly seeking to ensure value for money from all its partnerships. As the council continues to restructure to meet these challenges it will need partners who are reliable, professional and can help the council to meet the demands of its residents. SHCA are best placed to do this. Our running costs are low, our outcomes for clients are consistently high and we are equipped to respond to changing client needs.

We are aware that SHDC has started to work collaboratively with West Devon in some areas. SHCA has close links with the Citizens Advice service in West Devon and we are well placed to work collaboratively on projects that will deliver services seamlessly across the whole district.

The funding provided by SHDC to SHCA is critical to the way we deliver our service. Without it we will be unable to sustain our charity and the economic and social value we bring to the local area will be diminished.

Appendix 1

Adviceline Call Demand 2014 – 2015

| | Q1 2014 | Q2 2014 | Q3 2014 | Q4 2014 | Q1 2015 |
|------------------------|---------|---------|---------|---------|---------|
| South Hams Call Demand | 1041 | 993 | 843 | 1072 | 956 |
| Calls Answered | 964 | 1357 | 1381 | 1854 | 1447 |

