

## CABINET

21 JULY 2023

### REPORT OF THE LEADER OF THE COUNCIL AND PORTFOLIO HOLDER FOR CORPORATE FINANCE & GOVERNANCE

#### **A.3 CREATION OF ADDRESSING HEALTH INEQUALITY – ADVICE, SUPPORT AND MENTAL HEALTH SUBSIDY SCHEME 2023/24 & SERVICE LEVEL AGREEMENT TO CITIZENS ADVICE TENDRING**

##### **PART 1 – KEY INFORMATION**

###### **PURPOSE OF THE REPORT**

To create an Addressing Health Inequality – Advice, Support And Mental Health Subsidy Scheme 2023/24 and grant funding directly to Citizens Advice Tendring (CAT) as part of the core funding under a Service Level Agreement and the Mental Health Hub.

An approved Addressing Health Inequality – Advice, Support and Mental Health Subsidy Scheme will ensure the Council is compliant with the Subsidy Control Act 2022 by providing justification for direct granting funding to CAT should the funding fall under the new legal definition of a subsidy.

To agree an updated Service Level Agreement (SLA) with Citizens Advice Tendring (CAT) for 2023/24 and to provide funding in relation to the Mental Health Hub.

###### **EXECUTIVE SUMMARY**

[The Subsidy Control Act 2022](#) (“the Act”) came into force in January 2023 and sets out the UK subsidy control rules for public authorities. A ‘subsidy’ is where a public authority provides support to an enterprise that gives them an economic advantage, meaning equivalent support could not have been obtained on commercial terms. Subsidies can give recipients an unfair advantage over their competitors or be an inefficient use of public money if they do not bring about net positive change.

The Council is responsible to consider the effect of the funding they will award. Subsidies should only be given in the public interest to address a market failure or equity concern, and if awarded, should be done in a way that minimises any negative impact on competition and investment to help ensure public money is used in an effective and efficient way.

The Government’s introduction to subsidy control states *“To minimise these risks and increase the likelihood that subsidies achieve positive outcomes, the UK subsidy control regime regulates subsidies given in the UK to prevent any excessively distortive or harmful effects. The regime is designed to be flexible, to allow public authorities to support business growth and innovation, promoting competition and investment in the UK. Under the regime, public authorities can deliver subsidies that are tailored to local needs to deliver their strategic priorities.”*

The [UK subsidy control statutory guidance](#), issued by the Secretary of State under Section 79 of the Act, in November 2022 and updated in June 2023, explains public authorities’ legal

obligations under the regime and provides a framework for designing and giving subsidies in a way that is consistent with the Act. In Chapter 3, the guidance advises that if a financial assistance measure meets the legislation definition of a subsidy, it will need to be assessed against the seven subsidy control principles. Subsidy schemes must be assessed against the subsidy control principles and cannot be made unless the public authority decides the scheme is consistent with the principles.

The seven subsidy control principles (“the Principles”) are as follows:

- **Principle A: Common Interest**

Subsidies should pursue a specific policy objective in order to remedy an identified market failure or address an equity rationale (such as local or regional disadvantage, social difficulties or distributional concerns).

- **Principle B: Proportionate and Necessary**

Subsidies should be proportionate to their specific policy objective and limited to what is necessary to achieve it.

- **Principle C: Designed to change economic behaviour of beneficiary**

Subsidies should be designed to bring about a change of economic behaviour of the beneficiary. That change, in relation to a subsidy, should be conducive to achieving its specific policy objective, and something that would not happen without the subsidy.

- **Principle D: Costs that would be funded anyway**

Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy.

- **Principle E: Least distortive means of achieving policy objective**

Subsidies should be an appropriate policy instrument for achieving their specific policy objective and that objective cannot be achieved through other, less distortive, means.

- **Principle F: Competition and investment within the UK**

Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition and investment within the United Kingdom.

- **Principle G: Beneficial effects should outweigh any negative effects**

Subsidies’ beneficial effects (in terms of achieving their specific policy objective) should outweigh any negative effects, including in particular negative effects on competition and investment within the United Kingdom, and international trade and investment.

The direct funding Tendring District Council proposes to grant to Citizens Advice Tendring (CAT) is considered a ‘subsidy’ for the reasons set out within the report, and consequently, has been assessed against the Principles using the recommended framework and template, as set out in Appendix A. To be able award any financial assistance directly to CAT, Cabinet must be

satisfied the proposed Scheme is consistent with the Principles.

The Addressing Health Inequality – Advice, Support and Mental Health Subsidy Scheme 2023/24 (“the Scheme”) will seek to provide a comprehensive advice and support service and a Mental Health Hub provision, which is freely accessible to residents via trusted providers on a competent basis delivering a wide range of support to an appropriate quality standard. The Scheme will operate for one year.

The Scheme meets the Principles, as it seeks to achieve a policy objective within the Council’s Corporate Plan, to deliver health and wellbeing for effective services and improved public health, is proportionate to deal with increasing demand for services by a local trusted organisation and will positively affect the recipients’ activity to ensure they continue to provide a comprehensive advice and a Mental Health Hub service.

Without funding, the recipient would not be able to meet the demand for services to the public and it is an appropriate policy instrument as the Council does not provide the services, and this activity will be delivered by a competent, trusted and accessible organisation. It is not considered, that the subsidy will have a negative effect on competition, as there are specific requirements around comprehensive, competent local free and impartial provision by a trusted organisation, which residents are happy to and regularly access. Benefits outweigh any negative effects as there is increasing demand for the service to help address health inequalities in an area of high deprivation and there are specific requirements needed for delivery of this provision.

The Subsidy Control Act 2022 imposes transparency obligations on public authorities awarding subsidies to promote accountability and enable the public to see how money is spent. Public authorities must ensure that the details of subsidies they award, or subsidy schemes they make, are uploaded to the UK subsidies database ([GOV.UK - Public user search page \(beis.gov.uk\)](https://www.gov.uk/guidance/submitting-subsidy-control-information)). It is therefore recommended, the Addressing Health Inequality – Advice, Support and Mental Health Subsidy Scheme 2023/24 is approved using the completed subsidy control assessment as evidence. Subject, to its approval, the proposed funding for CAT be awarded, and published on the UK subsidies database on behalf of Tendring District Council in order to be compliant with the Act when granting the funding.

Any grant of funding to CAT would be consistent to previous years, in that it is supported by an annual Service Level Agreement, also agreed by Cabinet. This arrangement supports the provision of free, confidential and impartial advice to our residents across a wide range of issues. Since 2013/14, the core grant awarded each year has been £144,000, payable in two instalments of £72,000.

Funding will also support a Mental Health Hub that CAT have operated for a number of years which is a single point of access for a holistic assessment and intervention for vulnerable residents who have poor mental health. The Hub provides a broad range of support for those who attend including an opportunity for volunteering which may help to lead to employment. In order to grant this funding, TDC must ensure that doing so will be compliant with subsidy control regulations.

Data produced by CAT shows that during the past year, although client numbers have remained the same, the number of issues dealt with by telephone and email have risen by 57% (8765 to 13,739) as people arrive with multiple and complex issues for example around energy and cost of living crisis and the ongoing effects of the pandemic. In addition 4000 residents

have chosen to drop-in at their face-to-face venues.

CAT have also operated the Mental Health Hub (“the Hub”) for eight years, which is a single point of access for a holistic assessment and intervention for vulnerable residents who have poor mental health. The Hub provides a broad range of support for those who attend including an opportunity for volunteering which may help to lead to employment. The Hub is funded by Tendring District Council, Essex County Council, the Police, Fire and Crime Commissioner and the Integrated Care Board. The lead commissioner is the Integrated Care Board and they provide and hold the Service Level Agreement on behalf of all the other funders. The contribution from Tendring District Council is £28,000 per year.

It is acknowledged that the Act may have wider implications across the Council and therefore, it is recommended that the Council undertakes a review during 2023/24 of all of its grant funding to establish whether it wishes to produce a wider Subsidy Scheme covering a range of initiatives and functions and consider alternative options.

### **RECOMMENDATION(S)**

**It is recommended that Cabinet:**

- a) approves the Addressing Health Inequalities – Advice, Support and Mental Health Subsidy Scheme for 23/24, assessed as being consistent against the Seven Principles as set out in Appendix A;**
- b) delegates authority to the Assistant Director for Partnerships in consultation with the Leader and Monitoring Officer, to finalise administrative requirements for the production of the Subsidy Scheme in accordance with the Act and Statutory Guidance, prior to any awards;**
- c) subject to (a) and (b) above, endorses awards Citizens Advice Tendring direct grant funding of £144,000 and £28,000 for 2023/24 and notification of such is published on the Government’s database;**
- d) agrees to enter into a Service Level Agreement with Citizens Advice Tendring (CAT) from 1<sup>st</sup> April 2023 until 31<sup>st</sup> March 2024 on the terms and conditions as set out in the updated agreement shown in Appendix B; and**
- e) approves a review of grant funding across the Council and a requests a report following the review is presented to Cabinet considering the options available during 23/24 in readiness for the commencement of 24/25.**

### **REASON(S) FOR THE RECOMMENDATION(S)**

**To ensure the Council is following its legal obligations under the Subsidy Control Act 2022 and statutory guidance.**

**CAT continues to support Tendring residents and offers value for money.**

**To enable a review to be undertaken of all grant funding and present options for consideration.**

### **ALTERNATIVE OPTIONS CONSIDERED**

The Council could cease funding CAT however, the wider implications of this option would need to be considered and consulted upon, especially as the Council has been contributing to funding these services for residents for 10 years.

Some of the duties performed by CAT could potentially be offered in-house by TDC employees for example housing benefits advice however Council staff do not have the knowledge to provide advice on wider benefits such as Universal Credit, or other types of advice requested by clients, such as gambling addiction and suicide prevention.

The Council could offer the grant funding to the open market, which is not recommended at this stage, however is an option which will need to be considered through the recommended review.

## PART 2 – IMPLICATIONS OF THE DECISION

### DELIVERING PRIORITIES

The creation of a Addressing Health Inequalities – Advice, Support and Mental Health Subsidy Scheme and subsequent provision of the funding will help to deliver Community Leadership through the Partnerships theme of the Corporate Plan and its objectives around health and wellbeing for effective services and improved public health

The partnership working with CAT is consistent with the Council's commitment to put Community Leadership at the heart of everything we do through delivery of high quality, affordable services and working positively with others.

### OUTCOME OF CONSULTATION AND ENGAGEMENT

None. Should the Council decide it wishes to explore alternative options, consultation and engagement will be required in accordance with Local Government Act 2003.

### LEGAL REQUIREMENTS (including legislation & constitutional powers)

Is the recommendation a Key Decision (see the criteria stated here)	YES	If Yes, indicate by which criteria it is a Key Decision	<input checked="" type="checkbox"/> Significant effect on two or more wards <input checked="" type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the service budget
		And when was the proposed decision published in the Notice of forthcoming decisions for the Council (must be 28 days at the latest prior to the meeting date)	Notification of a Key Decision was not published within 28 days of the Cabinet meeting, however due to the impact on CAT in being able to deliver the ongoing services to TDC resident requirements the General Exception procedure rules have been used to seek agreement for the decision to proceed to the July Cabinet

The Council in giving financial assistance, directly or indirectly, from public resources, which includes funds must satisfy itself whether the support they are proposing to provide amounts to a subsidy under the UK subsidy control rules established under the Subsidy Control Act 2022 ("the Act").

A 'subsidy' is where a public authority provides support to an enterprise that gives them an economic advantage, meaning equivalent support could not have been obtained on

commercial terms. This could include, for example, a cash payment, a grant, a loan with interest below the market rate or the free use of equipment or office space.

To enable the Council to assess whether the support they are proposing is a 'subsidy', as defined in the Act, it must apply a four limbed test. Financial assistance will be considered a subsidy where it satisfies all four of the 'limbs' of the test. Limb A is satisfied because the Council is a public authority providing financial assistance to CAT.

The Council must have regard to the Statutory Guidance issued in November 2022, and updated in June 2023, by the former Secretary of State for the Department for Business, Energy & Industrial Strategy under section 79 of the Act.

*Limb B (para 2.17 of the Guidance):*

*The financial assistance confers an economic advantage on one or more enterprises. This limb has two components. Firstly, the recipient of the assistance must be an enterprise: any entity (that is, any person, or groups of persons under common control) that is engaged in an economic activity, which means offering goods and services on a market. If the recipient is engaged in both economic and non-economic activity, it should be considered an enterprise only in relation to its economic activity.*

For the purposes of the Service Level Agreement (SLA) and direct annual grant award to Citizens Advice Tendring ("CAT"), a determination needs to be made as to whether the financial assistance confers an economic advantage on one or more enterprises?

To fall within the Act, the recipient must be an 'enterprise': any entity engaged in an economic activity, which means offering goods and services on a market. The fact that the recipient is a Charity or a non-profit organisation is irrelevant, it is the activity being provided which needs exploring.

The SLA with CAT, attached to the Cabinet Report in May 2022 (Appendix C), stated in the preamble:

*(B) The Council wishes to support the Services of CAT for the purpose of providing an information and advice service operated within the aims, principles and policies of Citizens Advice subject to an agreed grant and to a defined level of service as hereinafter provided*

In Schedule 2 of the Agreement (Service Objectives and Specifications) the Aims of the Service is set out in 2.1 for the Citizens Advice service to provide free, independent, confidential and impartial advice to everyone on their rights and responsibilities. It values diversity, promotes equality and challenges discrimination. The service aims:

- To work proactively to enhance community resilience.
- To provide the advice people need for the problems they face.
- To improve the policies and practices that affect people's lives.

The third and fourth parts of the Subsidy tests are:

C. Is the financial assistance specific? That is, has the economic advantage been provided to one (or more than one) enterprise, but not to others?

This covers financial assistance provided to specific beneficiaries determined on a discretionary basis by the government, as well as assistance that benefits (directly or indirectly) only enterprises in a particular sector, industry or area, or with certain characteristics.

D. Will the financial assistance have, or is it capable of having, an effect on competition or investment within the UK, or trade or investment between the UK and another country or territory?

To constitute a subsidy, the assistance must have a genuine effect that is more than incidental or hypothetical on competition or investment in the UK, or on international trade or investment.

Advice from government has been to interpret these last two limbs widely. It is understood, that there are possibly other agencies and organisations within the voluntary sector who could provide the services being offered by CAT, who have not had the opportunity to apply for the funding available. Going forward more market research in this area is required, although it is accepted that the Citizen's Advice Bureau is a brand people trust.

The SLA with CAT specifically states that the organisation receives funding from ECC – therefore, it is clear they are receiving financial assistance from other public resources. The Council is aware the ECC is also reviewing its approach to ongoing funding to the voluntary sector.

Overview of Chapter 6 of the Statutory Guidance: The Act contains provisions for public authorities to provide subsidies for Services of Public Economic Interest (SPEI). These are essential services provided to the public and may include, for example, postal services, social housing, and certain transport networks, particularly in rural or less populated areas of the

country. Without these subsidies, these services would not be supplied in an appropriate way or may not be supplied at all by the market.

Paragraph 6.8, states public authorities should also consider whether public spending on an SPEI confers an advantage on the SPEI enterprise. As set out Chapter 2 and Annex 1 (see below for an extract), public authorities will generally be acting in accordance with the Commercial Market Operator (CMO) principle when they engage in competitive public procurement for goods or services. Payment for the goods or services purchased through a competitive process will, therefore, not generally be considered to confer an economic advantage, as the public authority will be purchasing such goods or services at a market rate. This is an option, which should be assessed and taken into account in any future decisions on how funding being available, is more widely accessible for services and functions.

### **Statutory Guidance - Annex 1:**

What is economic activity?

15.15. The activity in question does not have to generate profits in order to constitute an economic activity. Therefore, public, or private bodies that operate on a voluntary or non-profit basis, such as charities, can also constitute an enterprise, where they offer goods and services on a market.

15.16. Where a person engages in both economic and non-economic activities, it will be considered to be an enterprise only in relation to those activities which are economic in nature. Therefore, public authorities should not ask the recipients of financial assistance to confirm that they are not an enterprise but should instead seek to understand the nature of the activities they undertake.

15.17. The charging of fees (e.g., usage fees, entrance fees) does not necessarily mean an organisation should be considered to be engaged in economic activity, especially where these fees are nominal or represent only a small portion of the funding for the activities.

15.18. Where public authorities provide financial assistance in support of a person or body's non-economic activities, such financial assistance will not be considered to constitute a subsidy where it is ensured that the financial assistance cannot be used to cross subsidise the person or body's economic activities. This can be ensured by the use of a clear separation of accounts or other methods of ring-fencing.

The financial assistance must confer an economic advantage, meaning it is provided on favourable terms. Financial assistance will not confer an economic advantage if it could reasonably be considered to have been obtained on the same terms on the market. For this reason it is clear that the ongoing direct award of £144,000 to CAT cannot continue in light of



the Subsidy Control Act 2012, unless and until the Council approves its own scheme for financial assistance, which the legislation and framework permits. A scheme is **“a set of rules that describes the eligibility, terms, and conditions for any number of possible subsidies to be given under the scheme”** (Guidance).

The 7 principles that public authorities must consider when giving a subsidy or making a scheme are set out in elsewhere in the report. The Addressing Health Inequalities – Advice, Support and Mental Health Subsidy Scheme Assessment Template (Appendix A) highlights how the Subsidy Scheme addresses the seven principles, information on the outcome of the assessment is provided below:

Principle A – Common Interest, the Subsidy Scheme meets the policy objective within the Corporate Plan to deliver health and wellbeing for effective services and improved public health and in addition identifies the local need in terms of health inequality as Tendring is one of the 20% most deprived authorities in the country and there are high levels of anxiety and depression and severe mental health. The life expectancy for men is 10.7 years less and 6.5 years less for women than for those least deprived areas in the UK and 23% of households are workless which is much higher than the England and East average.

Principle B – Proportionate and Necessary, the Subsidy Scheme identifies the increasingly high level of demand with 35000 contacts per year and highlights the local nature of the required provision, which is accessible via a locally trusted organisation providing free and impartial support who can cover a range of issues with competent staff and demonstrate quality of provision. With high levels of poor children’s mental health, self-harm and suicide there is a requirement for a diverse range of mental health support for example around a Mental Health Hub.

Principle C – Designed to change the economic behaviour of the beneficiary, the provision of the proposed services could not be undertaken at their current level, with an increasing demand, if the funding was not provided and in terms of the Mental Health Hub wider external funding is also required to be able to ensure it can operate.

Principle D – Costs that would have been funded anyway, The services would not be provided to the level required without provision of the subsidy and in terms of the Mental Health Hub wider partner match funding has been obtained to make the service viable demonstrating that these services would not have been funded anyway. Provision of this funding will be in line with wider requirements by the recipient to develop more sustainable funding streams and understand funding priorities demonstrating that this service could not be provided without funding

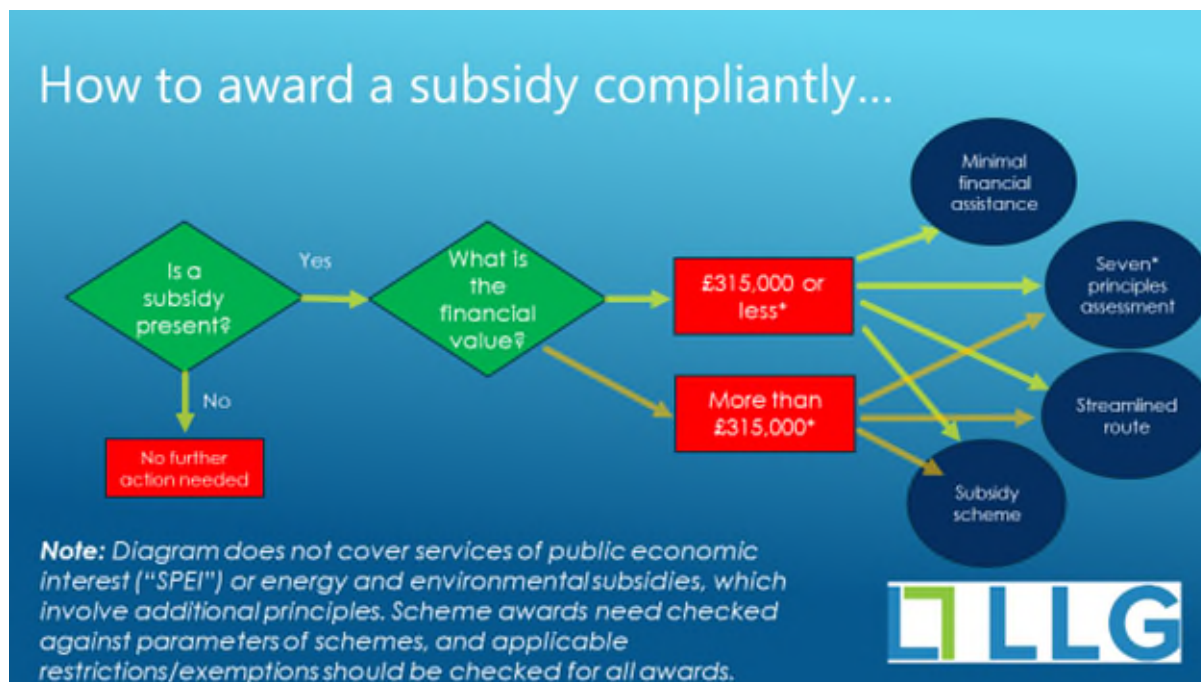
Principle E – Least distortive means of meeting the policy objective, it is the most appropriate instrument to achieve the significant need in the area as the services cannot be delivered by the Council as it does not have the necessary skills and the provision needs to be highly accessible to residents and seen as free and impartial providing a breadth of services to

provide comprehensive support and which residents already see as accessible

Principle F – Competition and investment in the UK, the scheme seeks to minimise negative effects on competition as there are specific requirements in terms of access for residents to see this as trusted, free and impartial provision providing a competent one stop shop approach to deal with multiple issues, directly located in the community.

Principle G – Beneficial effects should outweigh any negative effects, there is an increasing demand for the service in an area suffering considerable deprivation and the scheme seeks to provide comprehensive general advice support and mental health provision in a competent way using trained and audited staff who are accessible to residents and because of these specific requirements there are limited negative effects. In addition via utilising community profiling it helps ensure that those most in need access services and particularly those who find it difficult to access services.

Due to the value of the proposed financial assistance, the Minimum Financial Assistance threshold exemption under the Act cannot be relied upon, because the recipient has received in excess of £314K over last 3 years from TDC, in addition to other public funding.



**X The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:**

This short-term solution, allows the continuation of direct grant funding to CAT however, it is recommended, that a review is undertaken to assess the options for future funding and consideration of using an open market bidding process. It is acknowledged that to cease funding, would also have wider implications and due to the Council's Public Sector Equality Duty and consultation responsibilities under the Local Government Act 2003, the Subsidy

Scheme, at this stage is the reasonable and rational approach with the commitment for a wider review and full options appraisal and implications being fully assessed going forward.

#### **FINANCE AND OTHER RESOURCE IMPLICATIONS**

The creation of a subsidy scheme for this funding does not involve financial risk and will ensure Tendring District Council is compliant with the new subsidy control regime, legislation and guidance.

The funding for the core grant (£144 000) and the Mental Health Hub (£28 000) are from within existing resources

The core grant paid to CAT is £144,000 per annum. The SLA provides that the grant be paid in two instalments of £72,000.

The Mental Health Hub grant is £28 000 and is subject to a Service Level Agreement provided by the lead commissioner which is the Integrated Care Board.

**The Section 151 Officer confirms they have been made aware of the above and any additional comments from them are below:**

No further comments

#### **USE OF RESOURCES AND VALUE FOR MONEY**

The following are submitted in respect of the indicated use of resources and value for money indicators:

A) Financial sustainability: how the body plans and manages its resources to ensure it can continue to deliver its services;

B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and

C) Improving economy, efficiency and effectiveness: how the body uses information about its costs and performance to improve the way it manages and delivers its services.

#### **MILESTONES AND DELIVERY**

CAT performance against the SLA will be monitored at their quarterly audits.

#### **ASSOCIATED RISKS AND MITIGATION**

The risk that CAT fails to provide value for money for the grant funding is mitigated by the monitoring measures set out in the SLA and the quarterly audit by Citizens Advice National. The employment of more telephone advisors and the re-opening of their drop-in services has allow CAT to deal with more issues. However, it should be noted that issues are also becoming more complex and are taking more resource to deal with. It is also noted, that CAT are seeing more people that are already in crisis rather than previously when clients would approach CAT earlier with their problems.

There is a risk that the Subsidy Scheme will be challenged however, the recommended template has been used to assess the scheme against the principles and these are contained within the Report, which Cabinet must be satisfied are consistent. The further delegation to

the Assistant Director for Partnerships in consultation with the Leader and Monitoring Officer provides an additional layer of decision making to ensure all of the requirements of the Act and Statutory Guidance are met before any funding is awarded is given.

#### **EQUALITY IMPLICATIONS**

There are no other identified implications for TDC in paying over the grant. CAT's aims and principles set out that they value diversity, promote equality and challenge discrimination and practice impartiality. The SLA continues to require that CAT have all necessary policies in place in terms of the applicable protected characteristics, as detailed in the Equality Act 2010, and equality, inclusion and diversity.

#### **SOCIAL VALUE CONSIDERATIONS**

CAT employs staff from Tendring district, adding money back into the local economy. Volunteers are also used where possible. For those that are retired from their careers and want to give something back this allows previous knowledge to be harnessed. For those that are unemployed this improves their mental health, raises self-esteem, and gives the chance for them to broaden their work skills and make themselves more employable.

#### **IMPLICATIONS FOR THE COUNCIL'S AIM TO BE NET ZERO BY 2030**

None

#### **OTHER RELEVANT CONSIDERATIONS OR IMPLICATIONS**

**Consideration has been given to the implications of the proposed decision in respect of the following and any significant issues are set out below.**

<b>Crime and Disorder</b>	<b>None</b>
<b>Health Inequalities</b>	Provision of advice and support to residents such as benefits advice, free at the point of delivery is likely to support those most in need and help to address issues around health inequality.
<b>Area or Ward affected</b>	<b>None</b>

### **PART 3 – SUPPORTING INFORMATION**

#### **BACKGROUND**

Tendring District Council has provided grant funding to CAT backed by an annually agreed SLA, for a number of years. Since 2013/14, the core grant awarded each year has been £144,000, payable in two instalments of £72,000. The SLA was thoroughly reviewed in 2017/18 following substantial changes in the governance, management and service delivery of CAT.

The revised SLA for 2017/18 was agreed by Cabinet at the meeting held on 17 March 2017.

All subsequent SLA's have remained largely the same as the 2017/18 SLA with minor changes only, and all have been agreed by the relevant Portfolio Holder. This being the Portfolio Holder for Health and Education in respect of the 2018/19 SLA and subsequently the

## Portfolio Holder for Partnerships.

Schedule 2 (2.8) of the SLA provides for reductions in CAT core services beyond their control. On 31 March 2020, CAT reported that they had been operating a reduced service since 16 March 2020 due to the Covid-19 outbreak and subsequent lockdown. This involved a temporary cessation of all face-to-face advice. Staff were deployed to remote home working, providing advice via email, telephone and in writing. The CAT's office closures and suspension of services at their outreach sites had remained in force until the end of 2021. A hybrid service is in operation and residents are able to access advice via email, phone and website, as well initial drop-in triage services at the Clacton office and Harwich Job centre. Drop-in and appointments also take place in four different outreaches across Tendring: Harwich, Walton/Frinton, Jaywick and Brightlingsea. CAT outreach advisers also attend pop up community events and services such as a variety of fuel poverty groups and more recently attending the Salvation Army food bank in Harwich. The objective has been to become more visible and accessible to those who may otherwise not make contact with the service.

Post the Covid-19 pandemic, CAT has remained a vital information and advice service to the residents of Tendring. They have helped many people navigate their way around both established and entirely new challenges such as claiming benefits, dealing with debt, accessing food and services and housing issues. Demand for services is increasing both from Tendring residents and partners and CAT had adapted their offer as necessary. The local telephone number for CAT has been publicised more widely rather than the Essex-wide contact number and the team take 100-120 calls per week. They also now operate a call-back facility with often 100 call backs to be made.

CAT has produced a statistical dashboard, (the template used nationally), for activity during the years 2021/22 and 2022/23, which are attached at Appendices A and B respectively. Each client is recorded by CAT once, irrespective of how many enquiries they raise over the reporting period. The data shows that during the past year, although client numbers have remained the same, the number of issues dealt with by telephone and email have risen by 57% (8,765 to 13,739). People are arriving with multiple and more complex issues. Tendring residents are having difficulty with the energy and cost of living crisis and are still experiencing the effects of the pandemic. A further 4,000 residents have chosen to drop-in at one of the face-to-face venues.

- Financial Statistics:

- Value of Volunteer Hours - £160,000 (admin, advisers and trustees – 33 people)
- Value of Debt Managed - £918,505 (compared to £727,149 for the previous year)
- Value of Debt Written Off - £821,741 (compared to £650,545 for the previous year)
- Value of Benefits Achieved - £7,462,000

Current trends - the most common debt issue seen in the past fifteen months has been energy related and the most common benefit issue the Personal Independence Payment. Clients that cannot find permanent affordable housing is also a common theme. Prepayment meter installations have been increasing steadily over the past year and at the same time people who are unable to top up their prepayment meters are on the increase. The current contract with British Gas involves issuing energy vouchers which have used up and so British Gas have been able to divert unused vouchers from other areas to Tendring. Food Bank referrals are also increasing with the local Salvation Army food bank seeing double the number of people as previously and many people who have not had to use a food bank before.

In terms of assurance, CAT are audited quarterly for advice given by Citizens Advice National on a RAYG rating. CAT have scored green every quarter which is classed as excellent at 75% or higher. CAT are also audited yearly on 9 areas of the organisation again on a RAYG rating, achieving green overall.

The reviewed SLA for 2023/24 is attached at Appendix B for agreement by the Portfolio Holder and is largely similar to that of last year. Schedule 2 (2.8) retains a reference to the impact of the Covid-19 pandemic on the service's availability.

A number of case studies are available in Appendix E. These show the range of advice available to Tendring residents and the results that can be had.

Any payment to CAT will need to be assessed as to whether it constitutes a subsidy for the purposes of the Subsidy Control Act 2022 and payments only made in accordance with the Act. This may require an assessment and development of a subsidy scheme

For the ten months April 2022 to January 2023 the value of benefits advice achieved by CAT totalled in excess of £7,400,000.

### **Mental Health Hub**

CAT have also operated the Mental Health Hub for eight years. The Hub is a single point of access to provide a holistic assessment and intervention for the vulnerable residents of Tendring who have ill mental health.

The programme has two types of service user, clients who are service users attending the Hub for assistance and advice and participants who are service users on the mental health recovery programme.

Throughout the third and fourth quarter of 2022/23 the Hub advisors assisted 312 clients, dealing with 1665 different issues including around housing, homelessness, debt and legal support.

The Hub also supports, mentors and encourages people who are economically inactive through their ill Mental Health to gain the confidence, skills and build resilience so they are work ready. This is done in the space of 1 year where they are helped to apply for paid jobs or to find placements where they can volunteer. They are then able to contribute to society, their local economy and participate in social activities including physical activities (sometimes for the first time).

The Hub is funded each year by four different organisations Tendring District Council, Essex County Council, the Police, Fire and Crime Commissioner and the Integrated Care Board (formerly the Clinical Commissioning Group). The total contribution from all partners makes up the overall running costs.

The lead commissioner for the Hub is the Integrated Care Board who provide and hold the Service Level Agreement for the Hub each year.

The Council's annual contribution to this is £28,000.

The [UK subsidy control statutory guidance](#) provides a framework for designing and giving subsidies in a way that is consistent with the Subsidy Control Act 2022. In Chapter 3, the guidance advises that if a financial assistance measure meets the legislation definition of a subsidy, it will generally need to be assessed against the seven subsidy control principles. Subsidy schemes must be assessed against the subsidy control principles and cannot be made unless the public authority decides the scheme is consistent with the principles.

#### **PREVIOUS RELEVANT DECISIONS**

The CAT SLA which was originally agreed at Portfolio Holder level has now regularly been approved at a Cabinet level.

#### **BACKGROUND PAPERS AND PUBLISHED REFERENCE MATERIAL**

There are none.

#### **APPENDICES**

**APPENDIX A** – Subsidy Assessment

**APPENDIX B** – Service Level Agreement 2023/24

**APPENDIX C** - Key Statistics Dashboard 01/02/21 to 31/01/22

**APPENDIX D** – Key Statistics Dashboard 01/02/22 to 31/01/23

**APPENDIX E** - Case Studies

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