

## CABINET

24 MAY 2024

### REPORT OF THE PORTFOLIO HOLDER FOR PARTNERSHIPS

#### A.8 Allocation of funding to the Mental Health Hub

##### PART 1 – KEY INFORMATION

###### PURPOSE OF THE REPORT

To seek approval to allocate £28,000 of funding to the Mental Health Hub run by Citizen's Advice Tendring (CAT) via use of an Addressing Health Inequality – Mental Health Subsidy Scheme to ensure the Council is compliant with the Subsidy Control Act 2022 by providing justification for direct funding to CAT should the funding fall under the legal definition of a subsidy.

###### EXECUTIVE SUMMARY

CAT provide a Mental Health Hub which has been operating for nine years. The Hub 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 developed following the significant mental health need in the area which partners wanted to respond to and which has become further exacerbated and in particular following Covid. The partners identified how the Hub could support their priorities for example around public health, community safety and helping residents in an area with particularly challenging mental health outcomes. The Hub therefore provides an essential service to residents and is located in one of the most deprived wards in the country in terms of mental health and so is ideally placed to provide this support.

The Hub is funded by Tendring District Council, Essex County Council, the Police, Fire and Crime Commissioner and the Integrated Care Board. The lead administrator role for the Service Level Agreement with CAT is held by the Integrated Care Board. The contribution from Tendring District Council is £28,000 per year.

Without the funding provided by the Council the Hub may not be able to continue as other partners may not be able to make up the shortfall.

Allocation of the funding will be via a subsidy control scheme which will be published on the Government website to ensure the Council is compliant with the Subsidy Control Act 2022 for any funding it allocates.

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.

It is the responsibility of public authorities to consider the effect of the funding they will award.

Subsidies should 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.

As part of a wider grant review currently being undertaken the Hub funding will form part of that review and this will include how services are commissioned in future.

### RECOMMENDATION(S)

It is recommended that Cabinet:

- a) approves the Subsidy Addressing Health Inequality – Mental Health Subsidy Scheme for 2024/25;
- b) subject to a) above, awards Citizen’s Advice Tendring direct grant funding of £28,000 as a contribution to the provision of a Mental Health Hub for 2024/25; and
- c) subject to b) the award is published on the Government website.

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

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

To ensure funding is provided to deliver a Mental Health Hub to support people with poor mental health.

### ALTERNATIVE OPTIONS CONSIDERED

Although the funding could be stopped the Council is only one funder with three other co funders. If the Council stopped funding there is a possibility that other partners would not be able to make up the shortfall which would reduce the service for those with poor mental health locally.

## PART 2 – IMPLICATIONS OF THE DECISION

### DELIVERING PRIORITIES

Provision of the Hub is in line with the priority of working with partners to improve quality of life to promote safer, healthier well connected and inclusive communities.

### OUTCOME OF CONSULTATION AND ENGAGEMENT (including with the relevant Overview and Scrutiny Committee and other stakeholders where the item concerns proposals relating to the Budget and Policy Framework)

None undertaken

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

Is the recommendation a Key Decision (see the criteria stated here)	NO	If Yes, indicate which by which criteria it is a Key Decision	<input type="checkbox"/> Significant effect on two or more wards <input type="checkbox"/> Involves £100,000 expenditure/income <input type="checkbox"/> Is otherwise significant for the
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		<b>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)</b>	<b>service budget</b>
<p>The funding last year was provided via a subsidy control scheme so as to be compliant with the Subsidy Control Act 2022.</p> <p>It is proposed to deliver the funding for the mental health hub through a subsidy scheme for a further year as the hub is funded by 4 different organisations and is therefore difficult to procure directly as it is part of a wider provision</p> <p>To meet the requirements of the Subsidy Control Act 2022 any allocation of funding via a scheme must meet seven principles.</p> <p>The Addressing Health Inequalities – Mental Health Subsidy Scheme Assessment (Appendix A) highlights how the Subsidy Scheme addresses the seven principles</p> <p>Principle A – Common Interest, the Subsidy Scheme meets the policy objective within the Corporate Plan to work with partners to improve quality of life and in particular safer, healthier, well connected and inclusive communities 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.</p> <p>Principle B – Proportionate and Necessary, the Subsidy Scheme identifies high levels of demand in terms of poor children’s mental health, self harm and suicide and so there is a requirement for a diverse range of mental health support for example around a Mental Health Hub.</p> <p>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 the Mental Health Hub requires wider external funding to be able to ensure it can operate.</p> <p>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 wider partner match funding has been obtained to make the service viable which demonstrates 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</p>			

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 mental health support services 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 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.

<b>X</b>	<b>The Monitoring Officer confirms they have been made aware of the above and any additional comments from them are below:</b>
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The Monitoring Officer's comments made in the Report to Cabinet in July 2023 are repeated – *“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 Page 46 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.”*

In addition reference is made within this report to a Service Level Agreement (SLA) with CAT, where the lead administrator role for the SLA is held by the Integrated Care Board. However, it is understood Tendring District Council is a party to the SLA, as all partners are required to sign the agreement directly with CAT. No information has been provided on the SLA which TDC is becoming a party to through the provision of this funding.

**At its meeting in April, Cabinet RESOLVED** (minute no. 118) that –

- (a) notes the contents of this report including the Allocation of Funding for 2023/24, as set out in Appendix 1 to the Portfolio Holder's report (A.4);
- (b) authorises the Portfolio Holder for Partnerships to continue with the requested review in order to determine what priorities the Council could support through external funding in the future;
- (c) agrees that such review will include engagement with Officers and the relevant Portfolio Holders, in order to understand existing schemes and determine proposals for the

future, taking into account service provision, subsidy control implications, the Council's financial position and delivering the Council's Corporate Plan;

- (d) requires that, following completion of the review, a further report will be presented to Cabinet in readiness for the budget process for 2025/26; and
- (e) in light of the revised approach for the review, recommends to the Community Leadership Overview and Scrutiny Committee that its work on reviewing grant schemes operated by the Council ceases in order to prevent a duplication of Council resources on this subject.

It is essential that this review is undertaken as requested by Cabinet.

**FINANCE AND OTHER RESOURCE IMPLICATIONS**

The Mental Health Hub grant from the Council is £28 000 and is subject to a service level agreement provided by the lead administrator which is the Integrated Care Board and is funded by three other parties as well.

The allocation of this funding will be via a subsidy control scheme under the Subsidy Control Act 2022.

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

The funding highlighted above currently forms part of the Council's on-going 'base' budget and is therefore available to meet the commitment proposed.

It is worth highlighting that such funding arrangements are expected to form part of the wider external funding review that is currently underway and there may be opportunities to review how associated services are commissioned on behalf of residents in the longer term as part of the Council's commitment to providing value for money.

**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;	The funding for the Hub is via four providers which spreads the risk in terms of continued funding
B) Governance: how the body ensures that it makes informed decisions and properly manages its risks, including; and	CAT is audited on a periodic basis by National Citizens Advice to ensure it is managing risk and provision of services effectively
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.	Periodic audits by National Citizens Advice ensures that the organisation is efficient and effective

**MILESTONES AND DELIVERY**

CAT's performance is monitored by the lead administrator for the SLA which is the Integrated Care Board and they share any reporting provided.

**ASSOCIATED RISKS AND MITIGATION**

The risk that CAT fails to provide value for money for funding is mitigated by the monitoring

measures which are undertaken by the lead administrator which is the Integrated Care Board and via the quarterly audit by Citizens Advice National. Funding is provided by 4 different organisations and Tendring District Council's contribution is £28,000.

**EQUALITY IMPLICATIONS**

CAT's aims and principles set out that they value diversity, promote equality and challenge discrimination and practice impartiality. They have policies in place in terms of the applicable protected characteristics, as detailed in the Equality Act 2010, and equality, inclusion and diversity.

**SOCIAL VALUE**

Social value provided by the Hub and the wider CAT service include recruiting, developing and training volunteers and helps raise skills to access work and volunteering opportunities.

The Hub also promotes the support and wellbeing of people with mental health challenges and develops resilience. The programme also raises awareness of mental health issues.

The Hub supports ex-offenders to rebuild their lives, gain work skills and apply for work or volunteering opportunities.

**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>	By supporting those with poor mental health and building resilience the Hub can help prevent clients either being the victims or perpetrators of crime.
<b>Health Inequalities</b>	The Hub supports those with poor mental health in an area of significant deprivation in terms of mental health and builds resilience and supports people into work and volunteering opportunities which directly addresses health inequalities.
Subsidy Control (the requirements of the Subsidy Control Act 2022 and the related Statutory Guidance)	It is proposed to procure this service if approved although it will require an exemption from procurement rules as there is only one provider of a Mental Health Hub service in the area which is joint funded by three other partners.
<b>Area or Ward affected</b>	All, as anyone can be referred to the service although the predominant number of referrals will come from the local Clacton area and within Pier Ward.

## **PART 3 – SUPPORTING INFORMATION**

### **BACKGROUND**

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

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.

When originally set up the partners came together recognising the significant mental health challenges facing residents in the area and in particular within Pier Ward which has particularly high levels of poor mental health.

The partners recognised the valuable contribution that a mental health hub could deliver both through providing mental health support directly but also through the opportunity of volunteering and potential employment which is an effective way of addressing poor mental health over an extended period.

The Hub helps to meet partner's priorities in terms of improving public health and assisting to address issues around crime and anti-social behaviour both from a potential perpetrator or victims perspective. In addition, it also supports improving clinical health and reduces the impact on services which are under intense pressure and therefore providing an early intervention approach.

Provision of the Hub is in line with the Council's priority of working with partners to improve quality of life to promote safer, healthier well-connected and inclusive communities. The Hub aligns with supporting communities to become healthier and by bringing people together helps to address social isolation. It also helps to meet aspirations around community safety.

Since originally set up residents mental health has been severely challenged as there has been a deterioration, which has been exacerbated by Covid.

During this time the Mental Health Hub provided by CAT has moved from Old Road to a more central location on the High Street within Clacton to make it more visible and more accessible to residents.

The Hub therefore provides an essential service to residents in relation to supporting and sustaining their mental health to prevent impact on wider services and is ideally located as is provided in one of the most deprived wards in the country in relation to mental health.

CAT are well placed to deliver this service as they are supported by four different organisations and have developed an accessible shop offer in the centre of Clacton so can provide both mental health support but a volunteering and employment opportunity. In addition the CAT brand is well known within the district and so will be accessible to residents and as CAT provide a wider advice and support service they have an opportunity to refer people into the Hub when accessing wider support services.

The lead administrator 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 allocation of funding is proposed to be via a subsidy control scheme in line with the seven principles under the Act.

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.

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.

It is reported that those that attend the Hub have often lost touch with friends and family and may be extremely isolated. In addition clients often lack self-confidence and sometimes self-awareness and need support to rediscover themselves and build resilience.

Advice is also provided from the CAT main service to avoid escalation of issues clients may have.

Clients are supported with confidence and coping strategies so they do not become dependent on the service and can move on at the end of the programme.

Participants are also supported to incorporate physical activity into their weekly lives to help improve both mental and physical health. Encouragement is also given to help participants widen their social networks and improve their communication skills.

The overarching aim of the service is to improve the health and wellbeing of people with mental health challenges. The recipients of this service are Tendring residents aged 18 or older. The Hub addresses the wider determinants of mental ill health and as such seeks the following outcomes:

- Improve health and wellbeing and reduce dependence on primary health services.
- Reduce social isolation and increase confidence.
- Reduce anxiety due to unmanageable life difficulties.
- Reduce risk of reoffending or becoming a victim of crime
- Reduce the effects of domestic abuse on families.
- Train people in retail and shop skills
- Coach people to develop awareness of workplace expectations.
- Help people to access further workplace or training opportunities after exiting the programme.

People can self-refer or are referred into the programme by partner organisations, or by the main CAT advice service and the placement is for up to 12 months. Initially people have a trial shift in the shop for 2 hours to ensure it is suitable. They are then given a regular time slot and have an initial assessment where goals are discussed and set.



Each 3 months assessments occur via a one-to-one meeting to discuss progress and determine goals.

The goals discussions also includes the move on plan for when they leave the programme after the 12 months.

Half way through the programme planning occurs for either a job search, a volunteering placement or further training courses. Depending on the choice the client makes they are assisted with the job search, application forms, CVs, approaching potential volunteering organisations and researching college courses.

The statistics below are for the period 1<sup>st</sup> April 22 to 31st Mar 23:

<b>MH Programme Impact</b>	
<i>Number of participants through the training programme 22-23</i>	47
Home Starter Clients Supported	23 individuals and families
<b>Mental Health Advice Impact</b>	
<i>Number of Issues addressed</i>	1665 (approx. 5 issues per person)
<i>Top Issues</i>	Welfare Benefits Crisis Support (financial crisis)
<b>Staff Hours</b>	
<i>Advice Staff</i>	2496
<i>Hub Staff</i>	5798
<b>Volunteer Hours</b>	832

The provision of the Hub, in terms of the contribution the Council makes, provides value for money as it supports individuals with a wide number of issues which would otherwise present for Council and wider partner service provision. It is an essential service to continue for residents as it provides a useful support for low level and enduring mental health as part of the wider mental health offer in the area and in particular addresses one of the key areas in terms of providing long term solutions by supporting to allow people to access employment.

A wider funding review is currently being undertaken in relation to the allocation of grant funding and this review will include the allocation of funding in relation to the Hub and will reference how services are to be commissioned in future should the Council wish that it determines to fund them.

The provision of the funding via a subsidy scheme for this year will allow for allocation of the funds whilst this review is undertaken

#### **PREVIOUS RELEVANT DECISIONS**

[\(Public Pack\)Agenda Document for Cabinet, 21/07/2023 10:30](#) Page 37

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

None

**APPENDICES****Appendix A – Subsidy Scheme****REPORT CONTACT OFFICER(S)**

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