

Questions to City Executive Board, 10th September 2014

Item 7: Commissioning Advice Services, 2015-2018

The advice agencies are grateful for the City Council's continuing support as demonstrated in this report, particularly the proposal to offer 3-year funding and to consult with us further on priorities and outcomes. We recognise that the City Council must ensure that grant money is properly spent. However, we have some questions as follows:

1. Are all Councillors aware that the agencies specialise to some extent in different aspects of client need and that it is therefore necessary to ensure that proposed outcomes are flexible enough to take account of different roles and levels of capacity?

The Executive Board cannot speak for all councillors. The Service specification in the Executive Board report reflects the fact that the advice organisations provide different services; stating that outcomes are only expected where such services are provided. Over the last year the Council has worked closely with the advice organisations to ensure we have a good understanding of the services provided. The report recognises the benefit of this closer working and the desirability of continuing to work together to develop the appropriate priority outcomes and measures.

2. If a changing annual priority area is agreed, how will this be flexible enough to deal with a situation where priorities may change mid-year? (For example, if a new Government in May 2015 were to adopt a different approach.)

The aim of the priority area is to help deliver the objectives of the Council's Financial Inclusion Strategy. And it is not expected that these objectives will change significantly during any given year. Consequently, priority areas will be agreed on an annual basis. Where new issues arise during the year, the Council will work with the advice sector to tackle them, but funding will not be redirected in year unless by mutual agreement.

3. Are all Councillors aware that the City Council grant provides only part of the funding for each of the advice agencies and that re-orientating the focus of their work each year would be difficult to achieve whilst also meeting continuing obligations to other funders?

Oxford City Council has recently published a financial inclusion strategy which aims to make material improvements to financial inclusion in the city. It also has a fiduciary duty to ensure value for money. Clearly the Council has always sought to ensure that its objectives are met through its commissioning and grant giving processes. The commissioning framework has been developed through extensive consultation with the advice organisations to ensure flexibility is balanced with delivery of the objectives required by the Council.

As public sector funding continues to be squeezed, it is increasingly important that vital services are delivered by partners in a joined up way. The Council is using this commissioning process to ensure that services delivered by the advice sector are aligned with the shared outcomes within the Financial Inclusion Strategy. City and County grants are vital to pay for the core funding needed by advice agencies to pay for staff and offices. Do all Councillors realise that the withdrawal of a proportion of grant in the second or subsequent years of 3-year funding could jeopardise the continued existence of some of the agencies?

The Council's Standard Funding Agreement has always contained a provision for funding to be withdrawn from an organisation that is not delivering the services that have been commissioned. It is not the Council's intention to use this provision to reduce the amount of funding spent in the delivery of advice, simply to ensure that its priority objectives are met. The priority objectives which are agreed are the issues which are the most pressing to our shared customers. Unlike other grant providers locally, the City Council has increased the amount of funding to the advice sector in recent years and remains very committed to this area of work.

4. The advice agencies in Oxford work together very co-operatively. Is there not a concern that, if funding were withdrawn from one agency and given to another instead, this might endanger future co-operation?

The Council is committed to working in partnership with the advice sector and supporting organisations that have difficulty in meeting the priority outcomes that are agreed. As such it is hoped that there will be no need to redistribute funding. However, the Council also has a responsibility to secure Value for money and ensure the outcomes it has commissioned are delivered.

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