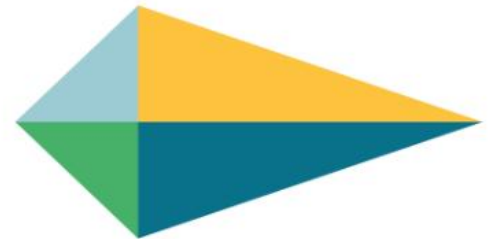




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EASTSUFFOLK
COUNCIL

Citizens Advice Service Review **Final Report (R1)**

Review Team: Harry Machin, Phil Austin
and Richard Wood

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Touchstone Renard Limited
152-160 City Road
London EC1V 2NX
Tel: +44 (0) 203 954 2576

Contact Name: Phil Austin
Email: paustin@TouchstoneRenard.com



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We would like to thank all the people involved throughout the review process, from the three CABS concerned (including the Chief Officers, Trustees, staff and volunteers), East Suffolk Council (ESC) and all other stakeholders, who gave us their time, input and support. We also express our thanks to the four merged CABS that we interviewed regarding their experiences and lessons they have learned.

Covering statement

This report and its contents have been prepared for ESC and the three CABS as part of the East Suffolk Citizens Advice Service Review project. Statements throughout this work are made in good faith based on the information provided by those involved in the review or otherwise made available or disclosed during the period of the project.

UK London Office

Touchstone Renard Limited
152-160 City Road, London EC1V 2NX
Tel: 0203 954 2576

Email: office@TouchstoneRenard.com

Web: www.TouchstoneRenard.com

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1. EXECUTIVE SUMMARY

The three East Suffolk CABs – CANES, Felixstowe and Leiston – are working well and have many strengths. They are solvent, able to deliver services to clients even during Covid-19, have capable and dedicated staff and volunteers and have good relationships with funders. As we have been asked: “The system isn’t broken, so why does it need fixing?”

One answer to that question is that both Suffolk County Council (SCC) and East Suffolk Council (ESC) have made further funding after March 2021 partly conditional upon ‘transformation’ of services. Our review is described (in the Request for Quotation (RFQ)) as a ‘transformation review’, and **we believe that a merger of all three CABs offers the best opportunity for a genuine transformation of services across East Suffolk**. We have based this opinion on three main types of analysis:

- A review of the current situation, which shows significant differences in the ways that the three CABs operate, especially between CANES and the other two CABs (see Section 5).
- Discussions with four CABs from other parts of the country that have undergone recent mergers, which show the potential that mergers offer for expanding and improving services (see Section 7).
- Scoring the different options (no merger, merger of two of the three CABs, merger of all three CABs) against a set of criteria including the ones mentioned in our RFQ. The merger of all three CABs had the highest score, by a considerable margin (see Section 8).

The case for merger is not about cost savings or greater efficiency. Some cost savings, for example by sharing local premises with other agencies, could be made irrespective of mergers (though mergers can provide a further impetus to reduce premises costs). Most of the cost savings on Chief Officer (CO) salaries would be offset by the likely need to offer a higher salary to the CO of a larger, merged CAB and the need for effective deputies to manage reporting lines and share leadership tasks. Relatively minor cost savings can, however, be made on governance, audits and membership fees payable to National Citizens Advice (NCA). CABs that have merged have mentioned additional costs such as new equipment, marketing and changes to office layouts.

The case for merger is about creating better opportunities to fund and improve services. CABs that have merged have found that their relationships with core funders (mainly councils) have improved and that new opportunities for collocation and closer cooperation have arisen. Funders value having a single point of contact for local CABs, rather than multiple ones.

Opportunities for project funding have also increased for the CABs that have merged, along with the ability to recruit more specialised skills to be deployed across a wider area. Within East Suffolk there are clear disparities between the project funding currently used by CANES on the one hand and Felixstowe/Leiston on the other, providing opportunities to spread local sources of funding more widely across the whole district. **For CABs that have merged, financial resilience has improved overall.**

CABs that have merged have all reviewed their systems and processes and (generally) have rolled out the best existing practices across the whole of their new areas. They have told us that this has improved services for clients, but there are associated risks as we indicate in Sections 7 and 9.

Other opportunities that stand out include:

- Closer links with councils, DWP and other voluntary sector organisations (VSOs) could enable greater numbers of vulnerable clients to be referred to CAB before their problems escalate out of control.
- More could be done to record outcomes for clients more fully and consistently across the three CABs, and to make use of the combined statistics to demonstrate the impact of CAB’s work to funders.
- Merging Trustee Boards enables a new merged CAB to select the most motivated trustees with the most relevant skills, from a large pool of legacy trustees.

- Better career progression for staff within the one organisation, and the potential to offer higher salaries.
- Better strategic planning for the whole district, in times that are increasingly uncertain.
- Combining the lessons learned from the lockdown, especially as regards remote delivery of services.

Concerning the last point above, **we reject the idea that face to face services can be fully replaced by remote services.** The lockdown has greatly improved CABs' capabilities, processes and technology for providing remote services, but there has clearly been an unmet need for face to face services during the lockdown, especially for more elderly and vulnerable clients. Consequently there should be no question of closing offices or reducing outreach locations on the pretext of greater 'efficiency', though there may be a case for a more strategic approach to providing a face to face CAB presence throughout the main population centres across the district.

A merger of CABs does not have to mean a loss of local identity. Some of the CABs that have recently merged have retained the local name ('Citizens Advice Thurrock' for example) within a legal entity that covers the wider district ('Citizens Advice South Essex'), and this would be possible for any of the three local CABs in East Suffolk.

As mentioned above, there are risks associated with a merger of the three CABs. It is important that the three CABs are able to work together to maximise the benefits and reduce delays, and a structure would need to be put in place to enable that to happen.

A merger between Felixstowe and Leiston CABs is a lower-risk option that would still deliver benefits. These two CABs are quite similar in the ways that they work and in the projects that they work on, and if merged they would be more or less equal in size to CANES. Our view, based on one brief consultancy project, is that the potential rewards from a merger of all three CABs would offset the risks and potential difficulties of the merger process. However, a merger between Felixstowe and Leiston CABs would be a reasonable alternative step that would offer some transformation of services.

In parallel with our review, NCA have been carrying out a review of CABs across Suffolk, which should provide an overall context for our recommendations to be considered. NCA are also (separately) conducting some research into CAB mergers and we understand that this report should be published in November.

2. BACKGROUND

The purpose of our review is to develop a model or models of service delivery for the East Suffolk CABs which:

- Maintain or enhance the level of service delivery to clients.
- Provide best value for money.
- Enable the service to develop additional income streams.
- Ensure that vulnerable clients (for example disabled, elderly, socially isolated, lacking internet access, or with difficulty in communicating) have 'equality of access' to services.

The Request for Quotation for our review also references encouraging the three CABs to 'free up resource' for:

- Greater involvement in prevention activity.
- Additional outreach into identified and agreed target areas.

Future ESC funding for CABs is to be maintained at the current level (£199,600 pa) for the current year (2020-21) and the next two financial years until March 2023, subject to 'evidence of progress towards transformation'.

Suffolk County Council (SCC) have proposed to reduce their funding of CABs to £120,000 a year for all the Suffolk CABs, of which East Suffolk's share would be £39,480. This has been supplemented by funding from two Clinical Commissioning Groups (CCGs), namely NHS Ipswich and East Suffolk CCG and

NHS West Suffolk CCG, of a further £187,000 across the local CAB network, but this funding is not guaranteed to continue beyond March 2021.

The sums that are currently available from SCC are contingent upon the CABs meeting some potentially quite stringent conditions, including:

- A reduction to four CABs across Suffolk as a whole.
- CABs to exploit additional sources of funding.
- CABs share accommodation with partner organisations where this is practicable.
- CABs demonstrate their social and economic impact by reporting on indicators that match SCC's requirements. SCC have set out ten specific indicators as a basis for future discussion.

Any future alignment of councils in Suffolk may be subject to the government's proposed reorganisation of local authorities. It will be interesting to know (and relevant to the CABs) whether the government will propose a unitary council for Suffolk.

3. SCOPE

The review covers the three Local Citizens Advice Bureaus (CABs) in East Suffolk: North East Suffolk CA, Leiston and Saxmundham CA and Felixstowe CA.

It does not cover the CABs across the rest of Suffolk, including Ipswich. We have not evaluated the option of Felixstowe CAB merging or co-operating more closely with Ipswich CAB.

4. WORK DONE

We have:

- Reviewed relevant data concerning East Suffolk and its population.
- Carried out a desktop review of the information provided by the three CABs.
- Carried out analyses including:
 - Analyses of CAB's dashboard data for the 2019-20 financial year and, where relevant, for the first four months of the lockdown (March to July 2020).
 - A SWOT analysis focused on the three CABs.
- Carried out telephone and online interviews with:
 - The Chief Officers, Chairs, and Treasurers of each of the three CABs.
 - The Head of Communities for ESC and NHS Norfolk & Waveney / Ipswich & East Suffolk Clinical Commissioning Groups (Nicole Rickard).
 - SCC's Cabinet Member for Environment and Public Protection (Councillor Richard Rout).
 - SCC's Head of Trading Standards (Graham Crisp).
 - Staff and volunteers of each of the three CABs, as recommended by the Chief Officers.
 - NCA's Permanent Relationship Manager for the three CABs (Lesley Williams-Day).
 - NCA's Senior Strategic Change Consultant, who is carrying out a review Of Citizens Advice Services across Suffolk (Eddie Collins).
 - Key people from other CABs that have carried out recent mergers:
 - The Chair and Chief Executive of West Suffolk CAB
 - The Chief Executive of Bournemouth, Christchurch and Poole CAB
 - The Chief Executive of Sheffield CAB
 - The Chief Executive of South Essex CAB.
- Documented the current situation concerning the finances, staffing and volunteers, locations and premises, delivery channels, clients, operations, governance and performance of each of the three CABs.
- Considered the impact of the Covid-19 lockdown on CAB services.

- Considered future demand for CAB services.
- Carried out an overview of the options for the future of the services provided by the three CABs.
- Prepared an Emerging Findings report and discussed it with the key stakeholders (the three Chief Officers and the Head of Communities, ESC)
- Prepared a summary business case for our recommended option.
- Made suggestions for implementing the recommended option.

We have been hampered by the CABs being closed during the lockdown, so have been unable to see the premises or observe the CABs in action for ourselves.

We have been unable to review the NCA report commissioned by SCC, which is not available at the time of drafting this report.

5. CURRENT SITUATION

5.1 Introduction

Most of the analysis in this section is based on the information provided by the CABs for the 2019-20 financial year. This was almost a 'normal' year in the sense that the lockdown did not begin until 23rd March 2020. The period since then, that is the current financial year, has clearly been 'abnormal' and we consider the implications of this elsewhere in our report.

Citizens Advice's 'dashboard' information can be structured and analysed in many different ways. We have used information on all the clients, issues and outcomes recorded by each CAB, rather than limiting that information to clients resident in East Suffolk, or in Suffolk as a whole.

We have been told of instances and reasons why not all clients, issues, activities and outcomes may not have been recorded at certain times. We have made no adjustments for any such factors and have used the information that has been recorded.

5.2 East Suffolk context

5.2.1 Suffolk districts

East Suffolk is the largest district of Suffolk. It contains nearly a third (32.6%) of the total Suffolk population and is 28% larger than Babergh and Mid Suffolk combined. (Source: Suffolk Observatory website link to https://www.healthysuffolk.org.uk/uploads/Population_Suffolk_on_a_Page_2019_v1-1.pdf. Data for 2018)

District	Population	% of Suffolk total
Babergh	91,401	12.0%
East Suffolk	248,249	32.6%
Ipswich	137,532	18.1%
Mid Suffolk	103,493	13.6%
West Suffolk	178,881	23.6%
Total	759,556	

5.2.2 East Suffolk populations

East Suffolk's Economic Growth Plan 2018-23 states the following:

"The largest town is Lowestoft. With a population of about 70,000, Lowestoft is home to just under a third of the 240,000 people who live within East Suffolk, and a slightly higher proportion of the working age population. This means that the performance of Lowestoft has a major bearing on the economic health of East Suffolk as a whole.

Almost 50 miles away and to the south, Felixstowe is the second largest settlement. It is home to around 25,000 people.

Also, in the south are towns – like Kesgrave – which border Ipswich – and are notable East Suffolk population centres.

Then there is a group of (mainly smaller) market towns – like Woodbridge, Leiston, Framlingham, Saxmundham, Beccles, and Bungay – which are distributed around East Suffolk and typically have populations of 5,000 - 10,000 people.”

For context, the population of Ipswich, which borders East Suffolk, is approximately 133,000 (source: 2011 census), increasing to 180,000 when suburbs are added.

A high proportion of the East Suffolk (ES) population live in smaller towns and villages, in most cases with poor transport links (see below).

ESC’s Cabinet paper dated 3rd March 2020 states that:

“Using the 2018 Suffolk Observatory population estimates, the population based in the former Suffolk Coastal District and served by Leiston and Saxmundham and Felixstowe and District CAs was 129,938 or 52% of the total population and the population of the former Waveney District, served by CA North East Suffolk was 118,331 or 48%.”

5.2.3 Demographics and deprivation

Suffolk Community Foundation’s Hidden Needs report, first published in 2011 and updated in 2016, provides insights into the extent of hidden deprivation in the county, especially in rural areas. Our impression is that this work has largely been subsumed into subsequent analysis by ESC.

ESC have provided us with their ‘East Suffolk – Profile’ data pack, which shows the following [with our comments added in square brackets]:

Demographics

- More than one in four people (27%) are aged 65 or over, compared to the national average of 18%. Nearly 10,000 of these (3.9%) are aged 85 or over. [This makes the accessibility of services for this age group, for example their reduced use of CAB services during lockdown and the closure of AgeUK in the area, an important consideration.]
- All groups below the age of 50 account for a smaller proportion of the East Suffolk population than they do across Great Britain as a whole.
- The population of East Suffolk is growing more slowly than that of Suffolk, which in turn is growing more slowly than that of Great Britain as a whole.

Deprivation

- A higher proportion of people in East Suffolk, including older people and children, are affected by income deprivation compared to the proportion for Suffolk as a whole. Similarly, a higher proportion of working age people suffer from employment deprivation.
- Levels of deprivation vary across the District, with areas of high deprivation in certain wards within Lowestoft and Felixstowe and low deprivation in the more affluent areas. [Also ‘hidden deprivation’ exists in rural areas across the district, many of which are served by Leiston CAB.]
- Income deprivation for older people is quite marked in some of the more remote rural areas as well as in the main towns.

Health and social care

- There are differences in life expectancy across the District of up to 10.9 years for males and up to 14.8 years for females.
- Prevalence of dementia is higher than the national average among patients at 14 of 25 GP surgeries in East Suffolk.
- 26.7% of primary school children are overweight or obese.
- 46.9% of adults do not exercise.
- Social isolation is highest in some rural areas, as well as in parts of Felixstowe.

Employment and education

- 7% of adults are in receipt of universal credit, compared to 5.4% across Suffolk.
- The performance of East Suffolk schools at Key Stage 4 level was significantly worse than the national average on the measures shown in the slide pack. The results for Key Stage 2 were closer to the national average.

Housing and environment

- 26,600 (24.2% of all houses) are in poor condition.
- 7,400 homes (6.8% of all houses) are hard to heat.

Transport

- 74.2% of homes are within a quarter of a mile of a frequent bus service (though this applies to only 38.3% of homes in Framlingham and Wickham Market). 'Frequent' is defined as an average of 5 buses a day or more.
- 8.2% of homes are more than 2 miles from a frequent bus service.

5.2.4 ESC Community Partnerships

ESC has developed a programme of Community Partnerships (CPs) across the District. There is a map of the CPs at **Annex 2**. The eight Partnerships, and their key priorities, are listed in **Annex 3**.

We note that one objective is to develop a Village Hub to bring services to people, which may have an implication for CAB services including outreach services. Some Chief Officers have emphasized the importance of retaining local links that match the Community Partnerships, under any new structure.

5.3 Finances

5.3.1 Overview

Audited accounts are not yet available for the year ended 31st March 2020, so we have relied on spreadsheets and other information provided by each CAB.

In the last complete financial year (ended 31st March 2020) the three CABs between them generated income of £785,574 and expenditure of £721,003, resulting in a combined surplus for the year of £64,571. This increased their total unrestricted reserves to £392,584, which is sufficient to cover expenditure for 6.6 months overall. Within that total, Leiston's reserves are strong (12.3 months) while CANES's are weaker (4.2 months). £60,000 of CANES' reserves are set aside to cover possible future redundancies, making their reserves position weaker still.

CANES is the largest of the three CABs, with income that is slightly lower, and expenditure that is higher, than the other two CABs combined.

Leiston's surplus of over £44,000 for 2019/20 was exceptional – the 2018/19 surplus was £3,000. It was caused by a higher level of grants and donations, including those related to the Covid-19 pandemic, the costs saved in the short term by the inability to recruit as quickly as hoped, and the contributions from the HtC and Community Connector projects.

	Felixstowe	Leiston	CANES	Total
Income 19/20	£205,140	£194,025	£386,409	£785,574
Expenditure 19/20	£173,837	£149,484	£397,682	£721,003
Surplus / (deficit) 19/20	£31,303	£44,541	(£11,273)	£64,571
Reserves at 31/3/20	£100,011	£152,573	£140,000	£392,584
Number of months expenditure covered by reserves at 31/3/20	6.9 months	12.3 months	4.2 months	6.5 months

5.3.2 Sources of income

A dilemma for CABs, as for other charities, is how to attract sufficient long-term, 'core' funding for ongoing operations, which does not depend on one-off projects that may or may not be renewed. This is why council funding and other long-term partnerships are so valuable.

Points to note include:

- **Sources of income are vulnerable to future pressures.** Core funding from councils is in question (see below) and project funding tends to be short term / renewable annually at funder's discretion.
- SCC funding has reduced considerably in recent years, and future funding is conditional upon 'transformation' of services and other conditions.
- The CCGs' support for SCC funding did not extend to CANES, whose CCG did not take part in this.
- ESC funding is (to a lesser extent than SCC) conditional upon transformation of services. The respective shares of the three CABs are based on the amounts paid by the legacy councils and an adjustment in favour of CANES is likely in future, at the expense of the other two CABs.
- Leiston have received particularly good support from their local parish councils.
- CANES expect their income from social prescribing for 2020/21 to be £132,000 – almost as much as the grants from ESC and SCC combined.
- **Several sources of project funding are unique to one CAB, suggesting that there is scope for a more joined-up approach to dealing with project funders.**

CANES have estimated that they could potentially increase their income from letting offices and meeting rooms from £6,000 achieved last year to say £25,000 in future, based on:

- Offices fully let for a year - £10,000.
- Meeting room let 50% of weekdays, plus some time at weekends - £15,000.

<i>Income: 2019/20 financial year</i>	Felixstowe	Leiston	CANES	Total	Comments
ESC grant	£57,700	£63,900	£77,940	£199,540	The allocation of funds between the three CABs may be rebalanced to reflect workloads and populations served.
SCC grants	£31,883 (£15,237 from CCG)	£32,056 (£15,237 from CCG)	£59,239	£123,178	This funding is conditional upon 'transformation' of services and other conditions. There will be pressure for further cuts due to SCC's financial position.
Town and parish councils	£4,360	£9,428	£4,000	£17,788	Leiston appear to have particularly good support from local councils.
ESC Housing Needs	£3,405	£0 (£3,125 paid in 20/21)	£12,500	£15,905	This funds part of staff members' salaries for specialist work with ESC Housing Needs.
NCA Help to Claim / Universal Credit	£25,843	£25,558	£33,632	£85,033	Project funding renewable annually.
Social prescribing / 'Community Connectors' (Consortium with Access Community Trust)	£27,849	£13,675		£41,524	Project funding renewable annually. CANES is not part of this consortium (see below).

<i>Income: 2019/20 financial year</i>	Felixstowe	Leiston	CANES	Total	Comments
Social prescribing 'Solutions' project			£72,800	£72,800	Project funding renewable annually. CANES 'Solutions' project funds 1 day/week per surgery in Lowestoft (8 GP surgeries) + referrals 2.2FTE + admin support + management & office overheads.
NCA energy advice project	£7,253			£7,253	
Coronavirus funding		£15,000		£15,000	Provided by Suffolk Community Foundation and Suffolk CCGs, plus Rope Trust contribution to food bank.
South Norfolk grant			£4,000	£4,000	Not continued in 2020/21
MAS (debt advice)			£52,782	£52,782	Only CANES has a contract with MAS, under a Participant Agreement with NCA. We understand that both Felixstowe and Leiston have now been offered contracts as well, each worth £45,800 pa.
Rope Trust	£32,000	£30,000	£5,210	£67,210	Rope Trust are long term supporters of local (Suffolk) CABs. They have funded CANES in previous years but not in 2019/20.
Big C			£6,760	£6,760	Specialist support worker 0.2 FTE.
Other grants and donations	£7,792		£12,775	£20,567	CANES includes £10,000 from Beccles Townlands Trust.
Room hire			£6,071	£6,071	Potential for CANES to increase this.
Capital for building			£28,217	£28,217	CANES only, re owned premises. Offset by £26,000 expenditure, leaving £2,000 net income.
Other	£7,055	£4,358	£10,443	£21,856	
Total	£205,140	£194,025	£386,409	£785,574	

5.4 Expenditure

The main categories of expenditure are given in the table below and the main components are then analysed further.

<i>Expenditure for the 2019/20 financial year</i>	Felixstowe	Leiston	CANES	Total	Comments
Staffing	£117,821	£110,830	£258,236	£486,887	See 'staff costs' below.
Premises	£18,593	£17,141	£48,613	£84,347	See 'premises costs' below.
Audit and accountancy	£1,877	£775	£2,232	£4,884	

<i>Expenditure for the 2019/20 financial year</i>	Felixstowe	Leiston	CANES	Total	Comments
Client disbursements	£1,635			£1,635	Payments to clients.
Capital building costs			£26,113	£26,113	Grant to improve the lighting and heating in the main office – fully offset by income.
Other	£30,368	£20,738	£36,488	£87,594	See ‘other costs’ below.
Depreciation	£3,533	0	£6,000	£3,533	
Loan repayment			£20,000		
Total	£173,837	£149,484	£397,682	£721,003	

5.4.1 Staff costs, numbers and roles

Staff costs account for 70% of total expenditure for the three CABs combined – slightly more for Leiston (74%) and slightly less for Felixstowe (68%).

Staff roles and specialisms reflect both the types of projects that are being funded and the different ways in which the CABs are organized, as below. There is a good range of different skills across the CABs, and cost-effective use of part time working with Leiston perhaps being the stand-out in this respect.

The staff numbers and roles below have been affected by Covid-19 and may be subject to further revision by the Chief Officers.

Felixstowe

Felixstowe have 7 members of staff (approximately 4.8 FTEs based on a 35 hour working week), including a full time Community Connector role which is funded by the Social Prescribing project.

Role	PT/FT
Chief Officer	PT 32 hours pw
Deputy Manager & Training Supervisor	PT 24 hours pw
Financial Capability & Outreach worker	PT 24 hours pw
Money Adviser	PT 24 hours pw
Help-to-Claim Adviser	PT 10hours pw
Money Adviser	PT 6 hours pw
Community Connector	FT 37 hours pw

Leiston

Leiston have 11 members of staff, several of whom (including the CO) are on flexible contracts. They estimate the equivalent of 4.0 FTEs based on a 37.5 hour week (4.3 FTEs using a 35 hour working week).

Role	PT/FT
Chief Officer	PT flexible contract
Admin Assistant	15 hours pw
Deputy Manager - employment and housing, IT support, supervisor	PT 3/5
Deputy Manager - benefits, Help to Claim, supervisor	PT 3/5
Assistant session supervisor	8 hours pw
Money Adviser	10 hours pw
Money Adviser	12 hours pw

Role	PT/FT
Help to Claim adviser (face to face)	12 hours pw
Help to Claim adviser (telephone)	5 hours pw
Outreach Co-ordinator	Approximately 7.5 hours pw Zero hours contract
Community Connector	18.75 hours pw

CANES

CANES have 14 members of staff, equivalent to approximately 10.6 FTEs based on a 37 hour working week or 11.2 FTEs using a 35 hour working week.

Role	PT/FT
Chief Officer	FT
Administrators * 2	24 hours pw each
Training Co-ordinator / advice session supervisor / QAA lead / caseworker	FT
Advice session supervisor / caseworker and outreach	FT
Advice session supervisor	30 hours pw
Advice session supervisor / specialist adviser / caseworker and outreach (debt and benefits specialist)	FT
Advice session supervisor (self-employed)	0.6 FT
Specialist adviser	FT
Caseworkers and Outreach * 2 (all caseworkers have specialist skills, especially re benefits)	22 hours pw each
Caseworker and Outreach part funded by ESC (debt, benefits and housing specialist) (0.4 ESC Housing Options Team, 0.6 HtC)	FT
Caseworker and Outreach (self-employed)	0.6 FT
Social prescribing link worker	FT
Community Facilitator	22 hours pw

5.4.2 Premises costs

Premises costs account for 12% of the total expenditure of the three CABs combined.

Felixstowe

- The lease on the main building in Orwell Road, Felixstowe expired in June 2020 and a new lease is being drawn up for a nine year period with break clauses every three years. The agreement of a new lease has been delayed by the death of the landlord and probate has yet to be granted.
- Total rent payable for 2019/20 was £11,086. This is expected to rise to £12,000 under the new lease, with the landlord taking full repairing responsibility.

Leiston

- Citizens Advice occupy a suite in a large commercial (Grade 2 listed) building, Colonial House, at an annual rent of £6,580.
- Premises in Saxmundham are free of charge in the town hall building.

CANES

CANES operate from premises in Lowestoft, Beccles and Bungay:

- St. Margaret's House Lowestoft NR32 1JQ was purchased from SCC for £100,000 in 2016. At the time it was valued at £180,000. Final payments on the loans (interest free, taken directly from the grant) are due in October 2020, after which the building will be owned outright.
- 12, New Market Beccles NR34 9HB are ex-bank premises owned by Beccles Townlands Charity who purchased the property specifically to lease to CANES - commencement date 30th November 2010 initial period 12 years. The rent is £19,200 pa, partly offset by a £10,000 annual donation from the landlord.
- 8, Chaucer Street Bungay NR35 1DT is privately owned. CANES's lease has devolved to a 'periodic lease' with rent of £4,680 p.a. and a minimum 6 months' notice required. There are discussions with the town council about a services hub with other agencies in Bungay.

See section 5.3.2 for income earned from these premises.

5.4.3 Other costs

Other costs are as below. Note that the CABs have different accounting systems and the amounts below may comprise different items and may not be directly comparable.

<i>Other costs for the 2019/20 financial year</i>	Felixstowe	Leiston	CANES	Total
Telephone	£2,799	£1,625	£9,092 Includes landlines at 4 premises, 5 mobile phones for outreaches	£13,516
Office, printing, postage and stationery	£4,705	£3,526	£7,356	£15,587
Miscellaneous	£2,517	£1,862	£4,560 Includes band 5 membership fees £4,094	£8,939
Training	£881	£40 Volunteer trainer used. Some courses accounted for elsewhere.	£2,538	£3,459
Computing / IT Support	£4,847	£9,191 Includes laptops for remote working in lockdown	£4,971	£19,009
Publications and subscriptions	£4,393	Not recorded	£749	£5,142
Travel	£6,227	£4,494	£7,222	£17,943
Equipment leases	£3,999			£3,999
Total	£30,368	£20,738	£36,488	£87,594

5.5 Volunteers

Volunteer numbers vary and it is not yet clear how many will return to volunteering after the lockdown. The CABs have told us that their volunteer numbers are:

- 34 for Felixstowe.
- 25 for Leiston plus 11 trainees
- 31 for CANES plus 5 trainees.

This adds up to some 90 volunteers across the three CABs, plus trainees.

Usage of volunteers varies, for example:

- Felixstowe use volunteer supervisors while the other two CABs do not.
- Volunteers support different types of admin activity.
- All CANES's outreaches are carried out by paid staff (under contract), while the other two CABs use volunteers at outreaches.
- Leiston uses a volunteer as training co-ordinator, which reduces training costs.

5.6 Locations

5.6.1 Town centres

All three CABs operate from main premises close to the town centre of their respective bases. The town centres are of different sizes and populations (source: ESC website): Lowestoft's population is 48,985 (or 70,000 if some suburbs are included); Felixstowe 23,689; and Leiston 5,508. In addition, CANES have offices in Beccles (population 10,123) and Bungay (5,127).

5.6.2 CAB locations and outreaches

CAB locations and outreaches are shown on a map of East Suffolk at **Annex 2**. This shows a good coverage across East Suffolk, but inevitably there are inconsistencies over the populations covered and the frequency of opening hours in different locations.

The table below shows the CAB presence (both main offices and outreaches) for the main parishes within East Suffolk, as below. These parishes cover some 185,000 (74%) of the population. The population estimates are from Suffolk Observatory's Population Report 2018.

Town	Population	CAB presence	Frequency and comments
Lowestoft	58,274	CANES office	9-5, 5 days pw
Felixstowe	24,590	Felixstowe CAB head office	5 days pw
Kesgrave	14,823	Ipswich CAB head office (closer than Felixstowe)	Felixstowe tried the Community Centre but little interest shown
Beccles	10,357	CANES office	Four days pw
Carlton Colville (Lowestoft)	9,037	Close to CANES office	Lowestoft 5 days pw (see above)
Woodbridge	7,863	Two outreaches from Leiston (one jointly with Felixstowe)	Two days pw total. Prior to lockdown they were talking about more provision
Martlesham	5,793	Closer to Ipswich than Felixstowe	No CAB presence but accessible from Ipswich and Felixstowe
Leiston	5,743	Leiston CAB head office	Five days pw
Bungay	5,122	CANES office	Two days pw
Halesworth	4,942	Outreach from CANES	One day pw
Saxmundham	4,483	Outreach from Leiston	One day pw in Town Hall. Not much demand according to Leiston CAB.
Kessingland	4,432	A few miles from CANES office	Lowestoft 5 days pw, plus a local outreach (one day pw).
Oulton (Lowestoft)	4,409	Close to Lowestoft	Lowestoft 5 days pw
Melton (Woodbridge)	3,965	Two outreaches in Woodbridge	No CAB presence but covered by Woodbridge
Worlingham (Beccles)	3,835	Close to Beccles	Four days pw (Beccles)

Town	Population	CAB presence	Frequency and comments
Trimley St Mary	3,788	Adjacent to Felixstowe	5 days pw (Felixstowe)
Framlingham	3,705	Outreach from Leiston	One day pw
Rendlesham	3,312	5-6 miles from Woodbridge	No CAB presence but this is considered a dormitory town with nobody there during the day
Aldeburgh	2,423	Outreach from Leiston	One day per month
Wickham Market	2,319	Outreach from Leiston	One day pw
Trimley St Martin	2,121	Close to Felixstowe	5 days pw (Felixstowe)
	185,336		

CANES have offices in Lowestoft, Beccles and Bungay; outreaches in Halesworth and Kessingland; 8 GP surgeries and the University Hospital in the Lowestoft area; and 'in-reaches' at two mental health facilities.

Felixstowe operate local outreaches in: Woodbridge (operated jointly with Leiston); and two GP surgeries, a Medical Centre, the library, the Job Centre and two local prisons.

Leiston operate outreaches in Saxmundham, Woodbridge (two locations, one operated jointly with Felixstowe), Aldeburgh, Alderton, Wickham Market and Framlingham.

5.7 Clients and issues

5.7.1 Client profiles

East Suffolk clients are overwhelmingly white (95%), which reduces the impact of the language, ethnicity and discrimination issues faced by many clients in other part of the UK. On the other hand, additional support services aimed at specific ethnic groups are lacking in Suffolk compared to other parts of the country.

The proportion of clients with a disability or long-term health problem is 47% on average – 40% in Felixstowe, 43% in Leiston and just over half in CANES. This is an indicator of the vulnerability of these clients and should be a factor in encouraging the CCGs to support the CAB service.

The proportion of clients aged 65 or over is 21% on average, with an even spread across the three CABs. It is interesting that **there are more than twice as many clients suffering from disability or long-term health problems compared to clients aged 65 or over.**

Client profile 2019/20	Felixstowe	Leiston	CANES	Average
% White	92%	96%	97%	95%
% Female	56%	60%	56%	57%
% with disability or long term health problems	40% (844 out of 2,111)	43% (742 out of 1,725)	52% (2,263 out of 4,352)	47% (3,849 out of 8,188)
% aged 65+	22% (469 out of 2,111)	24% (413 out of 1,725)	20% (850 out of 4,352)	21% (1,732 out of 8,188)

Carrying out the same analysis for the lockdown period gives slightly different results (the right-hand column shows the full year 2019-20 figures for comparison): The proportion of female clients hardly changed.

- The proportion of white clients dropped from 95% to 90%, probably because Felixstowe and to a lesser extent Leiston have taken national overflow calls during lockdown.
- The proportion of clients with disability or long-term health problems hardly changed, although CANES rose to 55% of all clients.

- **The proportion of clients aged 65 and over fell from 21% to 12% during the lockdown**, suggesting that these clients may be more dependent on face to face services and could have a backlog of issues to address when the lockdown ends. CANES have offered an alternative explanation: in their view a) the number of younger clients has increased during lockdown; and b) older people's income may not have been adversely affected by lockdown in the same way as for other age cohorts.

<i>Client profile April to July 2020 (during lockdown)</i>	Felixstowe (includes national overflow)	Leiston	CANES	Averages during lockdown	Averages during 2019/20
% White	81%	89%	96%	90%	95%
% Female	60%	59%	56%	58%	57%
% with disability or long term health problems	38% (377 out of 991)	44% (406 out of 923)	55% (706 out of 1,283)	46.5% (1,489 out of 3,197)	47% (3,849 out of 8,188)
% aged 65+	10% (104 out of 991)	11% (105 out of 923)	14% (174 out of 1,283)	12% (383 out of 3,197)	21% (1,732 out of 8,188)

5.7.2 Numbers of clients and issues

The figures below show that the three CABs between them saw just over **8,000 clients during the year**, dealing with some 29,000 issues (**3.5 issues per client on average**).

Activities are the number of interventions through any delivery channel - face to face, phone, email etc. – and as such they represent the workload of each CAB. **On average there were 3 activities per client over the year.** These figures are for all clients, not core funded clients.

Leiston's client numbers were reduced compared to 2018/9, due to staff disruption and changes in reporting. The CO has advised that their staff complement is now up to strength.

<i>Key numbers 19/20</i>	Felixstowe	Leiston	CANES	Total
Clients	2,111	1,725	4,352	8,188
Issues	8,292	5,387	15,473	29,152
Activities	6,354	5,376	12,958	24,688
Issues per client	3.9	3.1	3.5	3.6
Activities per client	3.0	3.1	3.0	3.0

To assess the impact of Covid-19 on workloads, we compared the four months from April to July 2020 with the corresponding period in 2019.

The number of clients and issues, in total across the three CABs, were little changed compared to the previous year – a tribute to the adaptability of the CABs. Within those totals, Leiston and Felixstowe dealt with significantly more clients and CANES with significantly fewer clients than in the corresponding period last year (CANES report a significant falling off of debt issues, probably due to government policy on evictions and debt collections by creditors). CABs reported significant demand from Help to Claim clients, especially for Universal Credit.

Leiston and Felixstowe CABs have told us that their figures do not include social prescribing clients, because these are separately recorded by Access Community Trust and do not appear on Casebook.

<i>Key numbers during lockdown, April to July 2020</i>	Felixstowe	Leiston	CANES	Total
Clients	991	923	1283	3197
Issues	3025	2119	4588	9732
Activities	1914	3239	4648	9801

Key numbers April to July 2019 for comparison	Felixstowe	Leiston	CANES	Total
Clients	865	721	1698 (April 2019 was unusual – 521 cases, reason not known)	3284
Issues	2882	2039	4806	9727
Activities	2221	2354	4143	8718

5.7.3 Types of issues

The issues dealt with are shown below. **Benefits (39%) was by far the most common group of issues**, followed by debt (19%), housing (8%), employment (6%) and relationships and family (6%).

There were few standout differences between the three CABs, although Lowestoft had relatively more debt cases and fewer employment cases than the other two.

Client issues 2019-20	Felixstowe	Leiston	CANES	Total
Benefits and tax credits	2,279	1,160	3,256	6,695
Benefits Universal Credit	1,276	711	2,782	4,769
Benefits total	3,555 (43%)	1,871 (35%)	6,038 (39%)	11,464 (39%)
Debt	1,032 (12%)	840 (16%)	3,679 (24%)	5,551 (19%)
Housing	628 (8%)	567 (10%)	1,177 (8%)	2,372 (8%)
Employment	601(7%)	424 (8%)	677 (4%)	1,702 (6%)
Financial services and capability	251 (3%)	153 (3%)	452 (3%)	856 (3%)
Relationships and family	668 (8%)	441 (8%)	697 (5%)	1,806 (6%)
Health and community care	152 (2%)	132 (2%)	619 (4%)	903 (3%)
Legal	338 (4%)	219 (4%)	448 (3%)	1,005 (4%)
Consumer goods and services	210 (2%)	182 (3%)	292 (2%)	684 (2%)
Utilities and communications	284 (3%)	131 (2%)	281 (2%)	696 (2%)
Travel and transport	152 (2%)	122 (2%)	289 (2%)	563 (2%)
Other	421 (5%)	305 (6%)	824 (5%)	1,550 (5%)
Total	8,292	5,387	15,473	29,152

The same analysis for the 4 months of lockdown is shown below. The right-hand column shows the relative percentages for each issue for the previous year, for comparison.

The differences in client issues during lockdown were relatively minor, with benefits still by far the most common issue. There were declines in debt cases, especially in Felixstowe and Leiston, and an increase in the proportion of employment cases from 6% to 12% of the overall total.

Client issues during lockdown, April to July 2020	Felixstowe	Leiston	CANES	Total during lockdown	Totals for 2019-20 for comparison
Benefits and tax credits	502	343	741	1586	6,695
Benefits Universal Credit	416	445	1,034	1,895	4,769
Benefits total	918 (30%)	788 (38%)	1,775 (39%)	3,481 (36%)	11,464 (39%)
Debt	138 (5%)	159 (8%)	865 (19%)	1162 (12%)	5,551 (19%)

<i>Client issues during lockdown, April to July 2020</i>	Felixstowe	Leiston	CANES	Total during lockdown	Totals for 2019-20 for comparison
Housing	404 (13%)	241 (12%)	377 (8%)	1022 (11%)	2,372 (8%)
Employment	546 (18%)	312 (15%)	353 (8%)	1211 (12%)	1,702 (6%)
Financial services & capability	66(2%)	35 (2%)	180 (4%)	281 (3%)	856 (3%)
Relationships and family	284 (10%)	170 (8%)	198 (4%)	652 (7%)	1,806 (6%)
Health and community care	64 (2%)	30 (1%)	295 (6%)	389 (4%)	903 (3%)
Legal	179 (6%)	86 (4%)	141 (3%)	406 (4%)	1,005 (4%)
Consumer goods and services	154 (5%)	73 (3%)	83 (2%)	310 (3%)	684 (2%)
Utilities and communications	38 (1%)	61 (3%)	38 (1%)	137 (1%)	696 (2%)
Travel and transport	54 (2%)	40 (2%)	59 (1%)	153 (2%)	563 (2%)
Other	180 (6%)	125 (6%)	224 (5%)	529 (5%)	1,550 (5%)
Total	3,025	2,119	4,588	9,732	29,152

5.8 Delivery channels

5.8.1 Pre Covid-19

The statistics below are for all activities carried out with or on behalf of clients, so for example they include letters and phone calls made or sent to third parties on clients' behalf. CANES have told us that about half of their letters were to third parties on clients' behalf, as were phone calls and emails. The face to face channel is entirely for clients who visit the CABs.

In the year before Covid-19, almost 50% of client activities were face to face. Phone was used for one third of clients in Felixstowe and Leiston but only by 13% in CANES, making the average for the three CABs just over one fifth of all activities (22%). The percentages are as stated on the dashboards and do not add to exactly 100% in all cases.

Email was little used (about 10%), less so than letters (about 15%). The volume of letters was surprising, especially in CANES where it was more than one fifth (22%) of all activities.

<i>Service delivery channels 2019/20 (before Covid-19).</i>	Felixstowe	Leiston	CANES	Totals and average % across all three CABs
Face to face	3,369 (53%)	2,394 (45%)	6,048 (47%)	11,811 (48%)
Phone	2,004 (32%)	1,846 (34%)	1,704 (13%)	5,554 (22%)
Email	357 (6%) Lower due to email security issues	669 (12%)	1,593 (12%)	2,619 (11%)
Letter	587 (9%)	452 (8%)	2,914 (22%)	3,953 (16%)
Other	37 (0%)	15 (0%)	699 (5%) Text messages	751(3%)
Total number of 'activities'	6,354	5,376	12,958	24,688

5.8.2 During lockdown

The first four months of Covid-19 (April to July 2020) saw a very different picture, as below. The right-hand column repeats the totals and averages for 2019/20, as above, for easier comparison with the figures during lockdown. The percentages are as stated on the dashboards and do not add to exactly 100% in all cases.

There were no face to face interviews with clients. Much of the slack was taken up by phone calls (57% on average compared to 22% in 2019-20). Felixstowe handled almost three quarters (74%) of activities in this way, partly because of taking overflow calls from the national phone help line. Leiston also took some overflow calls from the Suffolk AdviceLine system.

The proportion of email activities also increased to 29% on average, compared to 11% in 2019-20. The proportion of letters declined for each of the CABs (10% compared to 16%).

<i>Service delivery channels April-July 2020 (during lockdown)</i>	Felixstowe	Leiston	CANES	Totals & average % across all three CABs During lockdown	Totals & average % across all three CABs 2019/20 (as above)
Face to face	0%	0%	0%	0%	11,811 (48%)
Phone	1,424 (74%)	1,808 (56%)	2,356 (51%)	5,588 (57%)	5,554 (22%)
Email	316 (17%)	1,204 (37%)	1,357 (29%)	2,877 (29%)	2,619 (11%)
Letter	148 (8%)	189 (6%)	615 (13%)	952 (10%)	3,953 (16%)
Other	26 (1%)	38 (1%)	320 (7%)	384(4%)	751(3%)
Total number of 'activities'	1,914	3,239	4,648	9,801	24,688

5.8.3 Telephone services

There are differences in the way the three CABs provide telephone services:

- Felixstowe: on AdviceLine as a separate CAB; have answered national overflow calls for NCA during the lockdown.
- Leiston: on the Suffolk AdviceLine (with Ipswich, West Suffolk and Sudbury). They say that most contacts come via the 01728 local number.
- CANES: not on AdviceLine but intend to move to it.

5.8.4 The role of face to face delivery

It has been suggested that, to put it simplistically, the lockdown experience has enabled CABs to develop remote ways of working and there will no longer be a need for face to face interviews post Covid-19.

The first part of this is true – CABs have developed better ways of remote working during the lockdown.

The second is not – there will be an ongoing need for face to face services, and probably a backlog of such cases when the offices reopen.

Clients who need face to face interviews are likely to include:

- Those with communication problems, for example due to language difficulties, speech impediments.
- Those who are uncomfortable with phones and do not have internet access or capability. Analysis elsewhere in this report shows, unsurprisingly, that this significantly reduced the number of clients of 65 and over during the lockdown period.
- Clients with complex problems.
- Clients with mental health problems.
- Debt clients have to prepare a debt pack with documentation, which is heavy and expensive to post.

This is not to say that face to face provision should continue as before. Possible changes include:

- Making it more available in locations where people visit in their daily lives, rather than mainly in town centres.
- Rationing this scarce resource so that it cannot be over-used by 'regular' clients.

5.8.5 Other operational issues

Felixstowe operate Gateway assessments, where clients are triaged and those that cannot be dealt with quickly are asked to come back to see an adviser at a later date.

This approach is probably better suited to Felixstowe than the other two CABs because there are relatively fewer clients with long travel times into the main CAB office.

5.9 Performance

5.9.1 Outcomes for clients

The outcomes for clients shown on the dashboard are hard to interpret, showing major differences that cannot be explained by any obvious differences in clients, issues or services provided.

It seems likely that **the CABs have not been recording all the outcomes achieved, and that they are recording debt outcomes in different ways**. They may also demonstrate different approaches to debt solutions for clients, for example whether clients should apply for debt relief orders.

One issue that can distort the outcome statistics is whether to record benefit income for clients who have only been advised or helped to make a claim, or to wait until the client advises that the claim has been accepted. CABs approach to this issue can vary, making the statistics hard to compare.

For reference, the dashboard statistics for 2019-20 are shown below.

Outcomes achieved 2019-20	Felixstowe	Leiston	CANES
Income gains	£443,039	£65,612, but see current year below	£712,706
Re-imburements, services and loans	£2,230	£11,319	£34,776
Debts written off	£46,704 (likely to be under-stated)	£318,813	£887,656
Repayments rescheduled	£75,337	£5,988	£27,156

The outcomes for the four lockdown months show a different picture, with Felixstowe and Leiston focusing more on achieving income gains for clients.

Outcomes for the four months April – July 2020	Felixstowe	Leiston	CANES
Income gains	£1,575,000	£387,696	£175,937
Re-imburements, services and loans	£37,669	£10,208	£216
Debts written off	£5,471 (policy not to apply for debt relief orders in this period)	£169,157	£180,332
Repayments rescheduled	£28,827	£288 (less pressure by creditors during lockdown)	£3,511

5.9.2 Financial value to society

NCA's systems calculate benefits to society using a financial model 'approved by the Treasury'. As explained above, the data are based on uncertain inputs and are not a valid basis to compare the three CABs.

Nevertheless, the results make a strong case for the value of CAB work and **this may not be sufficiently publicised by the East Suffolk CABs, especially in emphasizing the value that they create together across the District.**

Year 2019-20	Felixstowe	Leiston	CANES	Combined totals
Fiscal benefit	£0.9m (£4.86 per £1 invested)	£0.7m (£3.85 per £1 invested)	£1.7m (£4.54 per £1 invested)	£3.3m
Public value	£5.9m (£31.05 per £1 invested)	£4.8m (£26.22 per £1 invested)	£13.9m (£36.07 per £1 invested)	£24.6m
Value for clients	£4.4m (£23.49 per £1 invested)	£3.2m (£17.51 per £1 invested)	£10.8m (£27.99 per £1 invested)	£18.4m

Statistics are also provided for making specific arguments to key stakeholders, of which a sample is given below.

Year 2019-20	Felixstowe	Leiston	CANES	Combined totals
Savings to local authority by preventing homelessness and housing evictions	£107,208	£83,879	£238,995	£430,082
Savings to NHS by reducing use of mental health and GP services and keeping people in work	£121,278	£99,335	£280,735	£501,348
Savings to DWP by keeping people in work	£443,575	£341,594	£629,792	£1,414,961
Savings to housing providers by preventing evictions	£235,502	£176,738	£579,793	£992,033

We have not seen any statistics to show the value of CABs' work to police commissioners, but this could also be interesting.

Statistics such as these (perhaps adjusted to make the basis more transparent and credible to donors) could play more of a role in building relationships with potential donors, based on evidencing outcomes that contribute directly to meeting the donors' objectives.

5.10 Governance

All three CABs have achieved green 'leadership self-assessment' scores, which are essentially their own assessments validated by NCA, through a reportedly vigorous and challenging process. The year 3 assessment (done for CANES) involves a detailed audit by NCA.

There are 23 trustees in total, with a good mix of skills, with nominees from both SCC and a district council of each board.

	Felixstowe	Leiston	CANES
Number of trustees at 31/3/20	8 plus 'observers' from SCC and ESC	8 (2 vacancies) plus 'observers' from SCC and ESC	7 plus nominees from SCC and ESC
Leadership self-assessment score	Green (year 1)	Green	Green (year 3)

5.11 SWOT Analysis

The three CABs, although their differences may sometimes take centre stage, have more similarities than differences, as reflected by the number of strengths, weakness, opportunities and threats that they have in common.

We have not commented on the strengths and weaknesses of specific CABs because a) we have not examined them in detail and b) and this would pose a risk of diverting attention from the main purpose of our report.

<p>Strengths</p> <ul style="list-style-type: none"> ▪ Chief Officers who by reputation and from our dealings with them are highly committed and capable. ▪ Experienced staff and volunteers. ▪ Low turnover of volunteers. ▪ Healthy finances, with annual surpluses and good reserve cover. ▪ High standards that are required and reinforced by NCA membership. ▪ Good relationships with the local authority, DWP and other agencies. 	<p>Weaknesses</p> <ul style="list-style-type: none"> ▪ Funding that is increasingly unreliable, project based (i.e. temporary) and influenced by funders' requirements. ▪ NCA membership requirements can be onerous, especially as regards quality checking. ▪ Piecemeal co-operation with other local CABs. ▪ Different approaches to telephone advice, email and webchat.
<p>Opportunities</p> <ul style="list-style-type: none"> ▪ Probable increased demand for CAB services post Covid-19 (an opportunity and a threat). ▪ Better use of different delivery channels. ▪ Better use of outreach locations. ▪ Maximising co-operation with councils. ▪ More preventative interventions, catching clients early before their problems escalate. ▪ Maximising opportunities for co-operation with other agencies. ▪ Better use of information to demonstrate CABs' impact. 	<p>Threats</p> <ul style="list-style-type: none"> ▪ Further reductions to core funding, especially from SCC. ▪ Limited resources potentially being swamped by 'regular' clients who understand the CAB system. (this is not agreed by all the CABs). ▪ Pressures to merge could result in a loss of local identity and change working practices that, although they may not be optimal, are still highly effective. ▪ Mergers could lead to loss of volunteers and their expertise in supporting clients in their areas. (this point was added by one of the CABs).

6. EXPECTED FUTURE DEMAND FOR CAB SERVICES

6.1 Covid-19

Chairs and COs have spoken of pent up demand which could generate 'a tidal wave' of problems post Covid-19, especially:

- Debt problems for clients who have lost their jobs as a result of Covid-19.
- Housing as the bailiffs are going to be knocking on peoples' doors.
- Furlough will end leading to more unemployment.
- The evictions holiday will also end.

CABs do not expect to process the same number of face to face clients as before. One CAB forecasts a reduction to 50% of previous levels.

ESC's Community Partnerships Board Meeting (June 2020), covered the potential impacts of Covid-19 in some detail, and the key points are reproduced from ESC's slides as **Annex 3**. This piece of work comprehensively illustrates the potential impacts of Covid-19 and the need for CAB and other agencies to play a part in alleviating them. The areas impacted are:

- Population and deprivation.
- Health and wellbeing.
- Employment and economy.

- Housing and welfare support.
- Communities and inequality.

6.2 Sizewell C

A planning application to build the Sizewell C nuclear reactor at Sizewell, on the Suffolk coast close to Leiston, was submitted to the Planning Inspectorate in June 2020.

The EDF company, which made the planning application, has said that construction of the plant would create 25,000 jobs and 1,000 apprenticeships, and that the site would employ 900 staff once operational.

Leiston CAB have estimated that 9,000 jobs would be created by the construction of the site. Estimates suggest that the site could take between 9 and 12 years to construct.

If the plan goes ahead, this will both increase demand for CAB services, mainly in the Leiston area, and create additional opportunities for funding.

6.3 Felixstowe

The port of Felixstowe employs some 2,500 staff, plus a multiplier for supply chain roles. The impact of Brexit remains to be determined but some upheaval can be expected with potential consequences for CAB workloads.

7. EXPERIENCES OF OTHER CABs THAT HAVE RECENTLY MERGED

We spoke to the Chief Officers of four CABs that have recently merged – Bournemouth, Christchurch and Poole (BCP), West Suffolk, South Essex and Sheffield. The logistics of talking to busy Chief Executives of merged CABs meant that we had to cover the main points in about an hour in each case, hence there are some gaps in the table below where particular issues were not discussed. However, some strong points were made, as recorded in the table.

BCP and South Essex were of a similar size to East Suffolk in terms of income and expenditure at the time of merger, though they have grown since then. West Suffolk were slightly smaller, and Sheffield were considerably larger. The number of CABs involved in each merger was between three and five in each case.

Benefits of mergers

- Cost savings were not a major factor and were hard to measure.
- Relationships with councils improved and core funding became more secure.
- New opportunities developed for project funding.
- Overall, financial resilience improved.
- The range of services and specialisms offered to clients improved.
- All four of the merged CABs made their operations more consistent across the whole area, taking the practices that worked best from each of the legacy CABs.
- Three of the four CABs reported stronger Trustee Boards post-merger.
- Three of the four CABs reported additional collocations, with councils and/or other VSOs, post-merger.
- The larger organisations enabled better career progression for staff, with opportunities across a wider area.

The merger process

- ‘The will to do it has to be there’. Each of the legacy CABs needs to buy in to the merger, if it is to be successful.

- 18 months was the shortest time taken to complete the mergers. In some cases, merger issues are still being worked through many years later.
- The merger process takes time and effort and may distract key staff from their day-to-day roles.
- The CABs did most of the work themselves. Working groups played a key role in some cases.
- It was important to have the right people - 'a coalition of the willing' - to do the work.
- Communication with both staff and volunteers was crucial.
- It was possible and desirable in some cases to maintain the local identity of the legacy CABs for operating purposes, while operating under one merged legal framework.

Back to back mergers

We had considered whether to recommend that two of the East Suffolk CABs (Felixstowe and Leiston) should merge first because they probably have more in common with each other than with CANES. The initial merger of two CABs could be followed by a further merger with CANES at a later date.

Two of the four CABs we spoke to had gone through successive, back to back mergers and we discussed the issues with them. They did not recommend back to back mergers and the key point they made was that much of the work has to be done twice instead of once. If new systems, processes and methods of working have begun to bed down from the first merger, they then have to be revisited for the second merger. **Given the option, they would choose to carry out one merger process rather than two.**

Table comparing Merged CAB Experiences	Bournemouth, Christchurch, Poole (BCP)	West Suffolk (WS)	Sheffield	South Essex
<i>General</i>				
Timing of mergers	2017-19	2011-12 and 2019	2013	2018-19
Scope	3 CABs.	3 CABs, another joined later.	5 CABs (mostly 8-10 staff), 6 other advice agencies, one law centre.	5 CABs of mixed sizes.
Councils	BCP unitary council, same area as the merged CABs.	WS district councils merged at the same time.	Sheffield City Council (Metropolitan BC). Threat of withdrawal of council funds motivated the merger.	Thurrock unitary council, Essex County Council and four Tier 2 local councils.
Combined income pre-merger	About £700,000	Not known	Doubled in size so £2million?	About £700,000
Total income post-merger	£947,000 last year, more this year	£447,000 last year	£4.1million last year	About £900,000 last year
<i>Cost implications</i>	<i>More costs than benefits – ‘the merger hit reserves badly’</i>		<i>Difficult to ascertain</i>	<i>Not the main reason for merger</i>
Chief Officers	2 * £30-35,000 saved, but the new CO cost £48,000 and new deputies were appointed	3 * CO salaries saved but other senior roles created.	More complex, bigger operations so more expensive staff.	Chief Officers continued to be involved in other senior roles as a management team.
Staff	Some redundancies. More staff needed due to decision not to use volunteers in outreaches	One redundancy	No redundancies	Very little turnover
Premises	Gradual savings from sharing premises			Collocations in council offices at Basildon and Brentwood, with Job Centre and others.
Governance	Minor savings	Minor savings	One audit, one set of fees, but marginal savings.	Minor savings
Back office systems	Some phone / IT replacements but costs not significant.	Different IT and phone systems, cost to update.	Early merger of IT systems, phones. Took longer to get a single VOIP system.	
Marketing		Some marketing costs		Some marketing/rebranding costs
<i>Funding</i>				
Core funding	Better relations with the Council resulted in 3 years (core) grant funding.	Better relationship with council.	£800,000 from council out of £2million.	Better relationship with councils.

Table comparing Merged CAB Experiences	Bournemouth, Christchurch, Poole (BCP)	West Suffolk (WS)	Sheffield	South Essex
Project funding	Massive advantage opened up major funding opportunities. Bigger projects, bigger impacts.	More professional approach pays dividends with all funders.	Bigger offer, more consistent. Still project funding, enough different projects to smooth over years. Big expansion of funding types.	New opportunities. Extended the MAS contract across the whole area – could not have happened without the merger.
Resilience	Greatly increased	More secure	Funding more secure, less hand to mouth, more resilient operation.	Improved
Relationships	Greatly improved, with Council and other VSOs	Helpful to have a larger area when dealing with people.	Enabled an immediate, joined up response to Covid-19 in Sheffield. Close relationships strategically and operationally. Easier with a unitary authority.	Greatly improved, especially with DWP due to collocation. They represent one third of the county's population 'so have a big voice at the table'.
<i>Governance</i>				
Trustee Board (TB)	Stronger Board, better balance of people and skills, clearance of some long serving trustees.	Better quality trustees post-merger. Representation for each CAB on the Trustee Board.	Shadow Board appointed. Not all trustees in support, including doubts amongst the chairs.	30 applicants for 15 TB roles, they selected the most active ones. An even representation from each CAB. with Chair, VC and Treasurer drawn from different CABs. Added two sub-committees (Finance and Development) to deal with additional workloads.
Professionalism	They made it more formal, more like a business.	More professional approach paid dividends with funders.		
<i>Services</i>				
Range of services	Expanded range of services, more specialist staff	Better services to clients now. Hugely increased the range of projects.	Big improvements but can still not deliver to really excluded people e.g. language barriers, people with no money, no food, deaf community. Helping more now.	
Delivery channels			Still a role for face to face but on a smaller scale.	The future is unpredictable but face to face should be for those who need it, not those who want it. Starting to reopen offices, bit by bit, since late August.

Table comparing Merged CAB Experiences	Bournemouth, Christchurch, Poole (BCP)	West Suffolk (WS)	Sheffield	South Essex
				We should do as much as possible at first point of contact, including advice line.
Processes and ways of working	Consistent approach developed.	Common processes developed from the ones that worked best pre-merger.	More consistent approach developed.	Went through every system and every process. Good processes in certain areas, picked out the best. Developed one consistent approach to triage and what can be done at initial client contact.
<i>People</i>				
Staff	Some loss of staff	Higher quality staff, better career progression, able to hire specialists.	Moved staff to single set of T&Cs and roles with consistent job descriptions and salary bands. Enables deployment of existing staff across projects instead of employing new people / project.	Staff were offered new contracts with more flexible roles, good uptake. Improved career opportunities – pay bands, performance related pay.
Volunteers	Some loss of volunteers (though volunteer numbers are higher now than pre-merger)	No losses. Volunteers work locally though training is centralised. Issues may not be ‘nipped in the bud’ as quickly as before.	Mainly attached to local offices.	Mix of local and more mobile volunteers.
Training and development		Now centralised.		Now done more consistently across the region. Where delivery issues exist (e.g. Help to Claim issues around delivery, quality, staff training), a bigger team can learn from each other.
<i>Premises</i>				
Collocation	Bournemouth premises shared with Council; others vary.	Bury premises shared with other VSOs.		Major advantages of collocation with councils and DWP, including easier client journeys, working relationships and referrals of vulnerable clients.

Table comparing Merged CAB Experiences	Bournemouth, Christchurch, Poole (BCP)	West Suffolk (WS)	Sheffield	South Essex
Office closures	None	None, local relationships would have been damaged.	Legacy issues. Covid-19 an opportunity to free up premises.	
<i>Merger process</i>				
Set up	Two separate mergers	Two separate mergers, Newmarket much later.	Set up the new organization first, then merged legacy CABs into it.	Two separate mergers
Timing	About 18 months	Took several years to fully merge systems etc.	Not complete 7 years on regarding cultural change.	About 18 months, still working on some issues.
Working groups	The main driver	Working party including managers, trustees NCA. One lead person for unified ways of working.		Policy set by a senior core team. Pilot studies were set up for operational aspects. Post-merger action plan, regular meetings.
NCA support	Not a significant factor	Helpful but not running the merger.		Helpful but not running the mergers.
<i>Lessons learned</i>				
Motivation	The will to do it has to be there	'A crucial aspect is there was a real willingness to merge'	Cannot assume common understanding across CABs	
Who to involve	People who are in favour of the merger and can get along with each other.		Partnership between trustees and council.	More outside help would have saved management time, but doing the work themselves gave them better understanding.
Project management	Mainly through the working groups.		Had to do it at speed, a more measured approach would have been good.	Working group of trustees and CEOs to work out whether to merge, communication plan, consultation with staff and vols.
Communication	Need regular and frequent updates, transparency is crucial	Kept people informed, monthly volunteer meetings	Could have been better	Communication plan - told everyone at the same time. Group staff meeting and volunteer meeting for each outlet, then saw all individually.
Localism		Each office retains its own identity. Trustees from each bureau area.		Original names (CA Thurrock, CA Brentwood etc.) are retained for operating purposes and staff and volunteers welcome this.

Table comparing Merged CAB Experiences	Bournemouth, Christchurch, Poole (BCP)	West Suffolk (WS)	Sheffield	South Essex
Strategy	Agree the vision, one consistent strategy, don't get stuck on minutiae.	One person led on unified ways of working.	Led by trustees, limited involvement from staff and volunteers. Vision was key. Clients just want service delivered.	Led by management team (and presumably trustees?).
Double mergers	Extra workload, avoid if possible.			Back to back mergers was a huge amount of work. Takes time to change processes, then revisit for the second merger. Need to run the day job as well.

Merger of Bournemouth, Poole and Christchurch CABs

Before the merger

Before the merger there were three CABs, with Bournemouth the largest and Christchurch the smallest – combined income about £700,000 per year. A driver for the merger was the recent creation of a unitary council for the BCP area. A Chief Executive with relevant experience was brought in from outside the CAB service, at a higher salary than any of the existing Chief Officers.

The merger process

This took longer than expected because some key people did not want to merge – “the will to do it has to be there from all sides”. Teams of staff and volunteers led the process. Transparent communication was key.

Results

A larger organisation with 66 staff, 110 volunteers, more than £1million income and greater impact. More appeal to funders, closer cooperation with the council (three year core funding and multiple projects). Closer working and joint bidding with other VSOs. Premises collocated with the council.

Merger of South Essex CABs

Before the merger

Five CABs, a mixture of large and small, urban and rural, combined income about £700,000 per year. Drivers for merger included financial difficulties for some CABs.

The merger process

A two-stage process, which increased workloads and meant that key issues such as staff roles, systems and processes had to be dealt with twice. Best practice from legacy CABs, identified and shared across the whole area. Local CAB identities retained for operating purposes.

Results

Collocation with the Council and DWP enabled: greatly improved understanding and relationships between all parties; cutting through ‘red tape’ for some clients and types of cases (for example discussing a benefits case with someone in the office, rather than initiating a formal challenge or appeal process); some vulnerable clients being referred to CAB by the council or DWP. Better funding opportunities. More influence because of speaking for a larger population within Essex.

8. EVALUATION OF OPTIONS FOR CHANGE

8.1 Introduction

We have evaluated the key options for the three CABs delivering Citizens Advice services across East Suffolk. The evaluation has used the extensive information gathered throughout the review. It has been crucial to have the support and contribution from the three CAB COs plus their colleagues and trustees, for which we are grateful.

The outcome of this review is clearly a critical and sensitive matter and we welcome a discussion with the CABs and ESC on our proposal and the rationale behind it. We have sought to understand the current situation and the likely future circumstances to enable the most resilient yet flexible Citizens Advice service in East Suffolk capable of meeting current and future needs, desires and ambitions of all the stakeholders involved.

Our evaluation utilises a qualitative and quantitative decision-making approach. This includes deploying a Decision Matrix tool – which in essence is a table that shows the options as columns mapped against the selected evaluation criteria as rows.

In addition, we include a narrative discussion that seeks to discuss the case for options based on: Continuing with three separate CABs or Merging two of the three CABs.

8.2 Options considered

These were introduced in our draft Emerging Findings report and are coded here as options A-E:

- A. Do nothing / retain three separate CABs.
- B. Merger of the three East Suffolk CABs.
- C. Partnership / consortium working across the three separate CABs.
- D. Merger of CANES and Leiston.
- E. Merger of Leiston and Felixstowe.

We describe each option, and make its case, later in this section. The theoretical merger option of NE Suffolk and Felixstowe is separately discussed and is not considered a practical or viable option.

8.3 Evaluation criteria

We devised the following criteria as a basis for evaluating each option:

- Quality of service to clients generally
- Access for vulnerable and disadvantaged clients
- Cost efficiency / value for money
- Income streams and funding
- Impact on staff and volunteers
- Council needs and expectations
- Culture and processes
- Principles and ethos of Citizens Advice
- Riskiness of the merger process.

These are each discussed below:

Quality of service to clients generally

The QAA scores for each of the three CABs demonstrate good quality of service for clients who access CAB services. **This should not be lost or put at risk.**

QAA scores only apply to clients who have received services from CABs. They do not address the issue of potential clients who have not received CAB services, both in deprived urban areas where the problem of unmet demand is obvious, and in rural areas where it can be more hidden. In terms of service to the community it is important to expand CAB services to meet as much of the demand as possible.

Quality of service could be improved by better links with councils and other VSOs, especially to identify clients who need help. This may enable clients to be helped before their problems escalate (for example from a manageable debt to rent arrears and threatened homelessness), and **anything that makes CAB interventions more preventative and less reactive improves the quality of service.**

Access for vulnerable and disadvantaged clients

It has been argued in some quarters that face to face services are redundant and this has been demonstrated by the success of remote services during lockdown. Neither ourselves or any of the people we have spoken to would accept this point of view.

Face to face remains an essential delivery channel for clients who struggle with remote services for any reason – lack of online skills, especially older people; poor quality broadband; communication issues; disability; low literacy or illiteracy – and who have complex paperwork that needs to be physically seen or completed.

These clients need accessible face to face services, in locations that they can get to easily. This implies having more rather than fewer outreaches, and developing selective CAB presences in locations that people visit. **It does not imply the closure of local branches in the name of efficiency.**

However, most CABs across the country could better use other delivery channels to free up scarce face to face resources for those who need them most, and **the lockdown has helped to develop CABs' ability and technology for delivering services by phone, email and webchat.**

Cost efficiency / value for money

From our interviews with Chief Officers outside East Suffolk about their experience of mergers, it has emerged that **cost savings have been hard to achieve** and have often been outweighed by additional expenditures. Points include:

- Savings on Chief Officer salaries have been offset by the need to employ Deputy Managers (e.g. Head of Operations, Head of Training / HR) to reduce CO workloads and reporting lines in larger organisations.
- There is a clear benefit in reducing the administration time and costs associated with multiple legal entities, such as financial audits, quality audits, leadership self-assessments, reporting to NCA and NCA membership fees, though this can be offset by the additional complexity of running larger organisations.
- **Mergers have provided a strategic impetus to reduce premises costs**, as well as improving relationships with councils who have in some cases provided free or subsidized accommodation.
- There may be scope to reduce other costs, for example by having more integrated IT and telephony systems. However, the costs of implementing new systems can be significant and may outweigh any savings in the short term.
- Change incurs additional costs such as redesigning websites and publicity material.

Income streams and funding

The funding dilemma facing charities is well known. Core funding and grants are being replaced by a proliferation of shorter-term contracts that offer no guarantee of renewal, while funding of any type is increasingly hard to source. To quote a local Councillor: **'We can't have a vital service not being able to put together long-term plans if they are forever going around with a begging bowl to SCC and others'** (<https://www.eadt.co.uk/news/east-suffolk-council-citizens-advice-funding-1-6547947>).

The case studies of BCP, WS and Sheffield CABs suggest that mergers offer some mitigation for this problem, by:

- Helping CABs to become more effective strategic partners for councils and making ongoing core funding easier to obtain.
- Providing a **single point of contact for funders to deal with**, rather than multiple points of contact.

- Enabling a larger scale of operations and range of staff expertise that provides some **continuity of project funding as a whole**, even as individual projects come and go.
- Enabling CABs to offer a more professional approach to funders and to **better demonstrate the impact of CAB services on funders' objectives**.

On the other side of the argument, **Leiston and Felixstowe are both small CABs that have been particularly successful in obtaining funding and building up strong reserves**. Their existing sources of funding, especially local funding, should not be put at risk by any future changes.

Impact on staff, volunteers and trustees

Change involves disruption to the established ways of doing things. Mergers and transformations require job descriptions to be rewritten and some roles to be removed while new roles are created.

Some staff and volunteers will embrace change, some will not, and some people in the latter category will move on.

The CABs that have been through mergers reported:

- Little or no formal redundancy, though some staff have moved to other positions and may have left the CAB service.
- Increased numbers of staff and volunteers compared with the situations before merger.
- Improved quality of trustees, partly due to reducing from a large pool of trustees to a smaller, selected group of trustees post-merger.
- Volunteers being attached to their local areas, more so than paid staff. They think it important to maintain the local connection for volunteers as far as possible, while accepting that some of this is inevitably lost in moving to a larger organization.

Whatever option is selected, it is important that staff and trustees can work together to implement it. We note that relationships between some staff and trustees of the existing East Suffolk CABs appear to be damaged and may need rebuilding.

Council needs, expectations and aspirations

This review originates in part because of SCC's declared intention to withdraw funding from the CABs unless they can demonstrate progress towards 'transformation'.

SCC will be an important partner for the CABs moving forward, so whatever can reasonably be done to accommodate their requirements will be an advantage. Whether the information requested by SCC can practically be delivered by CAB systems remains to be seen.

ESC is an essential partner for the CABs, both as funder and collaborator in supporting vulnerable clients. Relations are already good, with all three CABs working closely with ESC's Housing Needs team and having Councillors as council representatives on their Trustee Boards (as they also do for SCC).

However, there should be scope to improve co-operation further and ESC have mentioned their 'Low Income Family Tracker' system as a possible way of identifying vulnerable clients that CABs could help in future.

Culture and processes

For a merger to succeed, the willingness to merge must be there, as shown by the examples in Section 7. People from all CABs must be able to work together to develop a genuinely shared service with one coherent vision and consistent processes.

In any merger the parties will need to build a new way of working that incorporates the best and most effective culture and processes of the previous organisations.

Trust needs to be established and maintained throughout the merger and to this end the existing CABs should have an equal say in developing the new organisation, with no single existing CAB having more control than any of the others.

Principles and ethos of Citizens Advice

The twin aims of the Citizens Advice service are:

- 'To provide the advice people need for the problems they face'. This covers all problems, not just the ones that specific donors are prepared to fund.
- 'To improve the policies and principles that affect people's lives', which can involve criticising government policies and operational delivery of services.

The four principles that underpin the service are: a free service; confidentiality; impartiality; and independence. The last two of these need to be carefully protected, and are a key part of the CAB's appeal to clients.

Our impression from talking to merged CABs outside East Suffolk is that their increased size has improved their independence and their reliance on any one individual funder, rather than diminishing it.

However, the risk of compromising CAB principles in order to obtain funding exists for all options.

Riskiness of the merger process

In section 9.5 we consider the risks associated with the merger process, as informed by the experiences of CABs that have been through mergers themselves. These partly offset, but in our view do not outweigh, the potential benefits of merging.

8.4 Decision Matrix

As mentioned earlier, we have utilised a qualitative and quantitative decision-making approach for this evaluation. This includes a Decision Matrix tool that displays the options as columns and maps them against evaluation criteria shown as rows.

For each of the evaluation criteria we show the contribution that each option makes. We also assign a 'weighting' number showing the relative importance that each criterion has when measured against other criteria.

Then we provide a score (1-10) of how well we estimate each option meets the criteria – this is given under the column headed 'S'.

The weighting and scoring for each option are then multiplied in the matrix - shown under column headed 'W*S'.

Finally, the 'W*S' column entries for each option are added from all criteria giving a ranking of options with the preferred option delivering the highest number.

The resulting Decision Matrix is given below, displaying our evaluation against the selected criteria of each option in relation to other options.

Decision Matrix		Option A			Option B			Option C			Option D			Option E			
#	Evaluation Criteria	Weighting 1-10	Do nothing / retain three separate CABs		Merger of the three East Suffolk (ES) CABs			Partnership / consortium working across separate CABs			Merger of CANES and Leiston CABs			Merger of Leiston and Felixstowe CABs			
		W	Comment	S	W*S	Comment	S	W*S	Comment	S	W*S	Comment	S	W*S	Comment	S	W*S
1	Quality of service to clients generally	8	CABs QAA scores are good. Must not be lost. Scope for enhancement is limited.	5	40	Opportunity for strategic approach for improved service to clients across ES.	8	64	CABs QAA scores are good. Must not be lost or risked. Some enhancement possible.	5	40	Opportunity for strategic approach in central and NE Suffolk. Little current collaboration.	5	40	Opportunity for strategic approach in central and SE Suffolk. Some current collaboration.	6	48
2	Access for vulnerable and disadvantaged clients	7	Each CAB is aware of the need and are seeking to address it in their area.	6	42	Potential to greatly minimise overlap/gaps to equality access in ES.	8	56	Could offer more effective joined-up CAB improvement across ES.	7	49	Potential to minimise overlap/gaps to equality of access across part of ES.	6	42	Potential to minimise overlap/gaps to equality of access across part of ES.	6	42
3	Cost efficiency / value for money	6	3 CABs are already cost efficient with current resources.	6	36	Deliver better value across ES.	7	42	3 CABs are cost efficient. Collaboration could deliver extra value.	6	36	Attract more funding for services of part ES. Better value.	6	36	Attract more funding for services of part ES. Better value.	6	36
4	Income streams and funding	8	Significant increase is limited by resources of each CAB.	5	40	Potential for resources to plan/deliver this across all ES.	8	64	Significant increase is limited by resources of each CAB.	6	48	Potential for resources to plan/deliver this across part of ES.	6	48	Potential for resources to plan/deliver this across part of ES.	6	48
5	Impact on staff and volunteers	6	No impact on staff, trustees volunteers. Limited job security.	6	36	Some loss of localism. Better career prospects and job security. 2/3 trustees reduction.	6	36	No impact on staff, trustees volunteers. Resilience may improve.	6	36	Some impact. More resilient CAB. Trustees 1/2 reduction.	6	36	Some impact. More resilient CAB. Trustees 1/2 reduction.	6	36

Decision Matrix			Option A			Option B			Option C			Option D			Option E		
#	Evaluation Criteria	Weighting 1-10	Do nothing / retain three separate CABs			Merger of the three East Suffolk (ES) CABs			Partnership / consortium working across separate CABs			Merger of CANES and Leiston CABs			Merger of Leiston and Felixstowe CABs		
		W	Comment	S	W*S	Comment	S	W*S	Comment	S	W*S	Comment	S	W*S	Comment	S	W*S
6	Council needs and expectations	7	Not match needs & aspirations of SCC or ESC.	3	21	Fully meets SCC/ESC's needs & aspirations.	8	56	Collaboration may match some needs of ESC, not SCC.	4	28	Partly meets SCC/ESC's needs in some of ES.	6	42	Partly meets SCC/ESC's needs in some of ES.	6	42
7	Culture and processes	7	3 CABs have different processes for working and reporting.	4	28	Potential for an effective CAB with a collaborative culture in ES.	9	63	3 CABs have different processes. Possible consolidation.	5	35	Potential for a CAB with a collaborative culture in part of ES.	6	42	Potential for a CAB with a collaborative culture in part of ES.	6	42
8	Principles and ethos of Citizens Advice	7	Some vulnerability to project funders' requirements.	5	35	Larger entity with more independence.	7	49	Some vulnerability to project funders' requirements.	5	35	Larger entity with more independence.	6	42	Larger entity with more independence.	6	42
9	Riskiness of merger process	7	No merger, no risk.	10	70	See risk section below.	5	35	No merger but risk of failure to collaborate significantly.	7	49	Still high risk in our view.	5	35	Already good cooperation between these CABs, lower risk.	8	56
SCORED OPTION TOTALS																	
			348			465			356			363			392		

Outcome of Decision Matrix Evaluation

As can be seen in the table above, the preferred option that emerges from this evaluation is Option B, namely that of a Merger of the three East Suffolk CABs.

8.5 The case for continuing with three separate CABs

Leiston and Felixstowe CABs have made the case – in writing to ESC – for the retention of three separate CABs in East Suffolk. Although we are recommending a merger of the three CABs, it is important that their key points are not lost and with this in mind we have set out their key points and our comments in the table below.

In summary, our view is that the points made by Felixstowe and Leiston do not invalidate the case for a merger of the three CABs, but rather tend to support it.

#	Points made by Felixstowe and Leiston CABs	Our comments
1	<i>Geographically, with the current main offices located as they are, in the north, centre and south of the district's large geographical area the Citizens Advice service is meeting the needs of clients across the whole of the district.</i>	Agreed, and this coverage across the district should continue.
2	<i>Looking at Leiston and Felixstowe in particular, given the rurality of the district covered, the need to provide outreach provision to those who may find it difficult to access one of our main offices due to disability, caring needs or transport difficulties is very important and in addition to their main offices in Leiston and Felixstowe itself, there are outreach services provided at (listed) locations</i>	Closing outreaches could be a false economy, but the district as a whole could benefit from one coherent outreach strategy which might result in different outreaches being available in different places at different times.
3	<i>Feedback we receive from clients indicates that face-2-face contact is valued by people who may have particular difficulties in accessing online or telephone services.</i>	Agreed, though face to face delivery may need to be reserved for the clients who need it most.
4	<i>We believe that a local CA organisation is responsive to local conditions and with the contacts we have with other local organisations, we are able to deliver bespoke services to the local community.</i>	Local branding and representation should continue if the CABs are merged. 'Bespoke services' would likely need to be identified and evaluated – the CAB services that support the majority of clients are standard not 'bespoke'.
5	<i>Our independence allows us to work closer with those other local organisations and both Felixstowe and Leiston host drop-in sessions for Flagship housing at their main offices – which allows people access to housing support in alternative locations to those offered by those organisations. In addition, Leiston holds a drop-in service for Home Group clients and the Home Group representative uses the Felixstowe CA location to meet with clients who they cannot meet elsewhere.</i>	These are examples of cross-CAB co-operation, which should continue in a merged organisation.
6	<i>Providing local services has led to a trusted relationship being formed with local Town Councils and town and District Councillors' who are happy to refer their constituents to the local CA office for further advice. They are aware that being local, the CA offices can be agile and adaptable – and able to react quickly to changing local conditions and changing demand.</i>	The relationship with town and parish councils has a strong local element. Our view is that the relationship with the district council and district councilors could be enhanced by the CABs 'speaking with one voice'.

#	Points made by Felixstowe and Leiston CABs	Our comments
7	<i>The work carried out at the local prisons allows access to advice services by residents of both locations – who would otherwise be disadvantaged in not being able to get quality assured independent advice elsewhere.</i>	This looks like a valuable service that should be retained and perhaps expanded?
8	<i>Working locally also allowed us to make quick decisions around the Social Prescribing contract which began earlier in the year. It was strongly suggested that we work in partnership with one of the larger Suffolk CA offices to provide Social Prescribing services within the area but by using the opportunity to liaise together closely and knowing the local area we were able to make decisions to work alongside other, more appropriate partners within the area in order to deliver a fully-rounded Social Prescribing service within the GP surgeries that we cover rather than a service which puts advice at its heart. We are confident that this was the correct decision – and one which gives the service user access to the best non-clinical support available.</i>	We have not examined the different social prescribing contracts operated by Felixstowe / Leiston on the one hand and CANES on the other. However, one coherent approach to social prescribing across the whole district could be beneficial. The CANES contract enables outreaches in eight different GP surgeries. It raised income of £72,000 in 2019/20 (projected to be £132,000 for 2020/21), compared to £41,500 for the combined Felixstowe / Leiston contract.
9	<i>Both Leiston and Felixstowe offices are volunteer led with only a small paid staff which in turn enables them to offer a cost-effective, value for money service on relatively small budgets and initial cost analysis suggests that savings would be relatively low should the services merge completely – assuming that service provision is to be maintained to the community that most needs it.</i>	The balance between staff and volunteers, and the responsibilities given to volunteers, needs to be looked at on its merits.
10	<i>We work closely with East Suffolk Council – concentrating particularly on preventative work where we can – by having a member of staff located within the Housing Team in Melton one day a week to help with affordability checks and work around arrears, debt, benefits etc. We recognise the importance of clients having (and maintaining) a roof over their heads and the work we do within the housing team has a proactive effect in keeping people’s tenancies active. We have a continuing wish to work closely with the new East Suffolk Team to develop more opportunities and explore new initiatives which address new and existing needs. Very often, the Council’s clients and our clients are one and the same.</i>	Agreed. The three CABs have staff members working closely with ESC’s Housing Needs team under a joint contract.

8.6 The case for merging two of the three CABs

There are three possible combinations: CANES/Leiston, CANES/Felixstowe and Leiston/Felixstowe.

A CANES/Felixstowe merger, of two CABs that are 40 miles apart with Leiston in the middle, does not make a realistic or practical option.

CANES/Leiston merger

A CANES/Leiston merger would have some merit. The two CABs are adjacent to each other and both have rural hinterlands with similar issues such as poor transport links, rural 'hidden' deprivation and the need to improve access to services for remote communities.

CANES has experience of merging Beccles and Bungay offices into Lowestoft to form CANES, and of operating outreaches in places like Halesworth. Leiston's area is a patchwork of small towns with populations similar to, or smaller than, CANES' existing sub-offices and outreaches.

However, this merger would leave Felixstowe as a small CAB surrounded by larger ones, under pressure to merge either with CANES/Leiston or with Ipswich CAB in future. It would also deliver fewer benefits than the full merger of all three CABs.

Also, relationships between CANES and Leiston CABs appear to be strained, which would not bode well for a future merger, namely one based on a 'merger of the willing' as recommended in section 7 of this report. The cultures and ways of working are different and there are more similarities between Felixstowe and Leiston.

Leiston/Felixstowe merger

The two CABs are adjacent to each other and of similar size. If combined, they would be about as large as CANES.

Both CABs have many similarities: they are part of the old Suffolk Coastal district (CANES operates in the old Waveney district); they have strong local links (as does CANES); cultures that give significant responsibility to volunteers; and a conservative approach to spending with careful use of part time staff and high levels of reserves. They have projects and funders in common, including:

- A social prescribing contract through the Access Community Trust (CANES has a different arrangement, on a larger scale, which is budgeted to generate income of £132,000 for the current year).
- No current MAS contract (CANES has a MAS contract worth some £59,000 last year), but Felixstowe and Leiston have arranged parallel contracts for future work with MAS. Each contract is worth £45,800 pa and each CAB plans to offer a full-time Money Adviser post at the same salary (£22,835)
- They work alternate weeks to fulfil one half of the contract with ESC Housing Needs.
- They jointly operate an outreach in Woodbridge, working alternate weeks.
- They receive significant funding from the Rope Trust charity.

We feel that the two CABs would work well together in a merger process, and that some of the potential benefits of mergers set out in section 7 could be delivered.

A merger would move towards SCC's objective of 'four CABs in East Suffolk', without delivering it entirely. **We see a Felixstowe / Leiston merger as a viable, if unambitious, option.**

The reason we recommend a merger of all three CABs, rather than just Felixstowe and Leiston, is that the former option, in our view, has more potential to transform services. We see a merged Felixstowe and Leiston as offering more of the same on a larger scale, whereas if CANES comes in to the mix there is more potential (and necessity) for all parties to do things differently.

Merging Felixstowe and Leiston would not preclude a later merger with CANES, but the experience of other CABs suggests that a two-stage merger involves extended time periods, increased workloads and two upheavals instead of one.

9. MERGE ALL THREE CABS OPTION – ANALYSIS AND DELIVERY MODEL

9.1 Size and scope of the merged organization

Highlights from the information in section 5 of this report are repeated below:

Item	Three CABS combined
Income (based on 2019/20)	£785,000
Expenditure (based on 2019/20)	£721,000
Reserves (based on 31 March 2020)	£392,000
Assets	Property in central Lowestoft valued at £180,000 (2016). Will be wholly owned after final payment due in October.
Core funders	ESC, SCC (with CCGs), Rope Trust, Town and parish councils
Project funders	ESC Housing Needs, Suffolk CCGs, NCA (Help to Claim, Energy advice), MAS, BigC, Rope Trust, Integrated Better Care Fund, Lowestoft Primary Care Network
Staff numbers	32 (15.7FTEs)
Volunteer numbers	90 plus trainees
CAB offices	Lowestoft, Felixstowe, Leiston, Beccles, Bungay
Outreaches	Aldeburgh, Alderton, Framingham, Halesworth, Kessingland, Saxmundham, Wickham Market, Woodbridge
Clients (based on 2019/20)	8,188 clients
Issues (based on 2019/20)	29,152 issues (3.6 per client)

9.2 Key features of the service delivery model

The new merged East Suffolk CAB would develop its own delivery model, but we see the following principles and key features as being relevant.

Feature	Comment
Organisation structure	One legal entity, preferably a new one so that all CABs start on an equal footing and key roles can be made by appointment. This would entail having one board of trustees and one Chief Officer.
Branding	Local branding (For example 'Felixstowe CAB' branding) could be retained under the umbrella of the overall organization. Opportunities for positive rebranding could be considered by a working group.
Partnership working	Partnering with other VSOs to deliver joint projects.
Headquarters	Not clear whether any of the existing headquarters would be suitable or if new premises should be considered. The major population centre (Lowestoft) is at the Northern end of the district. The second population centre (Felixstowe) is at the Southern end of the district. The most central of the three head offices (Leiston) has a small population and poor transport links.
Other locations	Subject to a strategic, consistent approach to determine which locations need a physical CAB presence offering face to face client services. This may mean an increase in locations to make face to face services more accessible to those who need them. 'Locations' here covers both places (towns and villages) and the types of venues within those places (GP surgeries, hospitals, community centres, prisons etc.)
Premises	The organization will be open to sharing premises with councils and other VSOs, provided suitable premises are available at a reasonable cost.
Service delivery channels	Increased use of phone, email and webchat, based on one coherent strategy and compatible processes across the whole district, building on the expertise developed during lockdown.

Feature	Comment
Client base	Closer collaboration with ESC and perhaps SCC, leading to earlier, more preventative interventions and better access to vulnerable clients.
Funding	<p>Expanding existing relationships with funders across the whole district, for example:</p> <ul style="list-style-type: none"> ▪ A combined arrangement with ESC Housing Needs, given that CANES and Leiston/Felixstowe already have separate arrangements with ESC. ▪ Dealing with the Rope Trust as one unit covering the whole of East Suffolk. ▪ A combined approach to the Money Advice Service, perhaps based on CANES' experience of these contracts. ▪ Considering whether the social prescribing initiatives – the Access Community Trust consortium for Leiston / Felixstowe, and the separate (and more lucrative and wider-ranging) arrangements for CANES - could be brought together for mutual advantage. ▪ A combined approach to selected funders that are currently funding projects for only one CAB, for example the Big C charity. <p>Building relationships with a wider range of new funders to increase financial resilience.</p>
Expertise	Deployment of specialists / subject matter experts across the whole East Suffolk area, wherever possible.
Use of statistics	<p>Working together to provide the information required by SCC, to demonstrate value and impacts provided by CABs across East Suffolk.</p> <p>Developing one consistent approach to recording impacts and outcomes across all offices, and using these to prove impacts and outcomes to potential funders.</p>

9.3 Financial implications

We are reluctant to put firm numbers on financial costs and benefits that can only be speculative. Potential financial implications include:

Income

- Greater likelihood of retaining the current funding from SCC (£123,200 for the three CABs).
- Greater likelihood of retaining the current funding from ESC (£199,600 for the three CABs).
- Potential to increase core and project funding by a coordinated, cross-district approach to funders.
- **This option increases the CABs' prospects of retaining funding worth £323,000 per annum and has potential to increase future funding from all sources.**

Expenditure (rough estimates only)

- Saving of three CO salaries (say £105,000), plus say one-third in non-salary payroll costs (total £140,000).
- Offset by the higher salary needed to attract a new CO with change experience for the larger organization (say £50,000), plus an Operations Manager for the area (say £35,000), plus non-salary payroll costs (negative £113,000).
- Greater likelihood of being able to save on premises costs by collocation with council and other VSOs - say 50% of premises costs of £84,000 - saving £42,000.
- Saving on audit and accountancy fees - currently £5,000, could reduce to say £2,500 - saving £2,500.
- Saving on NCA membership fees - currently £2,234 + £2,234 + £4,094 = £8,562 – one merged organization would cost £5,462 at current rates – saving £3,100.
- There is little evidence that purchasing costs could be reduced across the board due to economies of scale. Organisational changes tend to increase one-off costs in the short term, especially for IT, telephony and marketing / rebranding. (Savings = £0)

- Savings cannot be specified with any confidence, but the items above total net savings of £74,500 per annum.

Premises rental costs

Current rental payments are as follows:

Premises	Annual rent
CANES - Lowestoft	Nil
CANES – Beccles	£9,200 (£19,200 nominal rent less £10,000 donation)
CANES – Bungay	£4,680
Felixstowe	£12,000 (subject to renewal of current lease)
Leiston	£6,580
Total	£32,460

9.4 HR implications

Trustees:

- The three trustee boards combine into one.
- There is an opportunity to appoint trustees to the new board based on their specific expertise and ability to add value to the organization.
- The new trustee board should be stronger than its predecessors.

Staff:

- An upheaval for staff, with new roles and job descriptions and the likelihood that current staff will be asked to apply for new roles.
- This may prompt valued and experienced staff to look at other opportunities and potentially to leave the CAB service.
- Staff may need to be transferred meeting TUPE requirements to a new organization.
- Some senior staff would be asked to play a role in the merger process. This could contribute to their skills and development, but could also distract them in the short term from the ‘day job’ of supporting clients.

Volunteers:

- Change is likely to accelerate volunteer turnover in the short term.
- Other merged CABs have reported no fall off in longer term volunteer numbers.
- There may be more scope to use specialist volunteers (e.g. with legal experience) to serve a wider clientele.

9.5 Risks and mitigations

The table below lists key risks and how they relate to the ‘merge all three CABs’ option.

In our view the greatest risks are associated with the merger process itself, including potential delays and difficulties in the three CABs working together to develop a common ethos, strategy and processes.

Other significant risks include a loss of key staff and potential difficulty in managing services across a wide geographical area.

Risk Register

Risk description [See Scoring key after table]	Probability Score	Impact Score	Risk score (P * I)	Mitigation and comments
<i>Financial</i>				
Loss of existing local sources of income	1	3	3	Need to maintain local presence and contacts in each area
Loss or significant reduction in council support - SCC	3	3	9	Merger reduces this risk but does not eliminate it. Mitigation is to develop other sources of funding.
Loss or significant reduction in council support - ESC	1	5	5	Merger reduces this risk but does not entirely eliminate it.
Redundancy costs	1	2	2	Low risk based on other CAB merger experience.
<i>People</i>				
Loss of key staff	4	3	12	An inevitable consequence of change on this scale.
Loss of volunteers	3	2	6	Change is likely to accelerate turnover of volunteers. Mitigation includes retaining local presence in current locations.
Loss of trustees	5	1	5	Inevitable but may be positive and strengthen the Board.
<i>Services to clients</i>				
Loss of capability to provide services	1	5	5	Merger is likely to improve service delivery.
Loss of physical presence in remote locations	1	4	4	Depends on the strategy of the merged organization, but there is no appetite to reduce locations.
Disruption to services during merger process	3	2	6	Some upheaval and pressure on key staff is inevitable. Mitigation is a well planned process with clear responsibilities.
Difficulties in managing services across a large area with poor transport links	3	3	9	Mitigation: Increased use of remote working; staff who are prepared (and agree via job descriptions) to be mobile; volunteering available locally.
<i>Merger process</i>				
Failure of trustees and key managers to work effectively together to deliver merger	3	5	15	Mitigation is to involve only staff and trustees who buy in to the merger, in roles with clear responsibilities
Delays	4	4	16	Mitigation: clear project plan, resources, roles, timescales. Support from NCA?
<i>Other</i>				
Compromising CA principles	2	3	6	Financial resilience should make CABs less vulnerable to pressure from funders.

Scoring Key

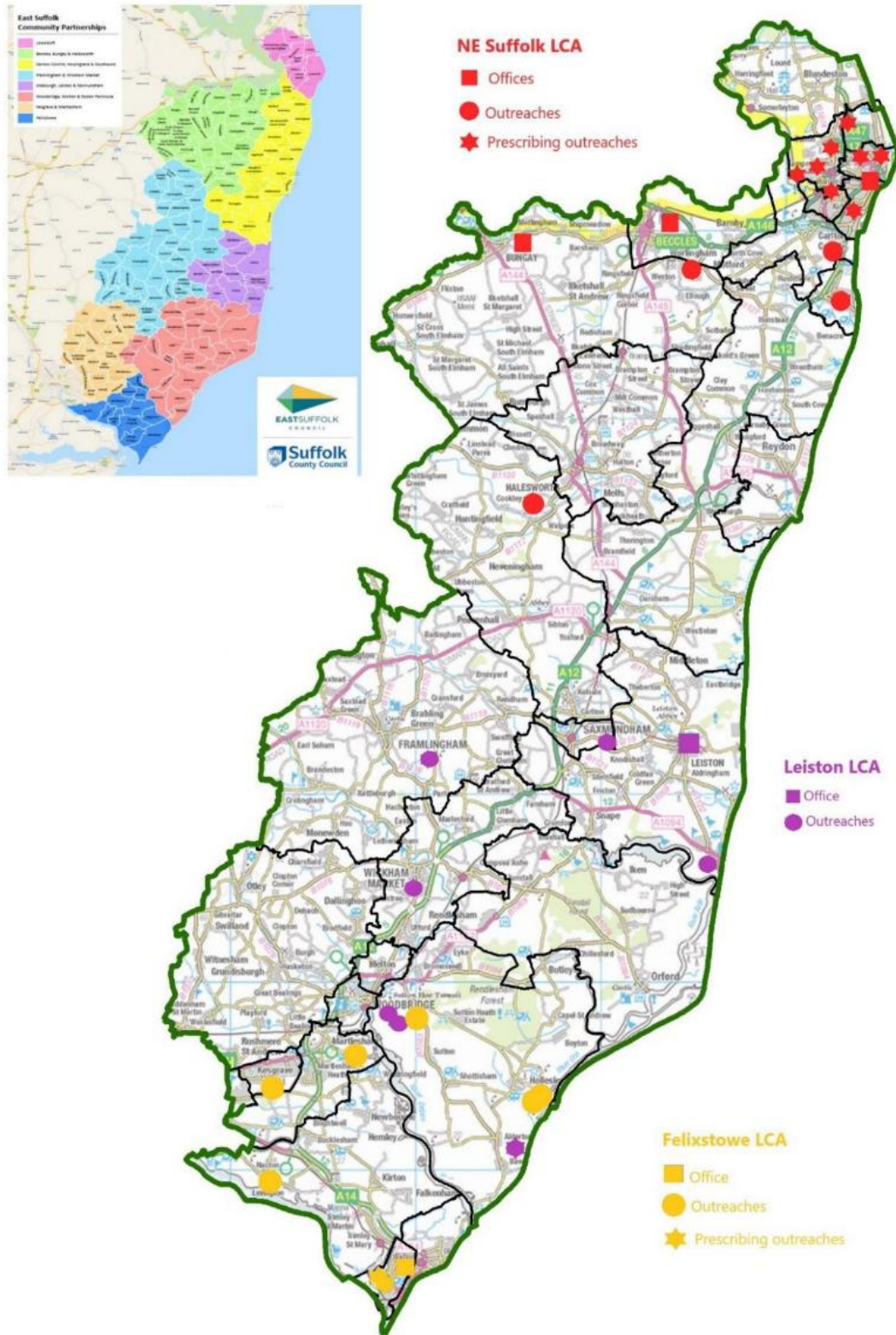
Probability: 1 = Unlikely to occur 5 = Very likely to occur

Impact: 1 = Minimal impact 5 = High impact

ANNEX 1: GLOSSARY

ACRONYM	DEFINITION
AQS	A quality standard
BCP	Bournemouth, Christchurch and Poole CAB
CAB	Citizens Advice Bureau
CANES	Citizens Advice North East Suffolk
CCG	Clinical Commissioning Group
CP	Community Partnership
ESC	East Suffolk Council
FTE	Full time equivalent
HtC	Help to Claim
LSA	Leadership self-assessment
MAS	Money Advice Service
NCA	National Citizens Advice
QAA	Quality of advice assessment
QAF	Quality assurance framework
SCC	Suffolk County Council
VSO	Voluntary sector organisation
WS	West Suffolk CAB

ANNEX 2: MAP OF COMMUNITY PARTNERSHIPS AND CAB LOCATIONS



ANNEX 3: ESC COMMUNITY PARTNERSHIP SLIDES: IMPACTS OF COVID-19

Population and deprivation

- Because ES has an older population it is likely to see more CV-19 cases/deaths, particularly in Over 70's, than the Suffolk average – one statistic suggests that someone over 80 is seventy times more likely to die from Covid-19 than someone under 40.
- There is a link between increased levels of deprivation and increased numbers of cases/deaths – this means that parts of East Suffolk are likely to be impacted more than others.
- The existing challenges in the north of the District in relation to social mobility are likely to increase as both school attainment and employment for young people are impacted by CV-19.
- We are likely to see an increase in deprivation levels – some deprived communities could become even more deprived and the gap between deprived and affluent communities may grow.
- People who are already financially, clinically and/or or socially vulnerable may become more so.
- As more services move on-line, the digital divide will grow and some will become more excluded.

Health and wellbeing

- Overall population health may deteriorate if fewer people continue to seek help with long term conditions – the older East Suffolk population is likely to be impacted more as older people have more co-morbidities.
- Life expectancy gaps may increase further between different parts of East Suffolk.
- People may seek escape from the ongoing restrictions on their daily lives through alcohol, cigarettes and possibly drugs with long term impacts on health.
- Through the HBNA hub/social prescribing we are seeing increased mental ill health due to isolation/loneliness, hardship and loss of employment – this will increase further (predicted an 8.1% decline, particularly in young adults, women and those with existing poor mental health). Social isolation is particularly impacting young people – despite their digital connectivity.
- The change in social interactions will, in turn, change relationships and may reduce individual and community resilience.

Employment and economy

- Higher rates of unemployment could become embedded – employment deprivation is already higher in East Suffolk than the Suffolk average at almost 10%.
- East Suffolk has a high proportion of SME's, who will be more vulnerable to the impacts of Covid-19 – sectors like hospitality are likely to be hit particularly hard.
- East Suffolk already has high numbers of people in low skill, low wage jobs who could be forced out of these jobs as businesses close and others move down into this tier of the job market.
- People may be forced to leave East Suffolk to find work – particularly young people and families - which will further increase the number of dependents compared to the working population in East Suffolk (currently at around 1:1).

Housing and welfare support

- Unemployment and financial insecurity will impact on housing security, leading to a change in the volume and type of demand for housing.
- There will be an increase in welfare support claims – we already know that Universal Credit claims increased by 69.4% between March and April 2020 – an increase of over 90% since April 2019, with lots of people claiming benefits for the first time.
- There could be more demand for support to meet basic life needs – shelter, food and fuel.

- This will lead to associated pressure on housing services, food banks, Citizens Advice, FIAS etc.
- Future lockdowns (national or local) would put additional pressure on community response services - some are starting to struggle as volunteers return to work.

Communities and inequality

- We are already seeing an increase in Anti-Social Behaviour (at both neighbour and community level).
- Community tensions may arise as the gap grows between the ‘have’s’ and ‘have nots’ and frustrations about ongoing restrictions come to the surface.
- Anticipated increase in domestic violence and exploitative types of crime.
- Family breakdowns could increase the number of young people in care – already higher than the Suffolk average in East Suffolk.
- Public funding cuts will particularly impact on public services and VCSE organisations.
- A number of key VCSE organisations are likely to struggle to survive – particularly if they are unable to adapt their business model.

ANNEX 4: ESC'S COMMUNITY PARTNERSHIPS

At the time of our review, the eight Community Partnership areas and their key objectives (as provided by ESC) were as below.

Lowestoft and northern parishes:

1. Improve mental health and wellbeing.
2. Tackle childhood obesity.
3. Reduce social isolation – all ages.

Carlton Colville, Kessingland, Southwold and villages:

1. Active and sustainable transport provision, particularly rural.
2. Reduce social isolation and loneliness.
3. Facilities, activities and employment for young people.

Beccles, Bungay, Halesworth and villages:

1. Active and sustainable transport solutions / community transport.
2. Reduce social isolation and loneliness.
3. Improve wellbeing and enable people to live healthy lives.

Aldeburgh, Leiston, Saxmundham and villages:

1. Transport and access to services.
2. Economic regeneration / High Streets.
3. Housing that meets local needs.

Framlingham, Wickham Market and villages

1. Developing opportunities for young people.
2. Reduce social isolation and loneliness.
3. Alternative, active and sustainable transport provision.

Melton, Woodbridge and Deben Peninsula:

1. Active and sustainable transport provision.
2. **Village Hub – bringing services to people** [Possible role for CAB within the Village Hubs].
3. Youth Engagement, opportunities and services.

Kesgrave, Martlesham and villages:

1. Reduce social isolation & loneliness.
2. Environmental care and sustainable transport.
3. Support people to age well/Traffic and road safety.

Felixstowe Peninsular:

1. Community spaces and physical enhancements.
2. Social isolation and loneliness.
3. Education – aspirations, ambition and standards.

