

GREATER LONDON AUTHORITY

REQUEST FOR DIRECTOR DECISION – DD2604

Title: Cost-of-Living Advice Bus

Executive summary:

This Director Decision seeks approval for the expenditure of up to £145,000 to fund the Debt Free London partnership to operate a mobile advice bus over a three-month period between November 2022 and February 2023.

This would allow Debt Free London to provide debt and welfare advice to Londoners from up to 60 locations across the city; and signpost them to other forms of support that can help mitigate the rising cost of living.

Grant funding would be provided to Toynbee Hall, which hosts the Debt Free London partnership.

Decision:

That the Executive Director for Communities and Skills approves expenditure of up to £145,000 in grant funding to Toynbee Hall as a contribution toward its costs of its mobile debt and money advice bus project between 1 November 2022 and 31 January 2023 and promoting it to Londoners.

AUTHORISING DIRECTOR

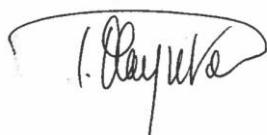
I have reviewed the request and am satisfied it is correct and consistent with the Mayor's plans and priorities.

It has my approval.

Name: Tunde Olayinka

Position: Executive Director,
Communities and Skills

Signature:



Date:

3/10/22

PART I – NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1. This decision document seeks approval to provide grant funding to Toynbee Hall to contribute to the operating costs of a mobile advice bus, which will provide debt and welfare advice to Londoners from up to 60 high-footfall locations between November 2022 and January 2023. The service will be delivered by the Debt Free London partnership and will also signpost Londoners to a wider range of information, advice and support that can help them mitigate the worst effects of rising living costs.
- 1.2. This proposal builds on the programme of work described in MD2891 to deliver a range of activities to help Londoners mitigate the worst effects of the cost-of-living crisis; and in MD2869, which authorised expenditure on a programme of work in 2021-22 and 2022-23 aligned to the Robust Safety Net recovery mission.
- 1.3. [Debt Free London](#) is a London-wide partnership of 16 debt-advice giving charities, hosted by Toynbee Hall (a private company limited by guarantee with charitable status) and funded by the Money and Pensions Service (MaPS) – an arm's-length body sponsored by the Department for Work and Pensions. It is the only body funded to provide a pan-London debt-advice service that allows Londoners to get in touch – in person at a number of advice hubs across the city; or by phone, online or via social media – for advice on a range of personal finance problems.
- 1.4. In February and March this year, Debt Free London used an underspend in their core budget from MaPS to operate a mobile debt-advice bus which provided debt and money advice to Londoners from over 20 locations across the capital. This increased the number of Londoners able to access their services by a third, allowing them to engage with around 1,000 people a day in the most prominent high-footfall locations.
- 1.5. Debt Free London has already seen demand for its services increase by 300 per cent since the start of the coronavirus pandemic. In anticipation of a further spike in demand this winter, they are seeking funding to operate an expanded version of their mobile advice service which is the subject of this decision form.
- 1.6. In July the annual UK inflation rate hit 10.1 per cent – a 40-year high. Although there was a small reduction to the rate in August, soaring costs continue to drive the biggest hit to living standards since the Second World War. Despite the Government's commitment to freeze energy bills from October, Londoners will still see their costs rise by 25 per cent this winter compared to last winter; and they will also face inflated prices for other essential goods, such as food, rent and petrol.
- 1.7. Latest GLA polling shows that over half of all Londoners are already either financially struggling or just about managing – meaning millions of households will be unable to absorb further cost increases this winter, and will face difficult choices between heating, eating or falling into debt.

- 1.8. The value of debt advice differs depending on individual circumstances, but in 2020-21 Citizens Advice generated £840m in extra income for 135,000 clients nationally by advising them on debt (an average of more than £6,000 per client). As such, supporting activity that will improve access to debt and money advice could make a tangible difference to many households.

2. Objectives and expected outcomes

- 2.1. Overarching aim: to help Londoners mitigate the worst effects of the cost-of-living crisis by connecting them with the support they need to reduce their outgoings and increase their incomes.
- 2.2. Primary objective: to improve the accessibility and take-up of free debt, money and welfare advice by Londoners experiencing, or at risk of, financial difficulty.
- 2.3. Secondary objective: to increase awareness of, and signpost Londoners to, a wider range of support that can help mitigate the worst effects of the cost-of-living crisis (e.g. energy advice/efficiency measures, mental health support, free childcare entitlements, social tariffs, etc).
- 2.4. These objectives will be achieved through delivery of the following activities:
- the operation of a mobile advice bus, offering free advice on debt, money and welfare from up to 60 high-footfall locations across London; and promoting the service via multiple channels
 - the signposting of Londoners receiving advice to the GLA's Cost of Living Hub or other information/services/forms of support specific to their circumstances
 - the distribution of leaflets to Londoners engaging with the advice bus promoting the Cost of Living Hub and key forms of offline support (e.g. telephone advice lines)
 - the delivery of up to 15 webinars on various topics relevant to the cost-of-living crisis which will be livestreamed via multiple social media channels; and recorded and published/promoted online (including via the Cost of Living Hub).
- 2.5. Outcomes: a number of metrics will be tracked to measure progress against the primary and secondary objectives, as follows:
- number and profile of Londoners receiving debt and welfare advice
 - number of Londoners receiving advice that are referred to alternative forms of support/information broken down by category (e.g. energy advice/efficiency, mental health support, childcare entitlements)
 - number of cost-of-living leaflets distributed from bus locations
 - number of views of webinars via all channels (e.g. in-person, livestream and recordings).
- 2.6. Based on Debt Free London's previous work providing pop-up or mobile advice in high-footfall areas, we expect to engage with up to 60,000 Londoners directly through this

proposal, with a further 15,000 engaged via webinars. We would also expect to distribute at least 5,000 leaflets.

- 2.7. The costs to deliver the activities described above are set out in a table in section 5.1. Officers have assessed the cost breakdown and are satisfied that it both serves as an accurate reflection of the true cost of the activity proposed, and represents value for money given the potential financial gain/savings per household supported. Additional evidence for how this proposal represents value for money is set out in paragraphs 4.3 and 4.4, below.
- 2.8. Officers are satisfied the proposed grant recipient (Toynbee Hall) is of sufficient financial standing/stability to proceed confidently to award. The overview of the charity on the Charity Commission website shows that: their accounts are up to date (and regularly reported on time); their income last financial year exceeded expenditure; and their assets far outweigh their liabilities. They also receive funding of over £5m a year from the MaPS (an arms-length body of the Department for Work and Pensions) to cover the core operational costs of the Debt Free London service. In 2020 Debt Free London was the top-performing debt-advice partnership funded by the MaPS (out of nine regional partnership that were awarded funding).

3. Equality comments

- 3.1. The Mayor and the GLA are subject to the public sector equality duty in the Equality Act 2010, which requires the identification and evaluation of the likely potential impacts, both positive and negative, of the decision on those with protected characteristics (age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, civil partnership or marital status, sex, and sexual orientation).
- 3.2. Latest GLA polling on the cost of living shows that:
 - nearly a third (31 per cent) of Londoners that are financially struggling are using more credit or going into debt to manage living costs, and almost a quarter (23 per cent) are borrowing from friends and family
 - nearly a third of Black Londoners (31 per cent), nearly a quarter of Asian Londoners (24 per cent), and nearly a third of Deaf and disabled Londoners (31 per cent) are financially struggling (compared to 19 per cent of all Londoners)
 - Black Londoners are nearly three times more likely to have fallen behind on rent or mortgage bills, with Deaf and disabled Londoners 1.7 times more likely, and Asian Londoners more than one-and-a-half times more likely (compared to all Londoners).
- 3.3. Improving access to debt advice through this proposal should therefore be beneficial to these groups. To ensure this is the case, details of the service should be promoted through appropriate networks – including through Deaf and disabled people’s organisations, and voluntary and community-sector organisations representing Black and Asian Londoners.

4. Other considerations

- 4.1. The key risks and issues are as follows:

Risk	Mitigation
Londoners are reluctant to use the service due to the stigma of being seen accessing support and admitting financial concerns	Beneficiaries of the mobile service Debt Free London ran in February/March were far more likely to access help when the bus was located in busy, public spaces, rather than quiet, isolated places (e.g. housing estates). Therefore GLA officers will work with Debt Free London to secure high-footfall public locations for delivery of the service.
Debt Free London is unable to secure enough high-footfall locations to have the desired impact	GLA officers will use their connections with boroughs and other relevant stakeholder networks to help secure prominent locations
Londoners are unaware of the offer, the location of the bus and the webinars	The GLA will use its comms channels, the Cost of Living Hub and stakeholder networks to raise awareness of the offer and signpost Londoners to it. Costs have also been built into the proposal for the ongoing promotion of the service.
Demand for debt and welfare advice outstrips the provision on the advice bus	Debt Free London can provide as many debt advisers as required from across its network free of charge, as it is already funded to provide pan-London debt advice. GLA officers will notify and encourage local advice services to get involved with the project when it is delivering advice in their catchment area to increase the opportunity for onward referrals where required.

Considerations for the provision of grant funding and subsidy control

4.2. It is proposed that the funding constitutes the award of grant-payment funding rather than a contract for services because:

- it would support an existing third-party (rather than GLA) project that aligns with the Mayor's priorities, but is the initiative of the third party in question
- the GLA would not receive a direct or indirect benefit as a result, with the benefits accruing instead to Londoners.

4.3. While there are other providers of debt advice (both commercial and non-profit) operating in London, Debt Free London is unique in:

- being the only London-wide network of providers of debt advice (made up of 16 independent providers of debt advice)
- being the only debt advice provider capable of deploying as many debt advisers as are required in any part of London at short notice

- being the only organisation with experience of delivering a mobile debt advice offer in London.

4.4. Given this, and the pressing need resulting from the current cost-of-living crisis, it is proposed to award the funding to Toynbee Hall rather than inviting grant applications from a range of organisations. This is considered to provide value for money for the following reasons:

- There are no other potential recipients that already provide a London-specific debt-advice service that is accessible to all Londoners; to establish a new one would carry a significant additional cost burden.
- Debt Free London is already funded to deliver a pan-London advice service, and therefore can provide as many debt advisers as required at no additional cost to the GLA. Alternative providers would require funding for a fixed number of debt-adviser posts; this would increase the overall project costs by at least 50 per cent (if not more). Debt Free London would also require substantial lead-in time for recruitment; and it could not increase the number of advisers to match demand without incurring additional costs and delay to delivery timelines.
- Debt Free London already has access to a LanguageLine UK, an interpretation service; and recruits its advisers from London's diverse communities. Therefore, it is able to provide advice in multiple languages at no additional cost. Other potential providers might require funding for interpretation.
- The costs quoted by the Debt Free London partnership are reasonable, consistent with average costs for activity of this nature, and have been calculated based on the actual cost of providing a similar service in February/March.

4.5. Toynbee Hall is not an economic operator selling goods or services for a profit in a competitive market; and nor are any of the organisations within the Debt Free London network that may receive onward funding. All partners involved in delivery are charitable organisations that do and (as a consequence of GLA funding) will provide free services to Londoners.

4.6. Although Toynbee Hall is funded by the MaPS to provide pan-London debt advice, its core funding does not cover the provision of a mobile debt-advice service. In the past Toynbee Hall funded similar activity using a core budget underspend. However, as stipulated by its latest funding agreement with MaPS, it can no longer use underspend in this way. Therefore, but for this funding, Toynbee Hall would not be able to run this project.

4.7. The resources to which this funding will be applied will be supplemented by existing resources from Toynbee Hall. These include expert debt advisers (as many as are required to meet demand); IT equipment and case-management systems; existing leaflets; and information resources.

Links to Mayoral strategies and priorities

4.8. This activity described in this decision document seeks to help Londoners mitigate the rising cost of living, which is a current Mayoral priority under the wider Getting London Back on its Feet priority.

- 4.9. Providing this grant funding will contribute towards the Robust Safety Net recovery mission's goal of ensuring that all Londoners can access the support they need to escape or avoid financial hardship.

Conflicts of interest

- 4.10. There are no known conflicts of interest to note from officers involved in the drafting or approving of the decision form.

5. Financial comments

- 5.1. Approval is sought for expenditure of up to £145,000 to provide grant funding to Toynbee Hall as a contribution toward its costs for allowing the Debt Free London partnership to operate a mobile debt and welfare advice bus (as detailed in the table overleaf).

ITEM	UNITS	UNIT COST	TOTAL
Bus: Design, Configuration & Hire for 3 months	1	£24,840	£24,840
Daily logistics cost [driver, cleaner, petrol etc]	60	£650	£39,000
Benefits Advisor daily cost ¹	60	£300	£18,000
Webinar costs per day	15	£350	£5,250
PR cost per month [to promote service and maximise reach]	3	£4,000	£12,000
Celebrity Ambassador [for launch event]	1	£10,000	£10,000
Photographer [for launch event]	1	£1,000	£1,000
Toynbee Hall Project Management and core costs	1	£33,027	£33,027
Contingency	1	£1,883	£1,883
TOTAL COST			£145,000

- 5.2. Of the £145k expenditure:

- £45,000 will be funded from the Low-income and Food programme budget 2022/23 held within the Equality and Fairness Team
- £100,000 will be funded by repurposing of £70,000 from the Children and Young Londoners Early Years budget and £30,000 from the HIS Implementation budget

6. Legal comments

Power to undertake the requested decisions

- 6.1. The foregoing sections of this report indicate that the decisions requested of the director concern the exercise of the Authority's general powers, and fall within the Authority's statutory power to do such things considered to further or that are facilitative of, or conducive or incidental to, the

¹ Debt Free London's core funding from MaPS only covers debt advice, therefore the addition of a benefits advisor on the bus comes at an additional daily cost. The advisor will be sourced from one of Toynbee Hall's advice service partners.

promotion of social development in Greater London; and in formulating the proposals in respect of which a decision is sought. Officers have complied with the Authority's related statutory duties to:

- pay due regard to the principle that there should be equality of opportunity for all people
- consider how the proposals will promote the improvement of health of persons, health inequalities between persons and to contribute towards the achievement of sustainable development in the United Kingdom
- consult with appropriate bodies.

6.2. In taking the decisions requested, the director must have due regard to the Public Sector Equality Duty; namely the need to eliminate discrimination, harassment, victimisation and any other conduct prohibited by the Equality Act 2010, and to advance equality of opportunity between persons who share a relevant protected characteristic (age; disability; gender reassignment; marriage and civil partnership; pregnancy and maternity; race; religion or belief; sex; sexual orientation) and persons who do not share it; and foster good relations between persons who share a relevant protected characteristic and persons who do not share it (section 149 of the Equality Act 2010). To this end, the director should have particular regard to section 3 (above) of this report.

Grant funding and subsidy control

- 6.1. As the officers have explained at paragraph 4.2, above, the provision of up to £145,000 to Toynbee Hall in support of its mobile debt and money advice bus project may be viewed as grant funding rather than a contract for services. To that end, the Authority is providing funding for Toynbee Hall's own project; and the benefits of that project inure to vulnerable Londoners rather than to the Authority itself.
- 6.2. Given that the Subsidy Control Act 2022 has not yet come into effect, the Authority is currently bound by the seven subsidy control principles as set out in the Trade and Cooperation Agreement 2020 between the European Union and the United Kingdom. The officers have explained at paragraphs 4.3 to 4.7, above, how the proposed grant complies with the seven subsidy control principles. In particular, the officers state that both Toynbee Hall and those organisations to whom it will provide grants using the Authority's funding are charities. These organisations do not charge for advice in competition with other economic operators. Instead, they provide it free of charge to vulnerable Londoners. Moreover, the Authority's grant will not be funding Toynbee Hall's day-to-day operations; rather, it will be funding activities that Toynbee Hall could not carry out but for the receipt of the grant.

7. Planned delivery approach and next steps

Activity	Timeline
Approval of expenditure	5 October 2022
Grant award and funding agreement executed	7 October 2022
Mobilisation period	10 October 2022
Month one delivery start date	1 November 2022
Month two delivery start date	1 December 2022
Month three delivery start date	2 January 2023
Delivery end date	31 January 2023

Appendices and supporting papers:

None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 – Deferral

Is the publication of Part 1 of this approval to be deferred? YES

If YES, for what reason: to allow for the formal public announcement of the service.

Until what date: 1 December 2022

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under the FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – NO

ORIGINATING OFFICER DECLARATION:

Drafting officer to
confirm the
following (✓)

Drafting officer:

Nick MacAndrews has drafted this report in accordance with GLA procedures and confirms the following:

✓

Assistant Director/Head of Service:

Tom Rahilly has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities

✓

Financial and Legal advice:

Legal and Finance teams have commented on this proposal, and this decision reflects their comments.

✓

Corporate Investment Board

A summary of this decision was reviewed by the Corporate Investment Board on 3 October 2022

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



Date

4/10/22