

Report to the Cabinet

Report reference: C-058-2012/13
Date of meeting: 4 February 2013



Portfolio: Housing

Subject: Provision of Funding to Epping Forest Citizens Advice Bureau for 2 Temporary full-time Debt Advisors

Responsible Officer: Roger Wilson (01992 564419).

Democratic Services Officer: Gary Woodhall (01992 564470).

Recommendations:

(1) That, in accordance with the Welfare Reform Mitigation Action Plan already adopted by the Cabinet, a grant of £67,900 funded from the Housing Improvements and Service Enhancement Fund be provided to the Epping Forest Citizens Advice Bureau to fund the appointment of 2 temporary full-time Debt Advisors for 18 months from 1 April 2013;

(2) That, in accordance with the previous decision of the Cabinet, it be noted that a reduced amount of £4,527 in 2013/2014 and £2,264 in 2014/2015 from the grant received as part of the Council's Local Government Grant settlement specifically for homeless prevention measures for the next 2 years, be used to meet the non-HRA contribution for the two temporary CAB Debt Advisors; and

(3) That, as a result of the saving referred to in Recommendation (2) above, £710 be added to the budget for Rental Loans which assists homeless applicants to secure accommodation in the private rented sector.

Executive Summary:

Under the Welfare Reform Mitigation Action Plan, already adopted by the Cabinet, it was agreed in principle to provide funding to Epping Forest CAB to appoint 2 full-time Temporary Debt Advisors for 18 months from 1 April 2013. This is in addition to the annual funding already provided by the Council to the CAB. The CAB have agreed that, as a condition of the funding, one of the Advisors will be based at the Limes Centre in Chigwell for one half day each week. A maximum budget of £75,000 was made available under the Housing Improvements and Service Enhancement Fund. Following negotiations, the CAB have now submitted their most economical costs for the posts being £67,900 inclusive.

No expenditure will fall to the General Fund, as its contribution of 10% will be met from the Government Grant for preventing homelessness, as previously agreed by the Cabinet.

Reasons for Proposed Decision:

Providing funding to the Citizens Advice Bureau will enable them to appoint 2 full-time temporary Debt Advisors for 18 months from 1 April 2013, in order to contribute to the

mitigation of the effects of the Government's Welfare Reforms in accordance with the Council's Welfare Mitigation Action Plan already adopted by the Cabinet.

Other Options for Action:

Not to provide funding to the Citizens Advice Bureau for the appointment of 2 temporary Debt Advisors for a period of 18 months from 1 April 2013, or to vary the number and/or the period of appointment.

Report:

1. Under the Welfare Reform Mitigation Action Plan, already adopted by the Cabinet, it was agreed to discuss with Epping Forest CAB the possibility of them appointing 2 full-time temporary Debt Advisors for 18 months from 1 April 2013, funded jointly from the Council's Housing Revenue Account (HRA) (90%) and from the Government's Homelessness Prevention Grant (10%), if supported by the CAB. This is in addition to the annual funding of £114,000 already provided by the Council under its Service Level Agreement with the CAB. The reason for proposing that the CAB appoints these two posts is to provide debt advice through the three CAB offices in Epping, Waltham Abbey and Loughton to any Council tenants, private tenants and owner-occupiers affected by the Government's welfare reforms who fall into debt as a result. From the Council's point of view, it is anticipated that the service would result in Council rent arrears and homelessness being reduced.

2. Following discussions with the CAB, they have agreed the Council's request that, as a condition of the funding, one of the Advisors would be based at the Limes Centre in Chigwell for one half day each week in order to offer advice to residents on the estate. A further condition of the funding would be that the 2 Debt Advisors be fully utilised for the 18 month period, which would be extended should either of the Debt Advisors leave the CAB's employment. Both of these conditions will be included in the updated Service Level Agreement between the Council and the CAB.

3. Under the Welfare Reform Mitigation Action Plan, the Cabinet agreed a maximum budget of £75,000 to be made available under the Housing Improvements and Service Enhancement Fund. Following submission of original costing from the CAB, housing officers have negotiated and as a result the CAB have been able to make reductions. The Citizens Advice Bureau have now confirmed that their most economical costs for the 2 full-time Temporary Advisors for an 18 month period including on costs, overheads, management and case supervision is £67,900 (£7,100 less than the maximum budget set by the Cabinet).

4. Should the Cabinet agree to the proposal, in order that no additional expenditure falls to the General Fund, at its meeting on 3 December 2012 (minute 77 refers) the Cabinet agreed that the General Fund's contribution be met from the Government Grant for preventing homelessness.

5. As this was based on the maximum budget figure, when taking into account the actual figure, the amount set aside from Government Grant for preventing homelessness to meet the General Fund's contribution of 10% reduces to £4,527 in 2013/2014 and £2,264 in 2014/2015. It is suggested that the saving of £710 be added to the budget for Rental Loans which assists homeless applicants to secure accommodation in the private rented sector, and for which the Cabinet has previously agreed the remaining Government Grant should be used.

Resource Implications:

£45,266 in 2013/2014 & £22,634 in 2014/2015, (90% funded from the HRA, 10% funded

from the Government Grant for preventing homelessness) in addition to the £114,000 per annum already provided under the Council's Service Level Agreement with the CAB

Additional £710 budget for Rental Loans.

Legal and Governance Implications:

Housing Act 1985.
Housing Act 1996.
Welfare Reform Act 2012.

Safer, Cleaner and Greener Implications:

None.

Consultation Undertaken:

The Leisure and Wellbeing Portfolio Holder and Officers held a meeting with Epping Forest Citizens Advice Bureau's District Manager who supports the recommendations.

Background Papers:

None.

Impact Assessments:

Risk Management

Risks covered by the Council's Service Level Agreement with the CAB including, the requirement to have one Debt Advisor based at the Limes Centre, Chigwell and the condition that the 2 posts be fully utilised for the 18 month period which will be extended should either of the Debt Advisors leave the CAB's employment. In addition, if the recommendations are agreed, it will reduce the risk to residents in the District of them not receiving professional advice on the implications of the Welfare Reforms.

Equality and Diversity

Did the initial assessment of the proposals contained in this report for relevance to the Council's general equality duties, reveal any potentially adverse equality implications? No

Where equality implications were identified through the initial assessment process, has a formal Equality Impact Assessment been undertaken? N/A

What equality implications were identified through the Equality Impact Assessment process?
N/A

How have the equality implications identified through the Equality Impact Assessment been addressed in this report in order to avoid discrimination against any particular group?
N/A