

## **EAST AYRSHIRE COUNCIL**

### **SOCIAL WORK COMMITTEE: 27 JANUARY 2005**

#### **MONEY ADVICE PROVISION**

##### **Report by the Executive Director of Educational and Social Services**

## **1. PURPOSE OF REPORT**

- 1.1 To advise members of new monies that have been made available to the Council by the Scottish Executive to enhance partnership working with the voluntary sector for the provision of Money Advice services.
- 1.2 To seek the approval of members to negotiate an extension to the existing service level agreement for the provision of additional Anti Poverty services with the Citizens Advice Bureau.

## **2. BACKGROUND**

- 2.1 A Best Value Review of Anti Poverty services was approved by Social Work Committee on 4<sup>th</sup> November 2004 resulting in a reconfiguration of service provision in relation to Money Advice and Welfare Rights.
- 2.2 A key recommendations was that the Council:

*Explore procurement options in terms of areas of work, which could potentially be more appropriately undertaken through commissioning with the independent or voluntary sector.*

This report brings forward recommendations in respect of this.

- 2.3 In 2002, the Scottish Executive allocated £3m to Councils over three years to enhance money advice services in anticipation of increased demand for services arising from planned new debt recovery procedures. East Ayrshire's allocation was £81,000 per annum. The allocation was utilised to enhance frontline services both within the Council and in partnership with East Ayrshire Citizens Advice Bureau.
- 2.4 The Scottish Executive has confirmed that a further £53,000 per annum has now been allocated to the Council. The aim of the new funding is to increase face to face Money Advice provision to low income families. The Scottish Executive expects additional services to be provided through these resources, and this will be formally measured by counting the number of new advisers in post.
- 2.5 As a condition of the award of funding, local voluntary organisations must be involved in discussions to agree a distribution formula for the additional resources, which will result in the best possible outcomes for those requiring Money Advice services.

- 2.6 A further condition of funding is new duties for local authorities and voluntary organisations to agree to cooperate fully with the future implementation of a national case management system which will serve to gather statistical information in the longer term about the impact of the new provision on service users' debt problems.
- 2.7 The new funding allocation will run concurrently with that previously awarded until 2008.

### **3. PROPOSALS**

- 3.1 The Citizens Advice Bureau is the Council's existing partner provider in respect of Money Advice provision and the sole alternative provider within the Council area. Further to discussion as required by the Scottish Executive it is proposed that the total funds of £134,000 (£81,000 + £53,000) be utilised in the following manner:
- (1) £98,000 to be utilised to contract with East Ayrshire Citizens Advice Bureau to further enhance Anti Poverty services and in particular Money Advice Provision. These services to be provided with equity of access to all residents of East Ayrshire.
  - (2) £36,000 to be utilised within Social Work to support continued in-house provision of services and meet the Council's new duties in relation to the collection, maintenance and reporting of information and statistics related to Money Advice ensuring consistency across the Council and the Citizens Advice Bureau (see paragraph 2.6).

### **4. PERSONNEL IMPLICATIONS**

- 4.1 The initial in-house resources are used to fund one clerical post. The proposal outlined in 3.1 (2) will require recruitment of one additional clerical assistant to meet the Council's new duties and will be referred to Corporate Governance Committee subject to being approved

### **5. FINANCIAL IMPLICATIONS**

- 5.1 The costs of implementing the proposals will be wholly funded from within the financial allocation made by the Scottish Executive.

### **6. LEGAL IMPLICATIONS**

- 6.1 In order to implement the proposals set out in section 3.1, the Service Level Agreement currently in place between the Council and the Citizens Advice Bureau will require to be enhanced to reflect the additional activity and funding. The Board of the Citizens Advice Bureau has agreed in principle to entering into negotiations with the Council in this regard.
- 6.2 It is proposed that the Council enters into negotiations solely with Citizen's Advice Bureau for the provision of additional services by adding to the existing Service Level Agreement for the following reasons:

- The Bureau is the Council's existing and established partner provider in relation to the provision of money advice services. Greater economies of scale can be achieved through the development of provision through one provider.
- Speed in establishing the new service provision is of the essence in relation to reconfiguring provision following the review of Anti – Poverty services and the need to put arrangements in place to make maximum use of the financial allocation.
- Although other organisations such as East Ayrshire Carers Centre and East Ayrshire Advocacy Services provide valuable supports there are no voluntary agencies other than Citizens Advice currently operating within the Council, area who undertake the full range of money advice work.

6.3 In these circumstances the Council's Standing Orders relating to contracts dictate that prior to entering into negotiations the approval be sought of committee.

## **7. POLICY IMPLICATIONS**

7.1 There are no policy implications for the Council. The enhancement of Money Advice provision supports the Eliminating Poverty Action Plan within the East Ayrshire Community Plan.

## **8. CONCLUSION**

8.1 The additional financial allocation facilitates the strengthening of Anti Poverty and Money Advice provision within the Council area. Additionally by enhancing capacity within the Citizens Advice Bureau, economies of scale permit a more efficient and effective Money Advice service provision which in turn facilitate an increase in the amount of welfare rights work undertaken by Citizens Advice Bureau staff through a refocusing of activity undertaken by generic staff and volunteers.

## **9. RECOMMENDATIONS**

9.1 Members of the Social Work Committee are invited to:

- (i) agree to the implementation of the proposals;
- (ii) approve the entering into negotiations solely with the East Ayrshire Citizens Advice Bureau;
- (iii) refer the proposal to create an additional administrative post to Corporate Governance Committee; and
- (iv) otherwise note the contents of the report.

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**Executive Director of Educational & Social Services**  
**7 January 2005**  
**Enc (0)**

**LIST OF BACKGROUND PAPERS**

Nil

For further information on this report please contact:  
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**IMPLEMENTATION OFFICER:- JACKIE DONNELLY**