

DETAILED BUDGET PROPOSALS

SERVICE:	Housing and Environment
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SAVING NAME:	Reduction in funding for Enhanced Money
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	Advice to the Aberdeen CAB
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HEAD OF SERVICE:	Norrie Steed
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REFERENCE No:	
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CATEGORY:	Service Efficiencies
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	Financial Impact:			
	2009/10 £'000	2010/11 £'000	2011/12 £'000	2012/13 £'000
Costs/(Saving)	0	70	70	70

	Personnel Impact:			
	2009/10	2010/11	2011/12	2012/13
FTE	0.0	0.0	0.0	0.0
Head Count	0	0	0	0

Brief Description of Budget Saving

Currently Aberdeen City Council provides approximately £70K in funding to the Aberdeen CAB for money advice. This is on the understanding that they provide a comprehensive money advice service to the public to complement the council's own service, using money earmarked from the Scottish Government for enhanced debt advice services. Although some of the CAB service is provided by volunteers they also employ paid staff for money advice. However the CAB has no staff who are Approved Money Advisers, which is required to organise a Debt Arrangement Scheme for clients. Clients requiring this service have to be referred back to the Council's money advice service where there are 3 Approved Money Advisers. Cutting the funding to CAB would reflect the fact that the CAB service does not have an Approved Money Adviser, while recognising that they do provide a money advice service. The CAB receives two other main streams of funding from the council, namely: (i) approximately £263k from the Common Good Fund, around 30% or £78K of which is for provision of money advice; and

-(ii) approximately £120k from the Fairer Scotland Fund to deliver a community outreach advice service. This funding provides for 2 Money Advice Workers and 2 Income Maximisation officers. It is estimated that the Money Advice element would account for approximately 60% or £72k for 2009/10. However it should be noted that there is no commitment currently to continue funding in 2010/11 as this will be dependent on the future of the Fairer Scotland Fund. This gives an estimated total of £148K of funding for money advice to the CAB, with an additional £72K of funding for 2010/11 (Total £220K). Thus a reduction of £70K in funding for money advice, on the basis that the CAB does not employ any

Approved Money Advisers capable of carrying out Debt Arrangement Schemes, would still leave the CAB with a significant amount of funding for debt advice. **This proposal is offered as a more efficient and sustainable alternative to the previous ENV 18**

Deliverability Issues and Risks
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It is likely that the CAB will resist this cut in funding as they have become reliant upon it.
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Legislative Background

Debt advice is not a statutory service. However, assisting people to manage their money better enables them to pay their rent, council tax and other daily living expenditure.
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Consultation Required/Partner Engagement

Consultation would be required with the CAB

Have Cost Centre(s) been Identified?	C27710 67121
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Is this saving related to the General Fund?	Yes
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