



SPECIAL POLICY AND RESOURCES SCRUTINY COMMITTEE – 7TH DECEMBER 2015

SUBJECT: SAVINGS PROPOSALS FOR 2016/2017 – GENERAL FUND HOUSING

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151
OFFICER**

1. PURPOSE OF REPORT

- 1.1 To advise Members of proposed savings within General Fund Housing that are required to meet the Medium Term Financial Plan objectives as proposed by Cabinet on 14 October 2015. The total savings proposed for the General Fund Housing budget in 2016/17 are £141k which includes savings which have no impact on the public.

2. SUMMARY

- 2.1 To address the reduced settlement expected from WG, draft savings proposals in the form of a Medium term Financial Plan (MTFP) for 2016/17 was presented to Cabinet on the 14th October 2015. The MTFP has been revised to reflect an assumed reduction in the Aggregate External Finance (AEF) of 4.3% for 2016/17 and 2017/18. The assumptions are pending the outcome of the Comprehensive Spending review that is due to be completed in late November 2015. Depending on the outcome of the Spending Review a further report may need to be submitted. The MTFP includes proposed savings for General Fund Housing (excluding HRA) of £141k for 2016/17.
- 2.2 The General Fund Housing proposed savings which may have an impact on the public are:-
- Removal of funding for the Family Intervention Project (FIP) - £15k (low impact on the public)
 - Phased withdrawal of funding for the contribution to the operational running costs of Caerphilly Care and Repair - £10k (low impact on the public)
- 2.3 This report seeks the views of the Scrutiny Committee on those savings outlined above which will have a potentially low impact on the public.

3. LINKS TO STRATEGY

- 3.1 The council's Medium Term Financial Plan has identified the above as potential savings for 2016/17.

4. THE REPORT

Savings Proposals which will have a low impact on the public:

4.4 Family Intervention Project

4.5 The proposed withdrawal of funding for the Family Intervention Project (FIP) has already been considered by the Crime and Disorder Scrutiny Committee on 10th September 2015 and will generate a saving of £15k. The project was funded jointly by Housing (Homelessness Prevention Funding) and the Youth Crime Prevention Fund. The initiative has however, only ever supported a small number of cases and for 2014/15 no referrals were received. Other benefactors from the service are not supporting the project financially.

4.6 The Authority does, however, continue to support the Valleys Inclusion Project (VIP) which is considered to be a very similar service to the FIP. This project is one which works with any vulnerable household and is thought to be far more cost effective than the FIP.

4.7 It is considered that this savings proposal will have a minimal effect on its service users as alternative support can be provided by both the Valleys Inclusion Project and by directly employed staff within the Council's Housing Advice Team as part of their homelessness prevention duties, which are now substantially greater as a result of the recent introduction of the Housing (Wales) Act 2014.

4.8 Care and Repair, Caerphilly

4.9 The phased withdrawal of funding support for Care and Repair Caerphilly will generate a saving of £10k in 2016/17. Care and Repair is a third sector organisation with agencies in every Local Authority in Wales whose main source of funding comes from the Welsh Government. Some agencies are located within Housing Associations, whilst others, as with Care and Repair Caerphilly are independent agencies with their own management committees.

4.10 This Authority has supported Care & Repair Caerphilly since 1996. At that time they were based in private sector accommodation at Maesycwmmer and the Authority's support was via an annual cash contribution of around £50k. Some years later, however, Members took the decision to relocate the agency into Ty Pontllanfraith and provide imputed support in relation to accommodation and day to day office costs of around £5k together with an annual cash contribution which currently stands at approximately £15k per annum.

4.11 The savings proposal is to withdraw funding of £10k per annum over two financial years which is expected to have a low impact on the public.

4.12 Care & Repair Caerphilly have an annual budget of some £185k of which the Authority's contribution is £30k (cash £20k and imputed £10k). Care & Repair provide a variety of services, one of which is a handyperson scheme. The Agency Director has indicated that it is this service which may be under threat as a result of the withdrawal of the Authority's funding. However the decision on which areas of the service to review will be a matter for the Care and Repair Board of Management to determine.

4.13 The Care & Repair service nationally is currently undertaking a restructuring exercise which sees C&R Caerphilly merging with C&R Blaenau Gwent. Merger discussions have already commenced, a Shadow Board is in place and it is hoped that advance warning of the savings proposals can be addressed as part of their merger process with a view to a reshaped service being provided.

5 EQUALITIES IMPLICATIONS

- 5.1 As part of the MTFP, an equalities impact assessment has been completed in order to ensure that the final decision has taken into account the potential impact on different individuals and groups. The EIA is attached as Appendix 1.

6. FINANCIAL IMPLICATIONS

- 6.1 The overall savings proposals identified at para 4 above will generate savings of £25k towards the MTFP for 2016/17.

7. PERSONNEL IMPLICATIONS

- 7.1 There are no personnel implications for the Authority in relation to the savings proposals outlined in this report.

8. CONSULTATIONS

- 8.1 The views of the consultees listed at the end of this report have been included within the report. Consultation has also been undertaken with Care and Repair, Caerphilly and the managers of the Family Intervention Project in respect of the potential effect of the savings proposals.

9. RECOMMENDATIONS

- 9.1 Scrutiny Committee is asked to note the information in this report and provide feedback for consideration by Cabinet.

10. REASONS FOR THE RECOMMENDATIONS

- 10.1 To advise decisions as outlined in the DRAFT Medium Term Financial Plan 2016/17.

11. STATUTORY POWER

- 11.1 The Local Government Acts 1998 and 2003

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Consultees: Cllr Dave Poole - Deputy Leader and Cabinet Member for Housing
Christina Harrhy – Corporate Director - Communities.
Nicole Scammell - Interim Director of Corporate Services and S151 Officer.
Stephen Harris - Interim Head of Corporate Finance.
Lynne Donovan - Interim Head of Human Resources and Organisational Development.
Gail Williams - Interim Head of Legal Services.
David A. Thomas - Senior Policy Officer (Equalities and Welsh Language).
Kenyon Williams - Private Sector Housing Manager

Appendices:-
Appendix 1 – Equalities Impact Assessment

Background Papers:
Report to Crime and Disorder Scrutiny Committee, 10th September 2015 entitled "Family Intervention Project & Valleys Inclusion Project".