

EAST HERTS COUNCIL

COUNCIL – 1 OCTOBER 2008

REPORT BY EXECUTIVE MEMBER FOR
RESOURCES AND INTERNAL SUPPORT

10. EAST HERTS CITIZEN'S ADVICE SERVICE (EHCAS)
– SUPPLEMENTARY REVENUE ESTIMATE

WARD(S) AFFECTED: All

'D' RECOMMENDATION: that a one-off supplementary revenue estimate of £50,000 is made available from balances to the East Herts Citizens Advice Service (EHCAS) in 2008/09, for one-off restructuring costs.

1.0 Purpose of Report

1.1 To secure a supplementary estimate to enable East Herts Citizens Advice Service (EHCAS) to implement re-structuring proposals designed to bring about more streamlined and economically sustainable services to the residents of East Herts.

2.0 Contribution to the Council's Corporate Objectives

2.1 Enhance the quality of life, health and wellbeing of individuals, families and communities, particularly those who are vulnerable.

3.0 Background

3.1 The medium term financial planning process, which the Council undertook during 2007/08, included a consideration of its overall approach to discretionary spending. In broad terms, it signalled the need to reduce spending in those areas more relevant to the responsibilities of other agencies and to see its remaining contributions more tightly focused on the needs of the disadvantaged and vulnerable residents of East Herts.

3.2 The East Herts Citizens Advice Service (EHCAS) was one of the organisations challenged to reconsider its service delivery arrangements to more closely align with the sort of service the

Council would want to commission and so reduce the subsidy required from East Herts.

- 3.3 This has presented significant challenges for the EHCAS, but nevertheless, their board and management team have worked hard and responded positively. Working with an external specialist from the central Citizen's Advice Board organisation, EHCAS has developed proposals that will deliver the focus that the Council has signalled it is seeking.
- 3.4 The proposals once implemented, will assist the EHCAS to operate within the reduced subsidy levels as set out in the Council's Medium Term Financial Plan (£179,000 in 2009/10 and £129,000 in 2010/11). To do so however, requires a rethink and major change of their existing organisation with inevitable one-off costs.

4.0 Report

- 4.1 The EHCAS board has estimated "spend to save" restructuring costs as being of the order of £116,000 which would need to be found in the current financial year. They are keen to show a willingness to continue to work with the Council but do not have sufficient funding in their reserves to meet that entire sum.
- 4.2 Their changes are proposed in response to the Council's request and will help deliver longer term savings and a potentially more focused service for the people of East Herts. It is therefore proposed that the Council makes a contribution of £50k towards the costs, being just less than half of the identified sum needed to facilitate the changes needed.
- 4.3 The recommendation at the head of this report is that the Council identifies a supplementary revenue estimate in 2008/09 to enable a one-off payment of £50,000 to cover restructuring and stream-lining costs.

5.0 Consultation

- 5.1 The recommendation at the head of the report is supported by Executive and Board members of both EHCAS and East Herts Council.

6.0 Legal Implications

- 6.1 There are no direct legal implications for the Council.

7.0 Financial Implications

7.1 This is not within existing spending plans. If agreed, the £50,000 grant would therefore be made available from balances.

8.0 Human Resource Implications

8.1 There are no direct human resource implications for the Council.

9.0 Risk Management Implications

9.1 Support for this proposal will help to reduce the risk to the ongoing viability of one of the Council's key partners which provides important services to the people of East Herts and further supports the delivery of the Council's own Medium Term Financial Plan.

Background Papers

None

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