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REPORT TO:	COUNCIL	AGENDA ITEM: 16
DATE OF MEETING:	9 <sup>th</sup> APRIL, 2009	CATEGORY: RECOMMENDED
REPORT FROM:	DIRECTOR OF COMMUNITY SERVICES	OPEN
MEMBERS' CONTACT POINT:	MARK ALFLAT (Ext. 5712)	DOC: MA/PMW
SUBJECT:	ADDITIONAL TEMPORARY SUPPORT TO SOUTH DERBYSHIRE RESIDENTS DURING THE RECESSION	REF: u:\pmw\commserv\committees\council 9.4.09 - temp. support to sd residents during recession.doc
WARD(S) AFFECTED:	ALL	TERMS OF REFERENCE:

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### **1.0 Recommendations**

- 1.1 That Members approve the use of the Local Authority Grant Business Incentive scheme (LAGBI) monies to fund a part-time Citizens Advice Bureau (CAB) Debt Counsellor and an additional Housing Options Advisor. Each post is for a temporary period of twelve months.
- 1.2 That a room be funded for a temporary Debt Counsellor at OPRA, based in Newhall.

### **2.0 Purpose of Report**

- 2.1 To bring to Members attention the situation with regard to the overload of Citizens Advice Bureau Debt Counselling Officers and a suggested use of Council finance to provide additional temporary support, in the form of an additional Debt Counsellor and accommodation costs for a period of twelve months.
- 2.2 To provide an additional temporary Housing Options Advisor to support the increase in cases.

### **3.0 Detail**

- 3.1 For the first time in its operation the Citizens Advice Bureau based at Swadlincote has had to introduce a waiting list for debt counselling.
- 3.2 Unemployment in South Derbyshire has doubled over the last twelve months, leading to a large increase in people seeking debt advice.
- 3.3 In the first quarter of 2008 1782 persons sought advice from the CAB, by the end of the third quarter of 2008 this had risen to 3007 and is still rising.

3.4 Out of these additional cases approximately 300 residents will require in depth debt counselling. In depth debt counselling includes:-

- Negotiating repayments with priority creditors (e.g. mortgage lenders)
- Maximising income (checking benefits and tax allowances)
- Challenging liability for debts (e.g. charges and interest added without justification)
- Corresponding with creditors
- Planning and implementing a long-term strategy
- Helping clients with court proceedings such as repossession and charging orders

On average, it takes 10 - 11 hours of Case Worker time over the life of a case. CAB have received some additional funding themselves to deal with the increase in demand. An additional half time debt Case worker post would increase debt capacity for an extra 90 households. This will be enough to meet the additional demand and give the residents help at a time when they most need it.

3.5 The largest increase in unemployment levels as been seen at Newhall. It is proposed therefore that a part-time CAB Debt Counsellor be funded who will be based at the OPRA building in Newhall in the heart of the current unemployment hotspot.

3.6 Peripatetic debt advice is also being provided through the Council in partnership with CAB.

#### Additional temporary Housing Options Advisor

3.7 The Authority has been receiving 50% additional applications for housing per day in the last few months. The existing homelessness staff require additional short-term support to deal with this increase.

3.8 Homelessness advice includes:-

- interviewing all who enquire in need of housing advise and produces action plan with them of their options, i.e renting in private sector, applying to RSLs etc.
- mediating between client and family / friends who want them out, to prevent homelessness
- mediating between client and landlords who have served notice to quit to extend stays where possible
- processing Deposit Guarantees to enable more people to have access to private sector lettings, thereby reducing demand on our waiting list
- assisting clients with literacy problems to complete application forms for housing, look for private lets in newspapers and on line.
- Making referrals to debt counsellor where appropriate
- Making referrals to benefit advisors where appropriate
- Progressing Local Housing Allowance claims for clients

#### **4.0 Financial Implications**

- 4.1 The total cost of the accommodation and the additional temporary Debt Counsellor and Housing Options Advisor post is £50,617. Housing Services can commit £13,000 from existing budgets.
- 4.2 This leaves a net figure of £37,617 required.
- 4.3 The LAGBI scheme has awarded South Derbyshire District Council £95,000.
- 4.4 The Government has advised that its preferred use of this money is to help Local Authorities deal with the effects of the recession in its area.
- 4.5 The proposals outlined in the report will help the most vulnerable residents in the district.

#### **5.0 Community Implications**

- 5.1 The proposed support as outlined in the report will be of a direct benefit to those residents most in need at this time.