

## Appendix 1 – Finances and Savings

1. Budgets - Funding for the commissioned services comes from Neighbourhoods (homelessness prevention) and People (children in care placements) with a combined budget in 2016/17 of £2,708,275. The proposals in this report will deliver 10% savings by 2019/20 from the 2016/17 combined budget (see table below). In addition, there may be additional funding, depending on the proposals the Mayor takes to full council in respect of the budget. If approved, from February 2018 the funding will also include an element from Bristol Youth Links, which currently funds some homelessness prevention advice and assistance for young people.

	Neighbour- hoods	People	Total Neighbour- hoods & People
<b>2016/17 budgets</b>			
Group 1 services - prevention and low level supported accommodation	£935,560	£42,776	£978,336
Group 2 services - high plus, high and medium level supported accommodation	£962,329	£767,610	£1,729,939
<b>Total funding envelope - baseline</b>	<b>£1,897,889</b>	<b>£810,386</b>	<b>£2,708,275</b>
<b>2017/18 proposed budgets</b>			
Group 1 services - prevention and low level supported accommodation	£840,962	£42,776	£883,738
Group 2 services - high plus, high and medium level supported accommodation	£962,329	£767,610	£1,729,939
<b>Total funding envelope</b>	<b>£1,803,291</b>	<b>£810,386</b>	<b>£2,613,677</b>
Saving from 2016/17 baseline	-£94,598	-£0	-£94,598
% saving from baseline	-5%	0%	-3%
<b>2018/19 proposed budgets</b>			
Group 1 services - prevention and low level supported accommodation	£807,224	£42,776	£850,000
Group 2 services - high plus, high and medium level supported accommodation	£952,471	£685,752	£1,638,222
<b>Total funding envelope</b>	<b>£1,759,695</b>	<b>£728,528</b>	<b>£2,488,222</b>
Saving from 2016/17 baseline	-£138,195	-£81,859	-£220,053
% saving from baseline	-7%	-10%	-8%
<b>2019/20 proposed budgets</b>			
<b>Total funding envelope</b>			<b>£2,437,448</b>
Saving from 2016/17 baseline			-£270,828
% saving from 2016/17 baseline			-10%

2. **Savings** - The 8% savings will be achieved as follows:
  - a. From October 2017 reduced spend on prevention, by integrating prevention services in the Youth Housing Hub (£72K recurrent saving).
  - b. From October 2017 reduced number of units of low support accommodation (from 237 to 195 including 30 for young parents) (£83.5K recurrent saving).
  - c. From 2018/19 reduce spend from the children's services external supported accommodation (ESA) budget (by £72K) by:
    - i. Reducing use of very high cost bespoke ESA packages by investing in lower cost block contract (increasing number of units from 5 to 10).
    - ii. Reducing number of 16-17 entrants to care leading to reduced spend from ESA budget on their rent (c.£8K per person p.a).
  - d. From 2018/19 - 10% reduction in budget for in-house Youth Projects (19K recurrent saving).

3. The further minimum 2% savings by 2019/20 will be achieved as follows:
  - a. Closely monitor demand, the effectiveness of new prevention approach and use of high cost ESAs. Identify a minimum of 2% savings for 2019/20 taking into account effectiveness of prevention and impact on the need for different types of supported accommodation.
  - b. Make sure all contracts have the flexibility to change the contract price, number of units and/or support costs.