

**Committee Name and Date of Committee Meeting**

Cabinet – 20 March 2023

**Report Title**

Rotherham Financial Inclusion Plan

**Is this a Key Decision and has it been included on the Forward Plan?**

Yes

**Strategic Director Approving Submission of the Report**

Ian Spicer, Strategic Director of Adult Care, Housing and Public Health

**Report Author(s)**

Paul Elliott – Business and Commercial Programme Manager

Laura Thornley – Service Improvement and Governance Manager

**Ward(s) Affected**

Borough-Wide

**Report Summary**

This Report seeks approval for the attached Financial Inclusion Plan. This Plan details support available to the residents of Rotherham.

In the first instance, the aim is to help tenants and residents to improve their quality of life by maximising their income, reducing debt, increasing levels of educational attainment, and improving their potential to gain employment. The Plan 2023-24 will be implemented by the Financial Inclusion Team within the Housing Service with involvement from all Directorates. It is intended therefore to align resources and offer services, irrespective of tenure, as appropriate.

Evidence demonstrates that improving financial capability and confidence will contribute to reducing poverty, improving health, educational attainment, and opportunities to access employment.

For the plan to be effective it cannot stand alone in delivering solutions. A co-ordinated approach that brings together wider Council services, partners and agencies will not only be more cost effective, but it will also achieve greater success in providing tenants and residents with the support required to enable them to become financially empowered.

## **Recommendations**

1. That Cabinet approves the Corporate Financial Inclusion Plan 2023-24

### **List of Appendices Included**

Appendix A Corporate Financial Inclusion Framework  
Appendix B Part A Initial Equality Screening Assessment form  
Appendix C Part B Equality Analysis form  
Appendix D Carbon Impact Assessment

### **Background Papers**

The Housing Financial Inclusion Plan 2017-20

### **Consideration by any other Council Committee, Scrutiny or Advisory Panel**

N/A

### **Council Approval Required**

No

### **Exempt from the Press and Public**

No

## **Rotherham Financial Inclusion Plan**

### **1. Background**

- 1.1 The Housing Income Service underwent significant transformation in 2017 with the desired outcome to focus on maximising housing income and sustaining tenants in their homes. To support this, a broader Financial Inclusion and Tenancy Support service was created. This was part of the wider team that develops and delivers practical interventions and projects to enable tenants to maximise their income, sustain their tenancies and live healthier lives.
- 1.2 This approach was underpinned by the development of a Housing Financial Inclusion Plan which covered the period 2017-2020. This was approved by Cabinet in March 2017. The Plan was designed to reflect current practices and build a range of modern operational packages, placing the customer at the heart of the service delivery model. The objectives were to promote financial responsibility, offer practical help to sustain tenancies, protect the most vulnerable and provide comprehensive support and advice.
- 1.3 The Council has undertaken an array of activity to promote financial inclusion and the well-being of residents. Examples of these initiatives include:
- The provision of holistic, wrap around support to 1400 Council tenants each year.
  - As of January 2023, the combined Employment Solutions Teams have assisted 468 residents to complete accredited training and 488 into sustainable employment.
  - The Income Pre-Tenancy Team identified and helped to generate £1,482,236 in additional income for tenants and residents in the year 2021-22.
  - The Energy Crisis Support Scheme has approved payment awards of up to £400 per household to 4,560 applicants, as of 27<sup>th</sup> February 2023.
- 1.4 The previous Housing Financial Inclusion Plan expired in 2020 and the refresh was delayed by the Covid19 Pandemic. Given the cost-of-living crisis, it is more important than ever that the Council has a clear plan explaining how it will support Rotherham's residents. The Council has reflected upon the work undertaken to date and has now strengthened its approach. The Financial Inclusion Plan is based upon the concept that the Council will enable residents to improve their own financial prospects, and from that, better outcomes will flow. All Council Services have worked together to develop this plan and delivery is embedded across the Council.

### **2. Key Issues**

- 2.1 The UK is currently facing the highest inflation rate in over 40 years, leading to significant price increases in the cost of day-to-day essentials such as

food, heat, and clothing over the last several months. Inflation peaked at 11.1% in October 2022 but remains in double figures.

This has subsequently resulted in what is being termed a 'cost of living crisis' where many households that have traditionally been able to manage on their incomes are no longer able to afford the costs of day-to-day life.

2.2 One of the biggest effects will manifest itself through fuel poverty. This will affect people as family finances are stretched by this and the increased cost of living. Choosing whether to 'heat or eat' will become a more mainstream scenario as people feel the financial effects of the increased costs of buying essential items such as household groceries and fuel. Experts predict that inflation and as such the cost of everyday household items will not stabilise until well into 2023 given the ongoing war in Ukraine and supply chain disruptions following the Pandemic.

2.3 To support residents through these difficult times, the Financial Inclusion Plan sets out the Council's offer to residents and how financial empowerment can be achieved through a combination of interventions:

- **Education:** Multi-point education covering essential life skills such as budgeting, cooking and home management delivered from childhood into adulthood.
- **Money Advice:** Specialised bespoke budgeting advice with a focus on money saving techniques where there is no additional entitlement to benefits.
- **Holistic Support:** Client centred, holistic tenancy support which identifies and takes steps to address the underlying issues that can exacerbate financial difficulties such as mental health issues/drug/alcohol addiction etc to facilitate tenancy sustainment.
- **Employment and Training:** Educating, upskilling, and supporting into people into economically beneficial and sustainable employment opportunities.

2.4 The Council recognises that supporting its residents is more important now than ever. In line with the Council's Year Ahead Plan, the focus will be on reaching the people impacted by the Pandemic and the cost-of-living crisis that may have never needed to access support services before. As such, the framework is focused on tackling these issues.

#### **Funding of services into the future**

2.5 The Council has continued to embed financial inclusion activity across services and external grants have been effectively managed to ensure that residents access the support that is available. A number of activities in the plan are delivered through external grants and this will be kept under review.

- 2.6 Considering the cost-of-living crisis it is acknowledged that there is a need to consider the development of a Rotherham Together Partnership approach to financial and economic inclusion Borough wide.

### **3. Options considered and recommended proposal**

#### **Option 1 – The Rotherham Financial Inclusion Plan 2023-24**

- 3.1 It is recommended that Cabinet approve the Rotherham Financial Inclusion Plan 2023-24 which will enable the continued delivery of several measures designed to support residents through these economically challenging times.

#### **Option 2 – Do nothing**

- 3.2 If no Rotherham Financial Inclusion Plan 2023-24 was developed, then services would continue to be delivered across the Council but without an overarching plan to inform residents and stakeholders of the services available.

### **4. Consultation on proposal**

- 4.1 The proposed Housing Financial Inclusion Plan 2023-24 was presented to the Strategic Housing Forum on 22 May 2022. The Forum is attended by a large number of professionals from housing providers and related partners across the region. Whilst the Plan has now taken on a broader focus the feedback received is still relevant to the offer contained in the refreshed Plan.
- 4.2 The proposed Financial Inclusion Plan 2023-24 was presented to the Housing Involvement Panel (HIP) on 21 September 2022. The HIP is attended by tenants, Councillors, and other professionals from within the Housing sector. The Plan was well received with feedback in support of the proposals.
- 4.3 The Plan was also presented to the Advice in Rotherham Partnership in January 2022. This meeting is attended by partners and key stakeholders from across the Borough who specialise in advice delivery. The Plan was well received with feedback in support of the proposals.
- 4.4 A Members Seminar was also held on the 12 October 2022. Chaired by the Cabinet Member for Social Inclusion the Financial Inclusion Plan 2023-24 was well received with members being supportive of the proposals.

### **5. Timetable and Accountability for Implementing this Decision**

- 5.1 Cabinet – 20<sup>th</sup> March 2023.

### **6. Financial and Procurement Advice and Implications**

- 6.1 There are no direct procurement implications arising from the new Financial Inclusion Plan 2023-24. However, any identified need to procure goods,

works or services to achieve the objectives in the Financial Inclusion Plan 2023-24 must be procured in line with the Public Contracts Regulations 2015 (as amended) and the Council's own Financial and Procurement Procedure Rules.

- 6.2 There are no direct financial implications resulting from this report. Funding for the teams is already included in the base budget. Delivery of the plan will support residents to manage their finances during difficult times which in turn will assist the council in effectively managing its finances and securing income that it is due.

## **7. Legal Advice and Implications**

- 7.1 Whilst local authorities are excluded from the requirement to be authorised by the Financial Conduct Authority for most financial regulated activities, the Council would need to ensure that any activities conducted as part of the Plan do not fall foul of any such requirements and are compliant with all relevant legislation.

## **8. Human Resources Advice and Implications**

- 8.1 There are no HR related issues contained within the report.

## **9. Implications for Children and Young People and Vulnerable Adults**

- 9.1 The Financial Inclusion Plan 2023-24 aims to contribute to the priorities set out in the Council Plan 2022-25:
- i. Every child able to fulfil their potential.
  - ii. People are safe, healthy, and live well.
  - iii. A cleaner, greener local environment.
  - iv. Expanding economic opportunity.
  - v. Every neighbourhood thriving.
- 9.2 The Financial Inclusion Team will provide practical help and support to children's families and vulnerable adults aimed at improving their health and wellbeing, improving their aspirations and educational attainment. The details are explained further in the Plan.

## **10. Equalities and Human Rights Advice and Implications**

- 10.1 An Equalities impact assessment has been undertaken.

## **11. Implications for CO2 Emissions and Climate Change**

- 11.1 A carbon impact assessment has been undertaken.

## 12. Implications for Partners

- 12.1. The Financial Inclusion Plan 2023-24 places emphasis on the benefits of partnership working. The Framework will ensure that the service offerings of all relevant partners and stakeholders are utilised to the best of their ability.
- 12.2 The Plan promotes holistic advice and support delivered in partnership with all relevant service providers. The aim is to reduce repeat presentations from customers at crisis point, therefore reducing the burden upon key agencies such as NHS and the Police.

## 13. Risks and Mitigation

- 13.1 There are significant risks to future Housing Revenue Account (HRA) income given ongoing welfare reforms and the general financial pressures on low-income households. The Council must consider the impact to the service and future long-term viability of the HRA Business Plan given the potential increase in arrears.
- 13.2 If rent arrears increase, this may result in increased evictions, which will put greater pressure on the Homelessness Service and Children's and Young Peoples Services, funded through the General Fund.

## 14. Accountable Officers

Ian Spicer, Strategic Director, Adult Care, Housing and Public Health.  
James Clark, Assistant Director of Housing.

Approvals obtained on behalf of Statutory Officers: -

	<b>Named Officer</b>	<b>Date</b>
Chief Executive	Sharon Kemp	06/03/23
Strategic Director of Finance & Customer Services (S.151 Officer)	Judith Badger	02/03/23
Assistant Director, Legal Services (Monitoring Officer)	Phillip Horsfield	20/03/23

*Report Author: Paul Elliott – Business and Commercial Programme Manager  
Laura Thornley – Service Improvement and Governance Manager*  
This report is published on the Council's [website](#).