

Report to:	EXECUTIVE
Relevant Officer:	Steve Thompson, Director of Resources
Relevant Cabinet Member:	Councillor Neal Brookes, Cabinet Member for Enforcement, Public Safety, Highways and Transport
Date of Meeting:	7 November 2022

FINANCIAL INCLUSION STRATEGY

1.0 Purpose of the report:

1.1 To consider the Financial Inclusion Strategy for 2022-2027.

2.0 Recommendation(s):

2.1 To approve the Financial Inclusion Strategy for 2022-2027 with effect until 31 December 2027.

3.0 Reasons for recommendation(s):

3.1 This strategy is written at a time of considerable financial pressures on individuals, with growing concerns regarding the cost of living. The strategy will support the council in achieving financial inclusion for Blackpool's residents, so that residents have access to the financial skills and services needed to mitigate the effects of financial hardship. The strategy will help contribute towards Priority 2 'Resilient Communities' by ensuring that residents are able to quickly and efficiently access short-term support during times of financial crisis and emergency, whilst also building residents digital and financial skills. The actions associated with the Financial Inclusion Strategy will be regularly reviewed and amended through discussions with partners, dependent on the level of need within the town caused by the current cost of living crisis, and the financial resources available to organisations in the town. As outlined in the consultation report (Appendix B), there is widespread support for the proposed vision, priorities, action plan and working group of the strategy.

3.2 Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.3 Is the recommendation in accordance with the Council's approved budget? Yes

4.0 Other alternative options to be considered:

4.1 Not to have a Financial Inclusion Strategy. This would not be recommended due to the current financial climate and the difficulty residents are facing and the Council's responsibility to assist residents to become financially independent. Additionally, widespread support has been received for the proposed vision, priorities, action plan and working group of the strategy. To not have the Financial Inclusion Strategy could leave the Council exposed to potential criticism.

5.0 Council priority:

5.1 The primary focus of the Financial Inclusion Strategy is Priority 1 'Resilient Communities', but there is also a contribution to Priority 2 'The Economy'. The Financial Inclusion Strategy will aim to help build resilient communities by ensuring that individuals have access to the financial help they need during times of hardship. Financial inclusion can help mitigate against the effects of poverty by ensuring residents have access to services which reduce the call on their resources, meaning that the firm foundations provided to residents can ultimately contribute to their economic opportunities.

6.0 Background information

6.1 Financial inclusion refers to when, "individuals (...) have access to useful and affordable financial products and services that meet their needs – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way" (World Bank).

Examples of Financial Inclusion include:

- Access to basic financial services e.g. the ability to get a bank account;
- The ability to accumulate savings and build financial security;
- Access to information needed to make informed financial decisions about money;
- Access to affordable credit;
- Access to emergency support at times of crisis.

6.2 All financial metrics point towards an escalating cost of living crisis in Britain which is expected to create further financial pressures for individuals and households in 2022/23 and beyond. This strategy aims to bring together existing resources to ensure their efficient and effective use in assisting residents.

6.3 The Council's last Financial Inclusion Strategy expired in 2015. A full review of available national and local data was undertaken to inform a series of workshops and discussions with local stakeholders, including a session with key Voluntary, Community and Faith organisations, the Children and Families Partnership Board, Informal Scrutiny Leadership Board, Secondary Head teachers and Primary and Special Head teachers. Additionally, we have taken feedback from individuals with lived experiences of poverty and financial exclusion, and will continue to liaise with this community throughout the remainder of the strategy development process.

6.4 A brief mapping exercise was undertaken to review services that are already in place to try to help prevent residents from becoming financially excluded and to assist those who are.

Examples include:

- Council Tax Reduction Scheme
- Discretionary Housing Payments
- Discretionary Support Scheme
- Provision of Personal Budgeting Support

However, based on feedback from local stakeholders there are gaps in current service provisions and there is a lack of information and effective signposting to current service provisions.

6.5 Public consultation on the draft strategy was undertaken by Infusion Research in order to ascertain whether residents and organisations across Blackpool agree with the strategy, or whether they wish to provide other recommendations. The survey was made available online and in public facing council buildings across Blackpool, along with face-to-face surveys. The survey ran for eight weeks across April to June 2022. In total, 54 survey responses were captured from individuals and people representing organisations.

6.6 Overall, the vast majority of respondents were supportive of the proposed vision, priorities, action plan and working group for the strategy (Appendix 2a and 2c). A meeting on Wednesday 29 June 2022 was held with council officers and the portfolio holder to take into consideration of the findings and address recurring themes/ key comments where appropriate (Appendix 2d). In line with observations received and comments made by the portfolio holder, the following aspects of the strategy have been amended: delivery, working group, governance and action plan.

6.7 Based on this evidence, the purpose of the new strategy will be to increase the financial resilience of Blackpool's residents so that residents are better able to withstand temporary financial challenges and difficulties. This will be achieved by ensuring that Blackpool's residents are able to quickly and efficiently access short-term support during times of financial crisis and emergency, whilst also building residents' digital and financial skills.

6.8 The draft Financial Inclusion Strategy was presented to Scrutiny Leadership Board on Wednesday 13 July 2022. Scrutiny Leadership Board noted the current pressures related to the cost of living and considered that the strategy was of importance. Overall, Scrutiny Leadership Board were supportive of the proposed vision, priorities, action plan and working group for the strategy. Key comments raised on the draft Strategy by the Scrutiny Leadership Board have been addressed and fed into the development of the strategy as appropriate (Appendix 2e).

The key comments made by Scrutiny Leadership Board were as follows:

- That it did not include reference to low paid workers who were unlikely to qualify for any additional help or benefits and what could be done to support this cohort.
- The importance of digital inclusion for all residents and ensuring a wide range of publicity was utilised.
- The extra pressure placed on private tenants required to purchase electric cards off landlords or from local shops and those with coin-operated meters which could often have a mark-up making prices even higher.
- The importance of education and ensuring that Blackpool residents could upskill themselves. It was considered that the value of education should be promoted through the Strategy. This should also include financial education.
- Concern was also expressed regarding the risks attached to the informal economy, for example, pyramid schemes and sales on ebay and it was considered that the Strategy should include reference to this in addition to information on lower risk generation of wealth and the opportunities available.

6.9 A working group will be created which will bring together council officers, the portfolio holder and other key stakeholders and organisations with an active interest in achieving financial inclusion across the town. Members of the working group will come together regularly to ensure the effective delivery of the action plan. The working group will also enable organisations to share best practice and identify any gaps and areas of improvement in current service provisions. Additional external partner resources will be added as working groups are developed.

6.10 Progress of the Financial Inclusion Strategy will be monitored in two ways:

- By monitoring actions in the action plan and;
- By tracking change on a number of local performance indicators.

A progress report will be delivered to the Tourism, Economy and Communities Scrutiny Committee and Executive on an annual basis, detailing progress made in delivering the action plan.

The strategy will also be reviewed halfway through the course to assess the success of the implementation of the strategy.

6.11 Does the information submitted include any exempt information? No

7.0 List of Appendices:

7.1 Appendix 2a - Draft Financial Inclusion Strategy 2022-2027
Appendix 2b – Financial Inclusion Strategy 2022-27 Consultation Report
Appendix 2c – Financial Inclusion Strategy 2022-27 Consultation Appendix A
Appendix 2d – Council Response to consultation findings
Appendix 2e – Response to Scrutiny Leadership Board comments
Appendix 2f - Equality Analysis (EA) Record Form

8.0 Financial considerations:

8.1 Any funding requirements will be dependent on the gaps identified following discussions with stakeholders regarding current financial inclusion provision across the Town. It is hoped that once this piece of work has been carried out that signposting to the different services available will minimise any additional costs as demand can be met through existing resources. However, there may be specific areas identified that would require additional funding and at this stage these are unknown.

9.0 Legal considerations:

9.1 The implementation of any of the actions set out in this report may be subject to further decision making and the legal implications will be considered fully at that time.

10.0 Risk management considerations:

10.1 None

11.0 Equalities considerations:

11.1 As detailed throughout the Equality Analysis (EA) Record Form (Appendix F).

12.0 Sustainability, climate change and environmental considerations:

12.1 The council will work together with stakeholders in the voluntary community and faith sector to help address some of the barriers to financial inclusion whilst also contributing to the delivery of the Council's Climate Emergency declaration at the same time. Examples could include the provision of refurbished/recycled laptops to ensure that those facing digital exclusion have access to free/affordable digital equipment, or the recycling of furniture and white goods, linking to goals around the circular economy.

13.0 Internal/external consultation undertaken:

13.1 Initial discussions have taken place with people with lived experience of poverty and exclusion. Key stakeholders have been involved in a workshop discussion that has informed the action plan. A public consultation survey on the draft Financial Inclusion Strategy ran for eight weeks across April to June 2022. A meeting with council officers and the relevant Cabinet Member was held to discuss and comment on the findings of the public consultation survey. The draft Financial Inclusion Strategy was presented to Scrutiny Leadership Board for review and key comments raised have been fed into the development of the strategy as appropriate.

14.0 Background papers:

14.1 None.

15.0 Key decision information:

15.1 Is this a key decision? Yes

15.2 If so, Forward Plan reference number: 5/2022

15.3 If a key decision, is the decision required in less than five days? No

15.4 If **yes**, please describe the reason for urgency:

16.0 Call-in information:

16.1 Are there any grounds for urgency, which would cause this decision to be exempt from the call-in process? No

16.2 If **yes**, please give reason:

TO BE COMPLETED BY THE HEAD OF DEMOCRATIC GOVERNANCE

17.0 Scrutiny Committee Chairman (where appropriate):

Date informed: 28 October 2022 Date approved:

18.0 Declarations of interest (if applicable):

18.1

19.0 Executive decision:

19.1

20.0 Date of Decision:

20.1

21.0 Reason(s) for decision:

21.1

22.0 Date Decision published:

22.1

23.0 Executive Members in attendance:

23.1

24.0 Call-in:

24.1

25.0 Notes:

25.1