

MAIDSTONE BOROUGH COUNCIL

RECORD OF DECISION OF THE CABINET

Decision Made: 19 March 2024

Preventing Financial Exclusion

Issue for Decision

To seek approval of the Council's refreshed Preventing Financial Exclusion Strategy developed to ensure it reflects the current challenges faced by Maidstone residents and staff and continues to contribute to the delivery of the Council's Strategic Priorities and Outcomes as set out in its Strategic Plan 2023-2045.

Decision Made

That

1. The progress on actions supporting the financial inclusion as highlighting at paragraph 2.4 and set out in the Strategy in Appendix 1 of the report be noted; and
2. The refreshed Preventing Financial Exclusion Strategy and action plan in Appendix 1 of the report be agreed, subject to typographical and presentational amendments and updating the ward based statistics to reflect the new wards.

Reasons for Decision

The Council's existing Financial Inclusion Strategy has been refreshed to respond to the change in need since the Strategy's original inception in 2021.

The current [Financial Inclusion Strategy](#) covers the period 2021 until 2026. It was implemented in response to the negative economic impacts of the COVID- 19 pandemic.

The Strategy was due a refresh at a mid-point, particularly as the landscape in terms of financial exclusion and need is continuing to shift with the cost-of -living crisis and its wider impacts.

The existing action plan delivered a number of successful outcomes. These included:

- Delivering the One View project, using predictive analytics and data to prevent homeless supporting households at risk of crisis.
- Utilising the Policy in Practice (LIFT Dashboard) to run Campaigns to increase the take of unclaimed benefits including Pension Credit, Council Tax Support and Severe Disability Premium
- Increasing digital access with to increase uptake of Benefits. Training sessions delivered at Trinity House Community Hub
- Working with Southeast Water and using data to help low-income

- households to reduce their water costs by accessing social tariff.
- Designing an 8-page cost of living support information pull-out which was included in the Council's in-house magazine 'Borough Insight' delivered to 81,542 households in Maidstone.
- Organising and delivering a volunteering and funding event to groups across the Voluntary and Community Sector (VCS) with 1:1 mentoring sessions and keynote speakers.
- Supporting 56 groups with 3 rounds of funding totalling £142,305 from the Council's Community Resilience Grant Funding to support communities in their recovery from the pandemic.
- Delivery of the Household Support Fund, enabling a Welfare Fund for those in temporary housing to move into permanent housing, food larders for those experiencing food scarcity, and it has provided a Hardship Fund accessible to all residents experiencing financial hardship and A Welfare Officer post to support income maximisation and reduce debt.

It is proposed that some of these initiatives remain in the revised strategy as ongoing workstreams that continue to positively impact financial exclusion in Maidstone.

The current Strategy focuses on the following priority areas:

1. Maximising income for those who are at risk of or are in financial crisis.
2. Ensuring that residents experiencing problem debt receive appropriate and timely advice and support.
3. Fuel and water poverty - supporting residents to lower their energy and other household costs.
4. Supporting residents to gain the necessary skills and access to basic financial services to better manage their money.

The refreshed strategy has been informed by national and local context and led by data and insight. The rising global and UK cost of living, driven by increased food and energy prices, compounded by the conflict in Ukraine and across the world alongside the and the ongoing COVID-19 recovery has had an impact on Maidstone residents. This has led to a decrease in levels of financial resilience and an increase in need for support among some of the borough's most vulnerable. This includes low-income households, those with disabilities, refugees, as well as pensioners and unemployed residents.

In terms of the local context for Maidstone, data tells us that:

- Maidstone has four areas of deprivation which are within the top 10% of the most deprived neighbourhoods in the country.
- 3,172 households are living in relative poverty with a monthly income that is, on average, £340.00 below the poverty line¹
- In October 2023 13,857 Maidstone residents were on Universal Credit, an increase of 9.4% on the previous year.
- Unemployment across the borough stands at 3%, with High Street (6.9%), Park Wood (4.5%), Fant (3.5%) and North wards (3.0%) having the highest unemployment rates.

It is the impact of financial exclusion that the revised strategy and action plan seeks to respond to. Individuals and communities without access to common financial services are often, but not exclusively, excluded because of their socio-

¹ <https://www.kent.gov.uk/about-the-council/information-and-data/facts-and-figures-about-Kent/deprivation-and-poverty#tab-2>

economic status. Financial exclusion creates barriers not only to financial services such as benefits and debt advice but also to education and employment and negatively impacts physical and mental health with reduced access to basic needs such food and warmth.

The revised strategy has been structured around 4 key priorities that support the delivery of the Council's Strategic Plan and will contribute to the outcomes of its priorities: A Thriving Place and Homes and Communities and its cross-cutting objective: Deprivation is reduced, and social mobility is improved.

Essential to the Council's commitment to economic prosperity and a 'thriving place' are education and employment. In creating these opportunities, not only are skill levels increased, but the earning potential of residents is raised. This is reflected in Priority 1: Access to financial services, maximising income and debt advice and Priority 3: Education and employment in the Strategy.

There is an intrinsic link between health and housing and the consequences of poor health and housing on financial capabilities and vice versa. The Strategy will seek to address those underlying causes through holistic and complimentary initiatives. This is reflected in Priority 2: Mental health and wellbeing and Priority 4: Food and fuel poverty in the Strategy.

Each of the four priority areas within the revised strategy document include a number of commitments with associated actions to ensure their delivery.

Key to the successful delivery the strategy is ongoing collaboration, between internal services and external partners. This join up is illustrated across a number of actions in all four priorities, for example:

- Implementing 'a no wrong door' policy to ensure a joined-up approach to services relating to financial inclusion with local partners.
- Partnering with local banks, GP surgeries, local chemists and the Job Centre to support those affected by domestic and/or financial abuse through the initiative 'Ask Ani'
- Working with national and local organisations to advance physical access to good food in the borough (including looking into the overall nutritional value of emergency food aid).
- Delivery of events including the annual Domestic Abuse Wellbeing Network event and the bi-annual Reframe for Resilience: Being Trauma Aware in Our Community

Next Steps

Once approved by Cabinet the updated Strategy document will be published (*subject to design changes*) on the Council's website and shared with responsible officers to ensure actions are delivered.

The action plan will continue to be monitored by the Inclusion Board and updates on the plan will be reported to the Cabinet Member.

The matter was considered by the Communities, Leisure and Arts Policy Advisory Committee on 5 March 2024, which agreed the recommendation to be recommended to Cabinet subject to typographical and presentational amendments and updating the ward based statistics to reflect the new wards being added.

Alternatives considered and why rejected

1. To make changes to the Strategy document, its areas of focus, add or remove actions from the action plan or ask for additional work to be completed.
2. To retain the existing strategy and action plan. This would not be recommended as it would likely contribute to an increase in financial exclusion and result in negative consequences for some of the Council's statutory service areas, particularly homelessness.

These were not selected as the refreshed strategy's new actions and themes have been informed by national and local changes and represent the best actions the Council can take at this time to support local residents.

Background Papers

None.

I have read and approved the above decision for the reasons (including possible alternative options rejected) as set out above.



Signed: _____
Councillor David Burton – Leader of the Council

Full details of both the report for the decision taken above and any consideration by the relevant Policy Advisory Committee can be found at the following area of the [website](#)

Call-In: Should you be concerned about this decision and wish to call it in, please submit a call-in form signed by any three Members to the Proper Officer by: **5pm on 28 March 2024**