

# Customers and Communities Overview and Scrutiny Panel (Scrutiny Reviews)

Tuesday 16 March 2010

## PRESENT:

Councillor Fox, in the Chair.  
Councillor Wildy, Vice Chair.  
Councillors Berrow and Mrs Nicholson.

The meeting started at 10.00 am and finished at 11.55 am.

*Note: At a future meeting, the committee will consider the accuracy of these draft minutes, so they may be subject to change. Please check the minutes of that meeting to confirm whether these minutes have been amended.*

## 5. DECLARATIONS OF INTEREST

There were no declarations of interest made by Members in accordance with the code of conduct.

## 6. FINANCIAL INCLUSION STRATEGY - REFRESH OF THE ACTION PLAN

The Assistant Director for Safer Communities provided a brief overview which highlighted the following main issues –

- (i) in 2006 the Council and its partners worked together to develop the only multi agency Income Maximisation Strategy in England; the strategy brought together advice agencies across all sectors to deliver the best possible services in Plymouth;
- (ii) the Income Maximisation Strategy successfully co-coordinated services that dealt with over £190m of problem debt and raised £13m of previously unclaimed welfare benefits and tax credits;
- (iii) the economic downturn presented new challenges such as unemployment, falling house prices, fuel poverty, affordable credit, problem debt and house repossessions;
- (iv) in response to these issues, the Financial Inclusion Strategy 2009-2012 was developed by the Council in partnership with other organisations to improve financial inclusion;
- (v) in January 2009, a consultation document was distributed via partners across all sectors to identify work that would enable the Council and its partners to work together to co-ordinate and monitor progress;
- (vi) the key aims of the strategy were–
  - maximise the take up of welfare benefits and tax credits with an emphasis on in work benefits;
  - reduce problem debt;
  - provide accessible and high quality financial inclusion services;
  - reduce fuel poverty;

- maximise opportunities for delivering financial inclusion through partnership working;
- (vii) the consultation exercise identified a change of emphasis in the strategy, which included -
- prioritisation of take up of in work benefits and tax credits;
  - more focus on money and debt advice for people adversely affected by the economic situation;
  - maximising income and assisting people in using their money to the best advantage;
  - delivering debt prevention services as well as debt remedy services;
- (viii) to achieve the aims of the strategy the following actions were undertaken –
- commissioning of face to face debt and money advice;
  - strengthening the provision of credit unions as an alternative to doorstep lending;
  - targeting advice to remove barriers to work eg tax credit and child care for parents;
  - raising awareness for advice agencies on fuel poverty;
  - the production of fact sheets reflecting economic climate;
  - welfare benefits and tax credit take up initiatives;
- (ix) the strategy's action plan would be refreshed annually;
- (x) in the last 12 months, the City had experienced 75 per cent increase in mortgage and 57 per cent increase in rent possession orders;
- (xi) the third sector expected to deal with over £100m of debt in the City this year and based on national figures, there could be £48.5m in unclaimed welfare benefits and tax credits;
- (xii) compared to the same time last year, debt enquires were up by 26 per cent and welfare benefit enquiries were up by 50 per cent.

The following responses were provided to questions raised by the Panel –

- (a) monitoring procedures were in place to ensure that services were 'hitting' the right people; in order to evaluate the services provided, Routeways sought feedback from one in five people who had used their services and the Citizens' Advice Bureau (CRB) one in ten users;
- (b) with the impending closure of the Devonport Regeneration Community Partnership, it was envisaged that access to services in the west of the City would not be adversely affected; Routeways would continue to provide services at Chapel Street;

- (c) flexibility had been built into the strategy to accommodate the changing needs of the City;
- (d) Routeways had been commissioned to work with Council staff to maximise the take up of in work benefits;
- (e) increasing the take up of council tax benefits would be more challenging, as older people were reluctant to make claims; this was a national problem and not just inherent to Plymouth;
- (f) information on council tax benefits was included in the literatur circulated with the council tax bills; a 'tell granny' campaign was previously run and consideration would be given to what sort of take up campagins were needed in future;
- (g) in order to reach people that had been adversely affected by the economic situation the emphasis of the strategy had changed to focus more on money and debt advice and in work support;
- (h) a national Pension Service hotline had been set up which provides assistance in applying for pension credit over the telephone which has reduced the need for face to face advice;
- (i) facilitators could be placed within libraries to provide assistance with online applications, as it was recognised that older people preferred to receive face to face advice;
- (j) our contracted partners ensure that an outcome is achieved within 21 days of initial contact, or if this had not been achieved the reason.

The Community Cohesion Officer highlighted the following areas of the action plan –

- (xiii) eight targeted campaigns aimed at different vulnerable groups had been delivered;
- (xiv) one partner funding bid had been successful in securing funding of £300,000 for the separated partners project; other bids had been applied for including the flexible new deal £80,000 per annum over five year, future jobs fund and £7,000 to train 'money friends';
- (xv) a preferred partner credit union provider would be selected by the end of March 2010 -
  - the Council had provided funding of £20,000 for one year, to offer services to council staff and members via payroll;
  - staff would benefit from receiving support with borrowing and cheaper insurance;
  - the credit union had a membership of 1000 but there were currently 12,000 people using doorstep lenders;
- (xvi) the fuel poverty awareness sessions had been delivered to at least 25 people;
- (xvii) staff from the Council, Routeways and the Citizens' Advice Bureau would be trained to access the funds that were availabe from the utility trust funds;

- (xviii) the Council had worked in partnership with Job Centre Plus to run an advice session with people who had been made redundant from Toshiba; as a direct result of this, 25 people had been able to go straight back into employment with the help of tax credits;
- (xix) personal debt was approximately £60,000 per person which included credit cards, loans and mortgages;
- (xx) development of the financial inclusion pages on the Council's website including the possibility of using interactive software would be delayed due to the corporate review of the website;
- (xxi) information on the breakdown of schools and the take up of free school meals would be provided; this would assist in targeting those localities with the greatest need.

The following responses were provided to questions raised by the Panel –

- (k) a trained debt adviser had been working along side housing officers and as a result of this 42 householders had been assisted with repossessions;
- (l) five per cent of people that had used the services provided by Routeways and the Citizens' Advice Bureau had learnt about them via the debt advice pages on the Council's web pages;
- (m) the service provided by the Citizens' Advice Bureau was accessible from 9am – 5pm; the feasibility of increasing accessibility of the service was being investigated.

## 7. RECOMMENDATIONS

Recommended to the Overview and Scrutiny Management Board that the following recommendations are forwarded to the Cabinet for approval –

- (1) to ensure the robust and timely monitoring of the impact of the work delivered through the action plan in respect of those areas of work subject to contract with external providers and in order to accommodate new demands as they arise (eg the needs of people new to the benefits system, as a result of the impact of the economic downturn) and to assess the impact of the action plan on city wide inequalities;
- (2) to consider the provision of information about financial inclusion services using a range of channels (eg through the Council website and facilities managed by the Council including libraries) and at times convenient to people requiring this information;
- (3) to consider opportunities to link up advice giving opportunities to encourage people to claim all their entitlements; (the Panel is fully supportive of campaigns to promote this work);
- (4) that links with partner organisations and other employers are further explored in order to make the best use of available resources to support work delivered through the action plan, and consideration of the role of Council departments and partner organisations in tackling fuel poverty;
- (5) that barriers for the take up of free school meals are explored to ensure those eligible for this service receive their entitlements.

The Overview and Scrutiny Management Board is asked to acknowledge the task and finish group's thanks for the opportunity to comment on the action plan and to make recommendations in respect of the forthcoming year's activities and to note the valuable work carried out by the Social Inclusion Unit in respect of this agenda and the successes of the last year, in particular, the work relating to credit unions.