

Report of the Chief Executive

FINANCIAL INCLUSION POLICY

1. Purpose of report

To seek committee approval for a new policy setting out what the council will provide in terms of its financial inclusion service.

2. Detail

This policy outlines:

- The service the council will provide in respect of financial inclusion
- Who can access the service
- How the service will be monitored

Supporting evidence for the need for financial inclusion service is provided in the appendix.

As stated in the Financial Inclusion Policy a key part of Financial Inclusion relates to how an individual can make payments. Improvements have recently been made with the introduction of direct debits as part of the Capita Open Housing project. Following this the Housing Service will complete a full review all payment options available.

3. Financial implications

The 2019/20 Housing Revenue Account budget includes provision for two Financial Inclusion Officers (one a fixed term 12-month contract). The estimated cost of these two posts is approximately £54,750 per annum.

4. Equality Impact Assessment

As this is a new policy an equality impact assessment is included in the appendix to this report.

<u>Recommendation</u>

The Committee is asked to RESOLVE that the Financial Inclusion Policy be approved and a review of available payment options is completed.
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Background papers

Nil

APPENDIX 1

Background

Broxtowe Borough Council has previously identified the need for a Financial Inclusion Service to support tenants within the borough experiencing financial difficulties. Following a review of the Income Collection Service as a whole additional resources have been agreed to expand the service for a period of 12 months. The following statistics support the Council's decision to invest in this service.

Poverty and housing tenure (2016/17)**Regional Indicators**

The East Midlands region has 21% of all people living in the region being classed as having a relative low income (1 million), as compared to the UK figure of 22% (13.5 million people).

The East Midlands region has 29% of children living in the region being classed as having a relative low income (0.3 million), as compared to the UK figure of 30% (4.0 million children).

Local Indicators:

In 2017, Broxtowe Borough had a population of 112,700. This is broken down into:

Children (0-17)	21,500	19.1%
Working Age (18-64)	67,750	60.1%
Pensioners (65+)	23,400	20.8%

The different rates of housing tenure within Broxtowe are, as follows:

- Home ownership 73% (approx. 35,000 units)
- Private rented 14% (approx. 6,500 units)
- Social rented 11% (approx. 5,200 units)

Across the country, people living in social rented or private rented accommodation are more likely to be in relative low income after housing costs (AHC) than people who own their home. Around 47% of people in the social rented sector and 35% of people in the private rented sector were in relative low income AHC in 2016/17.

Around half of children living in both the social and private rented sectors were in relative low income AHC in 2016/17.

Within Broxtowe Borough:

- 2,900 children (13.8%) were living within out-of-work families
- 54,000 residents (79%) of working age are in employment and 2,500 (3.7%) were unemployed.
- 5,670 households (11.8%) were living in fuel poverty