

**Executive**

**18 March 2019**

Report of the Customer and Corporate Services Scrutiny Management Committee

## **Financial Inclusion Scrutiny Review Final Report – Cover Report**

### **Summary**

1. This cover report presents the final report from the Financial Inclusion Scrutiny Review and asks the Executive to approve the recommendations arising from the review.
2. The final report is subject to approval of the Customer and Corporate Services Scrutiny Management Committee (CSMC) at its meeting on 11 March and this paper has been published prior to that meeting in view of the statutory timescales for publication of reports. CSMC's decision and any changes to the report or the review recommendations arising from that meeting will be circulated to Executive.

### **Recommendation**

3. Having considered the Financial Inclusion Scrutiny Review Final Report at Appendix 1 and its annexes the Executive is asked to approve the recommendations as shown in paragraph 8, below.

Reason: To conclude this scrutiny review in line with CYC scrutiny procedures and protocols.

### **Background**

4. At a meeting of CSMC in June 2018 Cllr Neil Barnes proposed a scrutiny review into Financial Inclusion. This followed a decision session by the Executive Member for Adult Social Care and Health which considered Welfare Benefits Update and Financial Inclusion Outturn Report 2017/18.
5. In early September 2018 CSMC considered a scoping report on Financial Inclusion and agreed this was a topic worthy of review. The

Committee appointed a Task Group comprising Cllrs N Barnes, Brooks and Fenton to carry out this work on their behalf.

6. In November 2018 CSMC considered an update report on Financial Inclusion which requested that a 19 July Motion to Council on Food Poverty be added to the review remit. This was agreed so the remit became:

**Aim:**

To understand the impact of Universal Credit on the citizens of York and the activities being run to promote Financial Inclusion.

**Objectives:**

- i. To ensure processes are ready and resilient enough to deal with the growing impact of Universal Credit;
- ii. To examine the low take up of the Council Tax Discretionary Reduction Scheme and how this is being signposted to potential customers;
- iii. To determine the drivers behind the increased demand on Discretionary Housing Payments and look at whether Financial Inclusion activities and resources can mitigate any causes;
- iv. To understand how the various initiatives aimed at addressing the cause of financial exclusion funded by the Financial Inclusion Steering Group are awarded and measured.
- v. To look at the impact of Universal Credit on families with uncertain employment patterns within a volatile employment market.
- vi. To understand how the above issues are linked to apparently increasing levels of food poverty in York, including work on the following:
  - the background to food poverty in York including any available local statistics and how local measurement might be improved;
  - the current role of crisis support in York in mitigating food poverty;

- a range of options for the Council and its partners to improve the city wide response to food poverty in York.

## **Consultation**

7. Over a series of meetings the Task Group consulted with Citizens Advice York, the Welfare Benefits Unit, York Food Poverty Alliance and City of York Council specialist officers.

## **Review Recommendations**

8. The information gather as a result of the above consultations led to the following review recommendations:

That CSMC:

- i. Recommend to the new administration that a deeper scrutiny review into the causes of and responses to food poverty is considered, taking into account key elements of the York Food Poverty Alliance report at Annex E.

And request Council to:

- ii. Agree that a review and refresh of the 2012 Financial Inclusion Policy and associated Action Plan should be undertaken. This review should include, but not be limited to, consideration of the work of Advice York and the Financial Inclusion Steering Group, the impact of the roll-out of Universal Credit, measures to address food poverty and support for digital inclusion;
- iii. Consider broadening the membership of the Financial Inclusion Steering Group to include organisations such as the Welfare Benefits Unit;
- iv. Investigate options for securing long-term funding support for successful time-limited FISG grant funded schemes, such as the Citizens Advice York GP Surgeries Advice Scheme;
- v. Continue to monitor the impact of Universal Credit in York and agree that future six-monthly reports on Financial Inclusion are considered by the Executive rather than the Executive Member;

- vi. Commission the FISG to examine the current provision of digital and IT services available for benefit claimants at West Offices and other publicly-accessible buildings to ensure these facilities are accessible for all who need them;
- vii. Ensure the language and terminology on CYC forms used for requesting financial assistance is easily understood and adequately conveys the necessary information to people who may have difficulties filling in these forms;
- viii. Seek out and learn from best practice elsewhere on how best to engage with 'hard to reach' groups who may not necessarily be comfortable reaching out to statutory bodies when they need advice or support;
- ix. Raise awareness within Council directorates of the impact that their policies and actions can have on more vulnerable members of the community, and encourage more cross-council and cross-partner engagement;
- x. Ensure that after May 2019 all new and existing Members have comprehensive training around Financial Inclusion so they have a full understanding of the role of the council and its partners.

### **Options**

- 9. Having considered the final report at Appendix 1 and its annexes the Executive may choose to approve and/or amend, or reject the recommendations arising from the review as set out in paragraph 8, above.

### **Council Plan**

- 10. This review is linked to 'a prosperous city for all' and 'a Council that listens to residents' priorities in the Council Plan.

### **Implications and Risk Management**

- 11. The risks and implications associated with the review recommendations above are included in the review final report at Appendix 1.

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Report Approved  Date 28/02/2019

Wards Affected:

All

**For further information please contact the author of the report**

### Annexes

Appendix 1 – Financial Inclusion Scrutiny Review Final Report

### Abbreviations

CSMC – Customer and Corporate Services Scrutiny Management Committee  
CYC – City of York Council  
FISG – Financial Inclusion Steering Group  
GP – General Practitioner