

**Preventing Financial Exclusion Strategy and Action Plan  
(refresh)**

<b>Timetable</b>	
<b>Meeting</b>	<b>Date</b>
CLT	6 February 2024
Communities, Leisure and Arts Policy Advisory Committee	5 March 2024
Cabinet	19 March 2024

<b>Will this be a Key Decision?</b>	No
<b>Urgency</b>	Not Applicable
<b>Final Decision-Maker</b>	CABINET
<b>Lead Head of Service</b>	Anna Collier, Head of Insight, Communities and Governance.
<b>Lead Officer and Report Author</b>	Orla Sweeney, Senior Policy and Communities Officer
<b>Classification</b>	Public
<b>Wards affected</b>	ALL

**Executive Summary**

The Council's Preventing Financial Exclusion 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.

New actions have been developed to ensure it reflects the current challenges faced by Maidstone residents and staff so that the strategy continues to contribute to the delivery of the Council's Strategic Priorities and Outcomes as set out in its Strategic Plan 2023-2045.

**Purpose of Report**

To note progress on actions supporting financial inclusion in the borough and consider and agree the revised strategy and actions for Cabinet decision.

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**This report makes the following recommendations to the Cabinet:**

1. To note progress on actions supporting financial inclusion highlighted at para 2.4 in the report and set out in the Strategy (Appendix 1); and
  2. To consider and agree the refreshed Preventing Financial Exclusion Strategy and action plan (Appendix 1).
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# Preventing Financial Exclusion Strategy and Action Plan (refresh)

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	The Strategy and its action plan will help support delivery of the Council's strategic plan objectives: Homes and Communities and A Thriving Place.	Head of Insight, Communities and Governance
<b>Cross Cutting Objectives</b>	The report recommendations help deliver the achievement of cross cutting objectives: Health Inequalities are Addressed and Reduced and Deprivation and Social Mobility is Improved.	Head of Insight, Communities and Governance
<b>Risk Management</b>	Please refer to paragraph 5.1 of the report	Head of Insight, Communities and Governance
<b>Financial</b>	The proposals set out in the recommendation are all within already approved budgetary headings.	Head of Insight, Communities and Governance
<b>Staffing</b>	We will deliver the recommendations with our current staffing.	Head of Insight, Communities and Governance
<b>Legal</b>	No impact identified.	Head of Insight, Communities and Governance
<b>Information Governance</b>	The recommendations do not impact personal information (as defined in UK GDPR and Data Protection Act 2018) the Council processes. However, some of the actions in the revised Action Plan could result in the collection and processing of personal data. Should this be the case, the Information Governance Team will be asked to review the processing of personal data affected and the associated will be updated accordingly, including a data	Head of Insight, Communities and Governance

	protection impact assessment.	
<b>Equalities</b>	The strategy and action plan support delivery of the Council's EDI Policy and Public Sector Duty, recognising and responding to its local protected characteristic 'Poverty'.	Equalities & Communities Officer
<b>Public Health</b>	We recognise that the recommendations will have a positive impact on population health or that of individuals.	Senior Public Health Officer
<b>Crime and Disorder</b>	Positive impact on crime and disorder in terms of understanding challenges faced by new and existing communities.	Head of Insight, Communities and Governance
<b>Procurement</b>	No impact identified	Head of Insight, Communities and Governance
<b>Biodiversity and Climate Change</b>	The implications of this report on biodiversity and climate change have been considered and it has been identified that there are actions that will support delivery of the Biodiversity and Climate Change Action Plan.	Head of Insight, Communities and Governance

## 2. INTRODUCTION AND BACKGROUND

- 2.1 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.
- 2.2 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.
- 2.3 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.
- 2.4 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.

2.5 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.

2.6 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.

2.7 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.

2.8 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 line<sup>1</sup>
- In October 2023 13,857 Maidstone residents were on Universal Credit, an increase of 9.4% on the previous year.

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

- 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.
- 2.9 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-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.
- 2.10 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.
- 2.11 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 this Strategy.
- 2.12 There is an intrinsic link between health and housing and the consequences of poor health and housing on financial capabilities and vice versa. This 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 this strategy.
- 2.13 Each of the four priority areas within the revised strategy document include a number of commitments with associated actions to ensure their delivery.
- 2.14 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**

- 2.15 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.

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

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### **3. AVAILABLE OPTIONS**

- 3.1 To note the update, consider and approve the Preventing Financial Exclusion Strategy and action plan (refresh).
  - 3.2 The Cabinet could choose 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.
  - 3.3 The Cabinet could choose 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.
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### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 That the Cabinet note the update on the existing strategy and action plan and approve the refreshed strategy as the 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.
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### **5. RISK**

- 5.1 National and local data insight identifies that financial exclusion is prevalent and needs to be addressed. Responding effectively to financial exclusion will help maximise opportunities for residents by removing barriers to services and maximising income. Increased financial exclusion has negative consequences for some of the Council's statutory service areas, particularly homelessness. Not responding to financial exclusion increases the risk to the Council in terms of its ability to meet a growing, local need.
  - 5.2 The Council included Poverty as a local protected characteristic as part its Equalities Impact Assessment process. This forms part of its Public Sector Duty under the Equality Act 2010 and ensures that the financial impact of the Council's decision making is considered for all residents. This strategy demonstrates that ongoing commitment.
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### **6. CONSULTATION RESULTS AND PREVIOUS COMMITTEE FEEDBACK**

- 6.1 Progress on the existing Financial Inclusion Strategy and Action Plan has been monitored by the Inclusion Board. Updates as part of the refresh of the strategy and action plan have also informed discussions with Wider Leadership Team and Cabinet.

6.2 The matter was considered by the Communities, Leisure and Arts Policy Advisory Committee on 5 March 2024, with the following recommendations made to the Cabinet:

**RESOLVED to RECOMMEND to the CABINET:** That

1. The progress on actions supporting the financial inclusion as highlighting at paragraph 2.4 of the report and set out in the Strategy (Appendix 1) be noted; and

2. The refreshed Preventing Financial Exclusion Strategy and action plan (Appendix 1) be agreed, subject to typographical and presentational amendments and updating the ward based statistics to reflect the new wards.

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**7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

7.1 Once approved by Cabinet the updated Strategy will be published on the Council's website (*subject to design changes*) 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.

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**8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix 1: Preventing Financial Exclusion Strategy and Action Plan (Draft)
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**9. BACKGROUND PAPERS**

***None***