
Report To: Inverclyde Integration Joint Board **Date:** 27 June 2022

Report By: Allen Stevenson
Interim Chief Officer
Inverclyde Health & Social Care
Partnership **Report No:** SW/31/2022/CG

Contact Officer: Craig Given
Head of Service: Finance,
Planning & Resources **Contact No:** 01475 715212

Subject: **PROPOSED USE OF IDEAS PROJECT SURPLUS FUNDS**

1.0 PURPOSE

- 1.1 The purpose of this report is to update the Integration Joint Board on the proposed use of surplus funds from the IDEAS programme to create a Specialised Money Advice and Resource Team and to support future planning and commissioning of Money Advice and welfare/ anti-poverty services.

2.0 SUMMARY

- 2.1 Inverclyde Council led a partnership with internal and external partners to provide the IDEAS project with a value of £1.945 million (exc VAT) over a 3 year period. The aim of the programme was to provide a holistic approach to working with individuals on their debt, income maximisation, financial inclusion and financial education creating a more positive household not affected by debt as a barrier.
- 2.2 The main contract between the Council and the Lottery allowed for any surplus funds to be utilised by the Integration Joint Board to support welfare and Anti-Poverty measures. The residual surplus for the project is £297,000 and it was agreed by all partners that this would be utilised by all partners to spend on welfare related issues and financial inclusion.
- 2.3 The proposal is to use the surplus funding over two years to directly support Anti-Poverty measures by responding to increased complexity and post-Covid demand and to ensure a viable exit strategy after March 2024. The funding will be allocated within HSCP Advice Services and third sector.

3.0 RECOMMENDATIONS

- 3.1 It is recommend that the Integration Joint Board:-
- (a) agrees to invest the £297, 000 surplus funds as proposed to:
 - (i) support the appointment of 2 additional Money Advice posts for HSCP Advice Services; and
 - (ii) provide support to Financial Inclusion Partners to be agreed by the Financial Inclusion Partnership

all as detailed in the report; and

(b) authorises the Interim Chief Officer to issue the Direction attached to this report to Inverclyde Council.

Allen Stevenson
Interim Chief Officer

4.0 BACKGROUND

- 4.1 IDEAS was a financial inclusion project that supported Inverclyde residents to improve their financial circumstances and money management skills. The IDEAS delivery model has been highlighted as a best practice example providing a benchmark for delivery across the rest of the national programme and has been recognised by the Lottery nationally. The approach worked well in Inverclyde and delivered a very successful Financial Inclusion Programme to Inverclyde residents.
- 4.2 Many Inverclyde residents' circumstances have changed during Covid 19 due to falls in income arising from furlough, reduced hours at work and redundancy. This is additionally impacted by the rising cost of living; high energy prices, increasing food prices and other inflationary and borrowing costs. All of this creates the conditions for a significant rise in financial exclusion in Inverclyde for not only those traditionally at risk but also whole new parts of the community who were previously financially secure. All commissioned partners will see this impact; Financial Fitness, Wise Group, Food Bank and Starter Packs, alongside the wider third sector.
- 4.3 Due to the support that was introduced during the lockdown (payment breaks, furlough, UC Uplift, eviction and repossession ban) there was a suppression of the number of people seeking advice for problem debts from Inverclyde HSCP Advice Services and commissioned partners. However, it is anticipated that demand will increase again in 2022 and will exceed that experienced in 2019 (whilst the I:DEAS Project was still operating). The Financial Conduct Authority and the Money and Pension Service believe this could peak in 2023 by as much as 50%.

Emerging risks as a result of the pandemic and other changes include:

- Increase in those who need assistance most but are unable to access credit moving to illegal lenders and we are beginning to see this in Inverclyde.
- Growing levels of problem debt leading to more people making poor financial decisions and needing even more help.

Anecdotal evidence from our own and commissioned services is that callers are much more likely to be expressing despair and hopelessness to frontline staff with an increase in people making choices between food and fuel.

- 4.4 The table below demonstrates the usual activity seen in Advice Services within the HSCP and the impact on cases of additional supports being in place during the pandemic. The Financial Conduct Authority believe there could be up to a 50% increase in debt levels going forward.

Date	New Cases	Debt Interventions	Level of Debt	Number of Money Advice Staff
2018-2019	441	1433	£4,209,301.19	1 Senior 2 Money Advisors 2 IDEAS Money Advisors
2019-2020	450	1200	£2,773,300.59	1 Senior 2 Money Advisors 2 IDEAS Money Advisors
2020-2021	249	434	£1,209,878.61	1 Senior 2 Money Advisors
2021-2022	201	343	£774,470.03	1 Senior 2 Money Advisors

5.0 PROPOSAL

5.1 The proposal is to use the IDEAS project surplus to support anti-poverty measures through a number of strands:

- 2 additional Grade 6 Money Advisor Posts to April 2024 for HSCP Advice Services to lead on preventative financial inclusion work whilst responding to expected increased demand
- Additional funding for third sector directed and agreed by the Financial Inclusion Partnership
- To ensure the effects of changes to external funding for both HSCP and third sector, such as the ending of Scottish Legal Aid Board (SLAB) funding can be mitigated to support the expected demand in 2022/23 and 2023/24
- To ensure that both internal money advice and anti-poverty services have exit strategies for temporary funding and associated posts

The Money Advice Team is the only service in Inverclyde that is operating at Type II and Type III of the Scottish Government's National Standards and uniquely, in Inverclyde, is able to provide the specialist services that allow people to access all formal debt services.

5.2 This proposal will support both a proactive preventative approach whilst supporting the core team and wider partners to respond to an expected rise in demand. The aim is to ensure a robust response to the financial exclusion experienced in the aftermath of the Covid pandemic and the impact of the increasing costs of living. This includes:

- Increased Coordination and Partnership Working along with additional support for more services to achieve the National Standards
- Debt and Financial Exclusion Awareness Training
- One to One Budget Training
- Education/Classroom Support
- Financial Inclusion Support for Parents
- Raising Financial Awareness

The financial Inclusion Partnership is currently updating its strategy and all of these elements will be addressed within this and an agreed plan for delivery with the aim to implement agreed proposals and associated spend by August 2022.

5.2.1 **Increased Co-ordination and Partnership Working**

The Financial Inclusion Partnership (FIP) will become increasingly important in the next period and as the lead Partner Agency, Inverclyde HSCP will lead and coordinate a new FIP strategy during summer 2022. A new Financial Inclusion Lead/ Senior Money Advisor is now in post and additional Financial Inclusion Workers would allow the team to be more pro-actively involved in working with the FIP and also their clients in raising awareness of financial issues and providing one to one support. They will also be made available to support Partner Agencies in providing in-house training and support for staff. The FIP will consider creation of a time-limited peer review post which would support a wider range of agencies including RSLs to proceed to audit and subsequent accreditation for Scottish National Standards for Information and Advice Providers.

5.2.2 **Debt and Financial Exclusion Awareness Training**

This training will be expanded and targeted at the staff of Inverclyde Council, NHS and other Partner agencies and also local employers to raise awareness of the signs of problem debt and financial exclusion amongst staff members and service users. The aim will be to highlight the consequences of people not receiving advice and assistance and encouraging staff members and local employers to encourage take up of advice services across Inverclyde. The FIP will also explore working towards the *Stop Illegal Loan Sharks Charter Mark* and potential ways of supporting those affected

by gambling related harm.

5.2.3 **One to One Budget Training**

To provide one to one budgeting support to clients across Inverclyde, where it is believed the clients will benefit from more one-to-one, intensive budgeting support and help in developing bill paying strategies and money management skills. The aim of this will be to reduce the likelihood of clients having to seek advice again. This service will also be made available to anyone who wishes to refer themselves, with the benefits of doing being promoted when you have experienced a change in circumstances.

5.2.4 **Education/Class Room Support**

The Financial Inclusion Workers will work with Education Services to develop material that can be made available to all Inverclyde School pupils to increase money skill and will include developing financial awareness and competency skills for those nearing school leaving age. This part of the programme would be further developed and enhanced in partnership with education.

5.2.5 **Financial Support for Parents**

Additional capacity with HSCP and third sector will also ensure that every School in Inverclyde has a Financial Inclusion Officer allocated to it who will not only be involved in developing Financial Inclusion material for use in the School, but will be available to be contacted by any parents of any pupils attending the School in relation to any financial inclusion, income related matters.

5.2.6 **Raising Financial Awareness**

The Project will work with Corporate Communications to increase the availability of material on the Inverclyde Council Website and other corporate media platforms, with the aim of raising awareness of financial products and services as they change and to educate people as to the advantages and disadvantage of them. This would link to proposed work on illegal money lending and gambling.

5.3 It is expected that there will be several long term impacts:

- Increased financial inclusion for the citizens of Inverclyde through both direct support and collaborative working across the Financial Inclusion Partnership
- Continued collaborative working with education including delivery and funding of training/ resource packages
- Evidence of the best way to plan, deliver and commission money advice and anti-poverty services in future leading to implementation of any necessary changes which continue to meet service demands within the expected future financial envelope. This will include exit strategies for temporary posts/ funding.
- Direct contributions to delivery of all 6 Big Actions in the HSCP Strategic Plan, the Child Poverty Action Plan and the Local Outcomes Improvement Plan.

6.0 IMPLICATIONS

FINANCE

6.1 Financial Implications:

Cost Centre	Budget Heading	With Effect from	Annual Net Impact £000	Virement From (If Applicable)	Other Comments
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IDEAS	Employee Costs	2022/23	53		2 Grade 6 Financial inclusion posts (part year costs)
		2023/24	83		Full year
	IT, Training, resources etc	2022-24	10		Fully funded by Residual surplus of project £297k
	Third sector/wider support	2022/23	60		
		2023/24	91		

LEGAL

6.2 There are no legal issues raised in this report.

HUMAN RESOURCES

6.3 Two new fixed term Grade 6 Financial Inclusion Worker posts to be created.

EQUALITIES

6.4 Has an Equality Impact Assessment been carried out?

<input type="checkbox"/>	YES
<input checked="" type="checkbox"/>	NO – This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy. Therefore, no Equality Impact Assessment is required.

6.4.2 How does this report address our Equality Outcomes?

Equalities Outcome	Implications
People, including individuals from the above protected characteristic groups, can access HSCP services.	Improved access to specialist money advice.
Discrimination faced by people covered by the protected characteristics across HSCP services is reduced if not eliminated.	Improved access to specialist money advice.
People with protected characteristics feel safe within their communities.	None
People with protected characteristics feel included in the planning and developing of services.	Participation in commissioned services review to develop future service plans
HSCP staff understand the needs of people with different protected characteristic and promote diversity in the work that they do.	None
Opportunities to support Learning Disability service users experiencing gender based violence are maximised.	None
Positive attitudes towards the resettled refugee community in Inverclyde are promoted.	None

CLINICAL OR CARE GOVERNANCE IMPLICATIONS

6.5 There are no clinical or care governance implications arising from this report.

NATIONAL WELLBEING OUTCOMES

6.6 How does this report support delivery of the National Wellbeing Outcomes?

National Wellbeing Outcome	Implications
People are able to look after and improve their own health and wellbeing and live in good health for longer.	Increased financial inclusion allowing wider choices
People, including those with disabilities or long term conditions or who are frail are able to live, as far as reasonably practicable, independently and at home or in a homely setting in their community	Increased financial inclusion allowing wider choices
People who use health and social care services have positive experiences of those services, and have their dignity respected.	Increased access to services and one to one support
Health and social care services are centred on helping to maintain or improve the quality of life of people who use those services.	Increased access to services and one to one support
Health and social care services contribute to reducing health inequalities.	Increased financial inclusion allowing wider choices
People who provide unpaid care are supported to look after their own health and wellbeing, including reducing any negative impact of their caring role on their own health and wellbeing.	Increased financial inclusion allowing wider choices
People using health and social care services are safe from harm.	Increased financial inclusion allowing wider choices
People who work in health and social care services feel engaged with the work they do and are supported to continuously improve the information, support, care and treatment they provide.	Resources are available to ensure staff are able to deliver a high quality services which meets clients needs
Resources are used effectively in the provision of health and social care services.	Evidence best value in future internal delivery & commissioning

7.0 DIRECTIONS

7.1

Direction Required to Council, Health Board or Both	Direction to:	
	1. No Direction Required	
	2. Inverclyde Council	X
	3. NHS Greater Glasgow & Clyde (GG&C)	
	4. Inverclyde Council and NHS GG&C	

8.0 CONSULTATION

8.1 This report has been prepared by the Chief Officer, Inverclyde Health and Social Care Partnership (HSCP) after due consultation with

- Council Management Team

9.0 BACKGROUND PAPERS

**INVERCLYDE INTEGRATION JOINT BOARD
 DIRECTION ISSUED UNDER S26-28 OF THE PUBLIC BODIES (JOINT WORKING) (SCOTLAND) ACT 2014**

1	Reference number	IJB/31/2022/CG
2	Report Title	Proposed Use of IDEAS Project Surplus Funds
3	Date direction issued by IJB	27 th June 2022
4	Date from which direction takes effect	27 th June 2022
5	Direction to:	Inverclyde Council only
6	Does this direction supersede, revise or revoke a previous direction – if yes, include the reference number(s)	No
7	Functions covered by direction	Advice Services
8	Full text of direction	Inverclyde Council is directed to invest the £0.297m surplus funds provided by the IJB to: (a) support the appointment of 2 additional Money Advice posts for HSCP Advice Services; and (b) provide support to Financial Inclusion Partners to be agreed by the Financial Inclusion Partnership all as detailed in the report.
9	Budget allocated by IJB to carry out direction	£0.297m
10	Outcomes	As detailed in paragraph 5 of the report.
11	Performance monitoring arrangements	In line with the agreed Performance Management Framework of the Inverclyde Integration Joint Board and the Inverclyde Health and Social Care Partnership. This Direction will be monitored and progress reported bi-annually.

12	Date direction will be reviewed	26 th June 2023 and any updates will be brought back to the IJB as necessary.
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