



Group Policy: Financial Inclusion & Welfare Reform

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Approval Body	Social Landlord Operations Committee
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This policy is available, on request, in different languages and in other formats such as large print, audio format and braille as required.

1. Scope

This is a Group policy and therefore applies to Staff, Board and Committee members of The RCH Group of companies. As at September 2019, The RCH Group consists of River Clyde Homes and its subsidiary, Home Fix Scotland Ltd.

2. Introduction

In 2020 Inverclyde was named as the most deprived area in Scotland according to the Scottish Index of Multiple Deprivation (SIMD) 20 data. Part of this analysis includes an assessment of income deprivation. Greenock Town Centre area was named the 5th most deprived area in Scotland in terms of income deprivation.

Financial exclusion impacts on all aspects of life and can have a significant impact on life chances. Being financially excluded, and therefore having limited access to financial products, can often lead to customers having to pay a 'poverty premium', effectively paying more for services. For example, a customer who cannot access a bank account and therefore Direct Debit will not get a Direct Debit discount and may have to pay more for utilities. Or a customer with no budgeting skills may not be able to bulk buy and therefore take advantage of supermarket deals.

The Welfare Reform Act 2012 brought about the biggest change to the welfare system since its inception. This included the introduction of Universal Credit, a new benefit that replaced 6 existing benefits and is paid once monthly, including housing costs, to claimants.

The Scotland Act 2016 also brought changes to the benefits system in Scotland by devolving powers for a range of benefits. The Scottish Government have changed how some benefits are administered and introduced new benefits for Scottish residents.

This policy sets out how RCH will support customers to become financially included and mitigate the impacts of welfare reform.

The policy objectives are:

- Improve customer access to support and advice
- Support customers to use appropriate financial products and services
- Minimise the impact of welfare reforms on our customers
- Support tenancy sustainment
- Reduce the impact of welfare reform on RCH, particularly in relation to rent arrears
- Effective partnership working and service delivery to reduce financial exclusion in Inverclyde.

This policy links to the following internal policies:

- Tenancy Sustainment Policy
- Rent Arrears Recovery Policy

3. Definitions

Financial Inclusion: Access for individuals to appropriate financial products and services. This includes people having the skills, knowledge and understanding to make best use of those products and services. Financial exclusion is often a symptom of poverty as well as a cause (Scottish Government)

4. Policy Statement and Responsibilities

In order to support customers with becoming financially included and mitigating the impact of welfare reform, RCH are committed to the following principles.

Providing Advice and Support

A key part of reducing financial exclusion is providing direct advice and support to customers. RCH is committed to providing advice services for customers via the Inclusive Communities Team which currently provide the following services:

Financial Wellbeing

The Financial Wellbeing service provides free, confidential advice to customers in relation to welfare benefits. This service supports customers with all aspects of welfare reform with advice including entitlement checks, applications and appeals. The service also provides support with more than just benefits including supporting customers to obtain bank accounts and dealing with debt issues.

Digital Inclusion

The Digital Inclusion service provides support with increasing digital skills and access and uses this to support financial inclusion. The service places a focus on helping customers to use online tools such as online banking services, price comparison websites and credit scoring tools. Combining these into a package of support breaks down the barriers to financial inclusion and capability for our customers.

RCH are also fully committed to extending the services on offer by looking for external funding opportunities.

Direct Provision of Financial Services

Where appropriate, RCH will directly provide services to customers that provide an accessible alternative provide for customers facing financial exclusion.

The following are examples of services currently on offer:

Smarterbuys

RCH, in partnership with Oak Tree Housing Association, have funded the Smarterbuys service for customers which provides a lower-cost alternative to high street 'rent-to-own' schemes. RCH customers can access a range of household items with a 24 month repayment option, whilst also saving with a credit union during repayments.

Insurance

RCH provide affordable access to home contents insurance for customers. The home contents insurance is specifically designed to for tenants and factored homeowners and therefore provides an adequate level of cover at a low price.

Working in Partnership

RCH will be at the forefront of promoting financial inclusion for the Inverclyde area. RCH is an active member of the Inverclyde Financial Inclusion Partnership (FIP) and is committed to working with the FIP in achieving its strategy outcomes. RCH have also been involved in a number of FIP funding projects which have achieved Inverclyde-wide success.

RCH also commit to working with a range of services locally and signpost customers for further support including the following:

Credit Unions

Credit Unions may be the answer for customers who are financially excluded as they offer options for saving, banking and lending. RCH commit to working with local credit unions as well as national credit unions to give customers an alternative to high street banking.

Debt Advice

RCH work closely with Inverclyde's Health and Social Care Partnership (HSCP) Advice Services Team who provide high-level debt solutions for customers. RCH customers can access these services via referral directly from support teams. This support customers whose debt is causing them to be excluded

Fuel Advice

RCH have links with local providers who can support customers to manage fuel-related debts that could be excluding them from obtaining more affordable products.

Link with Sustainment

RCH recognise the direct link between customers who are financially excluded and having the inability to sustain a tenancy. RCH will work towards no customers having to terminate their tenancy due to being financially excluded or impacted by

welfare reform. This will be via the direct provision of advice services and signposting for support. Any customer who indicates that they are terminating due to financial reasons will be referred for support as a priority.

RCH will also provide pre-tenancy advice when required to ensure that

Link to Rent Arrears

RCH customers who face financial exclusion may have difficulties paying priority bills including their rent. The Rent Arrears Recovery Policy sets out how RCH will take a supportive approach to managing rent arrears with the range of aforementioned advice services available to customers. RCH recognise that customers often need support to manage their finances and to understand the importance of rent payment. This policy commits that support will be available first and foremost to all customers who face difficulties.

Welfare Reform Mitigation

RCH have been working to mitigate the impacts of welfare reform since its announcement. RCH will continue to have a Welfare Reform Project Plan which sets out the actions required to support customers and the business against the impact of welfare reform.

RCH will work in partnership with the Department for Work and Pensions (DWP) at a national level and with Job Centre Plus (JCP) at a local level.

Training and Support to Colleagues

RCH are committed to ensuring that staff are informed of the changes to the welfare benefits system in order to ensure they can support customers effectively. The Inclusive Communities Team will ensure that all front line staff members receive adequate training and regular policy updates in relation to the welfare system. They themselves will ensure their knowledge is up to date by attending external training sessions and following policy decisions.

5. Equality Impact Assessment

Equality Impact Assessment has been completed and is available in Appendix 1.

6. Review

This policy will be reviewed in its entirety every 3 years, unless an earlier review is required due to changes in legal, regulatory or best practice requirements, or because monitoring and reporting reveals that a change in policy is required sooner.

Appendix 1

Equality Impact Assessment (EIA) Process

RCH's equality impact process is used to ensure that our policies and practices:

- eliminate any unlawful or unfair forms of discrimination in respect of the protected characteristics and other grounds; and
- promote our equality charter.

The EIA process involves two main elements: firstly, an initial policy audit against a range of key standards and, secondly, an assessment of the effects of policy documentation on the relevant issues.

It is critical to note that, although the Equality Act 2010 focusses on a range of protected characteristics, individual people should not be defined by these characteristics. Indeed, individual people will “have” a range of protected characteristics at any one point in time; and needs vary through time. For example, a non-disabled person can become a disabled person at any time; while younger people move into older age groups naturally.

EIA: Staff template

The staff template covers five procedural sections: background; the public sector equality duty; the internal EIA; the external EIA; and consultation issues.

Section 1: Background

Name of policy/strategy under assessment:	Financial Inclusion and Welfare Reform Policy
New or existing policy (please specify):	New policy
Key aims of the policy under assessment:	<p>The key aims are to :</p> <ul style="list-style-type: none"> • Improve customer access to support and advice • Support customers to use appropriate financial products and services • Minimise the impact of welfare reforms on our customers • Support tenancy sustainment • Reduce the impact of welfare reform on RCH, particularly in relation to rent arrears • Effective partnership working and service delivery to reduce financial exclusion in Inverclyde.
Service or department:	Customer Experience Directorate
Person(s) responsible for the assessment:	Heather Mitchell
Date of assessment:	14/04/2020
Internal sources to RCH	SMT, EMT, Managers, Board and Staff.
External sources to RCH	All RCH Customers, Customer Groups, SHR, Trade Unions.

Section 2: The Public Sector Equality Duty

This decision is based on the following rationale (briefly explain why any of the three issues are relevant for this policy):

General Duty	Is the Policy Likely to have Equality Impacts?	
Elimination of unlawful discrimination, victimisation, or harassment		NO
Briefly explain why: All customers will receive the same service as detailed in this policy without prejudice.		
Advancement of equality of opportunity between people with and those without protected characteristic	Yes	
Customers who face barriers due to not being financially included will be supported as result of this policy to break down those barriers. This will help customers to sustain tenancies and manage day-to-day live in relation to finances. Customers who are financially excluded will not be negatively impacted by welfare reform as a result of being financially excluded. This policy will also ensure that customers who are financially excluded are not affected by the 'poverty premium' therefore will not have to pay more for good and services as a result of being excluded.		
Fostering good relations between people with and those without protected characteristic	Yes	
RCH Group will promote equal opportunities by publishing information relating to this Policy in different languages and other formats such as large print, tape and braille, as required and will ensure that no individual is discriminated against on grounds of sex or marital status, on racial grounds, or on grounds of disability, age, sexual orientation, language or social origin, or other personal attributes, including beliefs, or opinions, such as religious beliefs or political opinions		

Section 3: Internal EIA of the policy

The internal EIA is vital as this examines if the policy attains specific standards essential to meeting equality standards.

1 Does the document state, at the front of the document, that it can be made available, on request, in other formats such as in larger print, audio-format, Braille and in other languages, as appropriate?		
YES		
2 Does the document use Arial font and minimum twelve type size?		
Yes		
If no, amend text as appropriate.		
3 Is the document accurate in terms of content, for example, are statements within the document accurate when evaluated against law, regulatory standards and related good practice guidance?		
Yes		
If no (or unsure), check the legal sources and other guidance and then specify the changes required to ensure that the document is accurate in all relevant respects.		
4 Are there any rules specified within the policy?		
Yes		
If yes (or unsure), assess if such rules could be discriminatory in terms of equality law and other law (for example, could rules constitute indirect discrimination?)		
5 Is language appropriate throughout the document, for example, does it promote positive views about - and respect for other people?		
Yes		
If no (or unsure), specify the changes required to ensure that appropriate language is used.		
6 Is the document written in clear and plain language?		
Yes		

There is no jargon included within the document and all abbreviations are explained.		
7 Does the document, if relevant, explain how service users can appeal and/or make a complaint?		
		Not applicable
8 Does the document, if relevant, explain what positive action measures are in place?		
		Not applicable
If no, specify the positive action required and amend text as appropriate. Not required		
9 Does the document, if relevant, explain what performance monitoring equality measures are in place?		
		Not applicable

Section 4: External EIA of the policy

Now that section one to three has been completed, is there any negative or positive effect on people.

Protected Characteristic	Negative Effect Yes/No	Positive Effect Yes/No	Explanation
Age	No	Yes	This policy applies to all customers who use mobility scooters.
Disability	No	Yes	As above
Gender reassignment	No		As above
Marriage and civil partnership	No	Yes	As above
Pregnancy	No	Yes	As above
Race	No	Yes	As above
Religion/belief	No	Yes	As above
Sex/gender	No	Yes	As above
Sexual orientation	No	Yes	As above
Social class	No	Yes	As above
Personal characteristics	No	Yes	As above

Section 5: Consultation issues

Summarise what types of consultation have been carried out, if any, and with whom:
If approved there will be: <ul style="list-style-type: none">• Consultation with existing customers• Consultation with possible new customers
Is consultation required in law and/or due to RCH's policy? Yes
Please explain: As part of the Customer Involvement Strategy RCH will endeavour to consult customers and take into consideration the feedback received when finalising the document.

Signed off by Responsible Person: S McLachlan

Date: 15/04/2020

Next policy review date: April 2023