

Money Buddy - Advice Services

Date: 13/2/2023

Report of: Chief Officer Community Hubs, Welfare and Benefits

Report to: Director of Communities, Housing and Environment

Will the decision be open for call in? Yes No

Does the report contain confidential or exempt information? Yes No

Brief summary

During the recent Cost of Living crisis, the demand for face-to-face advice services has increased rapidly. Data from the national Citizens Advice Cost of Living dashboard revealed that by the end of December 2022; The charity had helped over 200,000 people nationally with crisis support (food bank referrals and emergency charitable support etc). Over 236,000 people were supported on energy issues (more than double than in 2020). This national picture is reflected at a local level in Leeds, with advice partners struggling to cope with increasingly high demand. It is therefore essential that Leeds City Council ensures there are sufficient services in place to help residents who require support.

This report requests approval for expenditure of £185,240k for the provision of 'Money Buddy' services in 22 venues across Leeds, starting from April 2023 for the full financial year.

Recommendations

- a) For the Chief Officer for Community Hubs, Welfare and Benefits to approve the decision to award Burmantofts Community Projects £185, 240k to provide city wide Money Buddy services for the 23/24 financial year.

What is this report about?

- 1 This report is to request approval to award funding of £185,240k for the provision of Money Buddy services in 22 centres across Leeds in the 23/24 financial year. This funding will ensure that residents across Leeds have regular access to money and budgeting services – an essential requirement during the Cost-of-Living crisis.

What impact will this proposal have?

- 2 Poverty and financial exclusion have been deep-rooted challenges for many years, these were exacerbated by the COVID-19 pandemic, and the current economic climate continues to add financial pressures and widen inequalities to households across Leeds. For many the current cost-of-living crisis is not a short-term crisis but an ongoing reality.
- 3 Data from the national Citizens Advice Cost of Living dashboard revealed that by the end of December 2022; The charity had helped over 200,000 people nationally with crisis support (food bank referrals and emergency charitable support etc). Over 236,000 people were supported on energy issues (more than double than in 2020). In addition, 27,521 people who were unable to top up their prepayment meter were assisted – an increase of 230% on 2021, and more people than in the last 10 years combined.
- 4 Indicators suggest an increasing prevalence and severity of poverty in Leeds. Between 2014 and 2020, the number of children living in “relative low-income” and “absolute low-income” increased by 49% and 18% respectively in Leeds. As a result, the economic gap between Leeds and the rest of the UK has widened in recent years. (The Cost of Not Living, Everyday Financial Crisis in Leeds, D. Edmiston et al (2022).
- 5 Locally, financial inclusion partners are consistently reporting that demand for face-to-face advice services is now higher than ever, and that wait times for the provision of support are growing as a consequence.
- 6 This proposal will establish city wide money and budgeting services in 22 community-based venues, which will complement the existing Leeds advice contract/MAPS Money Advisor Network and formal debt advice provisions already available in the city.
- 7 Full details of proposed venues, impact and costings are available in appendices 1 & 2.

How does this proposal impact the three pillars of the Best City Ambition?

Health and Wellbeing

Inclusive Growth

Zero Carbon

- 8 This proposal supports the best city ambition, health and wellbeing pillar through the proposed provision of money and budgeting services to Leeds residents. Provision of bespoke advice and guidance improves customer’s health and wellbeing, relieving stress/pressure experienced through living in poverty.

What consultation and engagement has taken place?

Wards affected: City Wide

Have ward members been consulted?

Yes

No

9 Partner organisations have been consulted with so LCC can better understand the high levels of demand the advice sector is currently facing.

What are the resource implications?

10 All of the projects and services referred to in this report are being undertaken within current budgets, there are no additional resource implications arising from this report

What are the key risks and how are they being managed?

11 There are no risks associated with this proposal

What are the legal implications?

12 N/A

Options, timescales and measuring success

What other options were considered?

13 There are no other options

How will success be measured?

14 Success will be measured through quarterly reports and review meetings with the provider to ensure customers are being reached and supported appropriately.

What is the timetable and who will be responsible for implementation?

15 The service will start from April 2023. The officer responsible is Nick Hart

Appendices

- None

Background papers

- None