

**NOTICE OF MOTION****A FINANCIAL INCLUSION PROGRAMME FOR THE CITY**

“This Council acknowledges the need to build a sustainable economy in Brighton & Hove and recognises that an essential part of this should be a comprehensive information and advice strategy to ensure that people are supported in coping with increasingly complex financial pressures.

Regrets that today, in Brighton & Hove:

- 10,700 people in Brighton & Hove are without jobs and want to work.
- 17% of households have incomes below £10,000 per year
- 20% of children live in households with no working adults.
- Average earnings in the city are also below national levels, while property prices are above average.

There is a lack of awareness about affordable credit and problem debt is increasing. Exclusion from financial services creates barriers and can lead to additional costs, particularly for those on the lowest incomes.

This Council acknowledges that social and financial exclusion is economically inefficient, representing a waste of people’s potential and generating unnecessary welfare costs.

Around 70% of financially excluded people live in social housing and this Council believes that any financial inclusion programme must include social housing tenants. This Council recognises that effectively helping people achieve financial inclusion involves tackling the various factors that result in exclusion. For example, a person may be in debt through not claiming their full benefit entitlement, be paying punitive rates of interest to a doorstep lender, lack insurance cover to meet unexpected costs and be unable to budget effectively.

Therefore this Council:

1. Welcomes the work already undertaken to improve financial inclusion in the City; for example, through grant funding to agencies including Brighton Housing Trust, Credit Union (East Sussex) and St Luke’s Advice & Money Advice Community Support and through the City’s Advice and Information Services Partnership.
2. Requests the Leader and Cabinet to consider launching a campaign to increase East Sussex Credit Union membership among Brighton and Hove council staff and members led by the Council Leader, the Chief Executive and senior council staff;

3. Welcomes the decision of Full Council to provide funding to develop a Citywide Financial Inclusion Strategy, including support for existing money and debt advice services and credit unions;
4. Requests the Cabinet Member for Finance to immediately begin exploring options for commissioning a strategy which would aim to:-
  - target disadvantaged areas to assist local residents in managing their money,
  - increase the number of residents having a basic bank account,
  - provide access to affordable credit – such as joining a credit union,
  - offer debt advice and tackle illegal loan sharks including support for existing money and debt services and credit unions;
5. Requests the Cabinet Member for Finance to continue to ensure that all potential partners are fully liaised with and consulted, including existing money advice organisations, Citizens Advice Bureau, the local credit union and the Advice and Information Services Partnership of the LSP;

And

6. Requests the Chief Executive to write to the city's three MPs urging them to lobby the Chancellor of the Exchequer for the introduction of a cap on interest rates, bringing the UK in line with Germany, France, Austria, Italy, Switzerland, Ireland, Poland and most European countries."