

# Active Inclusion Newcastle

## Newcastle's Financial Inclusion Briefing: 2018-19 Q1

Promoting financial inclusion is an important part of Newcastle City Council and its partners' commitment to tackling inequality. Our approach to financial inclusion is based on working in partnership through our Financial Inclusion Group to provide information, advice and support to residents when they face difficulties, and promoting early intervention to prevent problems reaching crisis point. Whilst many of the causes of poverty are out of our control by working together we can make the best use of the resources available to make the greatest difference for residents.

To support this cooperative approach, we aim to share systems, and priorities to help meet the challenges created by the welfare reforms (£129m cut in Newcastle by 2023) and austerity measures (£283m cut by 2020). To help facilitate this we produce a quarterly briefing note to create a common language, to highlight trends and to review our responses to the following five objectives in our Financial Inclusion Action Plan:

- 1. Maximise income and respond to the welfare reforms**
- 2. Support residents to manage their money, increase financial resilience, reduce harmful debt and prevent homelessness**
- 3. Help residents to train, gain and remain in employment**
- 4. Promote affordable credit options**
- 5. Reduce fuel poverty, increase financial resilience and promote access to bank accounts**

Our quarterly review process helps to create collective agreement about the issues residents face and the difference we are making to those who experience financial exclusion. We recognise that there are limitations in some of the data collected, as organisations invariably count their interventions differently. However, there is sufficient agreement for us to produce these briefing notes to demonstrate the work of the Financial Inclusion Group. Our main aim is to make a positive difference and reduce inequality by prioritising financial inclusion, not to produce a piece of pure academic research. However, we welcome partners to point out any errors or opportunities for improvement.

### Headlines:

- On Friday 31 August Newcastle West Jobcentre closed; all Jobcentre services previously delivered from this location moved to Newcastle City Jobcentre. The Department for Work and Pensions (DWP) is offering an outreach service at East End Customer Service Centre on Mondays, Wednesdays and Fridays, and in Outer West Customer Service Centre on Tuesdays and Thursdays
- Homelessness Prevention Trailblazer pilot with Jobcentre Plus – between 5 June 2017 and 30 June 2018, 410 referrals were made from Jobcentre Plus staff for residents at risk of or experiencing homelessness
- Newcastle is 1 of 10 pathfinders for the Local Government Association Reshaping Financial Support pathfinder programme on 'integrated support for disadvantaged households
- Newcastle is one of three areas working with Her Majesty's Revenues and Customs (HMRC) to pilot Reimagine Debt, an innovative approach to supporting clients with problem public sector debt
- The next Financial Inclusion Group seminar is on 10 October 2018 and will focus on improved responses to managing debt. For more information, or to book a place, email [financial.inclusion@newcastle.gov.uk](mailto:financial.inclusion@newcastle.gov.uk)

## 1: Maximise income and respond to the welfare reforms (including digital inclusion)

**Table 1.1: Annualised benefit gains and clients advised by the Newcastle Advice Compact**

|                 | 2017-18     | Q4 (17-18) | Q1 (18-19) | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|-----------------|-------------|------------|------------|------------|------------|------------|
| Benefit gains   | £30,000,543 | £8,480,264 | £7,670,863 |            |            |            |
| Clients advised | 19,069      | 5,169      | 5,158      |            |            |            |

### Trends:

Table 1.1 shows that between Q4 of 2017-18 and Q1 of 2018-19 clients advised by the Newcastle Advice Compact remained consistent, however benefit gains decreased by 10%, which we believe is mainly due to seasonal fluctuations (Q4 being a peak in benefit gains). Advisers continue to report more time consuming and complex cases due to the welfare reforms, particularly the Universal Credit (UC) claim and online process.

As of 12 July 2018, there were 17,045 people claiming UC in Newcastle, an increase of 165% since April 2017 when statistics on UC claimants became available. Advisers from Newcastle Welfare Rights Service (WRS) are concerned that the increase in residents moving to UC will outstrip the ability of organisations to provide meaningful support, particularly under 'managed migration'. Under managed migration Government have proposed that between 2019 and 2023, people on 'legacy benefits' will be advised that their benefits will cease, and they will have to claim UC. For more information and guidance on UC visit [www.newcastle.gov.uk/universalcredit](http://www.newcastle.gov.uk/universalcredit).

### What we are doing:

- As part of making financial inclusion everyone's business the [spectrum of advice for benefits](#) continues to help residents and services better understand what level of benefit support that services provide, whilst providing information, support & training for those organisations. This includes the following targeted face to face and e-learning training:
  - The 'Introduction to Benefits' tiers 1 and 2 e-learning modules were completed by 57 people in Q1 of 2018-19
  - A new 'Introduction to Universal Credit' e-learning module is available and will be targeted to staff supporting affected residents. 20 people completed this module in Q1 of 2018-19. For more information visit [www.newcastle.gov.uk/informationforprofessionals](http://www.newcastle.gov.uk/informationforprofessionals)
  - Face to face 'Introduction to Benefits' tiers 1 and 2 training was completed by 29 people in Q1 of 2018-19. The next training sessions are on 18 October 2018 and 10 January 2019. For more information and to book a place e-mail [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk)
  - 3,038 people receive our bi-monthly benefit bulletins providing the latest benefit news and targeted information and 'tips' to help navigate the benefits system and avoid problems. The August 2018's edition covered the UC managed migration consultation, Housing Benefit being retained for supported housing, Personal Independence Payment news and UC tips. To subscribe visit [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
  - The 'Where to get benefit and debt advice in Newcastle' booklet is distributed bi-annually to 3,111 subscribers and internal staff. It provides details of organisations providing benefit, debt and financial inclusion advice and is available at [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
  - We write a quarterly article on welfare reforms for the national Institute of Money Advisers' Quarterly Account magazine, distributed to 1,930 money advisers

- During Q1 of 2018-19 there were 6,343 unique visits to the welfare rights and money advice section of Newcastle City Council's website – [www.newcastle.gov.uk/welfarerights](http://www.newcastle.gov.uk/welfarerights). The most visited page describes [benefit advice services and benefit offices](#)
- Active Inclusion Newcastle has provided targeted benefit information for GP TeamNet, the web-based portal for the health staff including GP's. This quarter, our information had 86 views
- In March 2018, WRS completed the Kenton Ward 'Our Place' funded project to maximise the income of over 65-year olds through the targeted take up of Pension Credit and Attendance Allowance, in partnership with local GP practices. The project advised 161 clients and raised £167,338 in annualised financial gains. For every £1 of investment, a financial return of £10.86 was achieved. For a copy of the report contact [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk)
- WRS undertook a Tax Credit take up sessions at the Bangladeshi Centre in June and July 2018. Over 50 residents attended for support with Tax renewal form completion. Financial gains are still being calculated and will be reported in next quarter's Financial Inclusion briefing
- Since January 2018, WRS has provided a weekly outreach session with the MacMillan Cancer Support and Information Centre and by the end of Q1 2018-19, 73 patients had attended these sessions, generating £90,541 in annualized financial gains
- Since March 2018, WRS Children with Disabilities project have received automatic referrals for children who receive an Education Health Care plan. Financial gains are still being calculated and will be reported in next quarter's Financial Inclusion briefing
- Since May 2018 we have seconded an Active Inclusion Officer to work with Jobcentre Plus to reduce the risk of homelessness. For more information contact James Williams by email [james.williams@newcastle.gov.uk](mailto:james.williams@newcastle.gov.uk)
- We are continuing to develop the Homelessness Prevention Trailblazer, a two-year programme to consolidate Active Inclusion Newcastle and strengthen our citywide approach to identifying residents' risks of homelessness related to the foundations for a stable life: somewhere to live, an income, financial inclusion and employment opportunities The Homelessness Prevention Trailblazer Multidisciplinary Team started working together on 9 October 2017 and started targeting residents in November 2017

#### **What next:**

- Newcastle is 1 of 6 councils shortlisted to work with Crisis to end homelessness
- Newcastle City Council is working with partners to prepare for the Homelessness Reduction Act's duty to refer, which comes into effect on 1 October 2018 and means that certain public authorities including prisons, probation services, hospitals and Jobcentre Plus must refer homeless clients to the local housing authority. For more information e-mail [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk)
- Given the impact of austerity measures and reductions in benefit support on household budgets, the Joseph Rowntree Foundation has developed a [definition of destitution](#), which WRS has adopted. This will help us to better identify residents at risk of destitution and target support
- The Newcastle Advice Compact is working together on reviewing its data reporting to ensure a robust and consistent approach to recording activities to support residents maintain an income
- Newcastle City Council has provided a response to the [Work and Pensions Committee's inquiry into the benefit cap](#)

## WRS case study: Getting UC in payment

### Context



Single female with a 12-year-old daughter called WRS advice line for emergency help



Her UC claim had been closed because she failed to attend her second appointment as she had been an inpatient in hospital. She had no internet connection to resubmit her claim and had no income, her utilities had been cut off and she had run out of food



In addition to the medical needs that led to her hospitalisation, the resident described herself as suicidal at the point of contact due to her financial situation

### Work done

- The Welfare Rights Officer (WRO) **contacted JCP** to explain why she had missed her appointment; they agreed to reopen her claim
- WRO arranged with JCP an **advance payment of £200**, to be repaid at £16.66 per week once her UC was back in payment
- WRO successfully applied for support from Newcastle City Council's **Crisis Support Scheme**, which made an emergency award of vouchers for her gas and electricity, and a food delivery to be made the following day
- WRO **delivered a food parcel** so she had food to eat that day
- JCP got her **UC claim in payment** from 1 March 2018 – she receives £317.82 per month minus deductions for the advance payment – an annual gain of £3,813.84
- Now that her immediate situation has stabilised, WRO is supporting her to make a claim for **Personal Independence Payment (PIP)** and go through the **Limited Capability for Work-Related Activity (LCWRA)** assessment process within UC

## Digital inclusion

**Table 1.2: Initiatives to promote digital inclusion**

|                             | 2017-18                        | Q4 (17-18)                 | Q1 (18-19)                     | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|-----------------------------|--------------------------------|----------------------------|--------------------------------|------------|------------|------------|
| Digital skills courses      | 87 sessions<br>503<br>attended | 28 sessions<br>96 attended | 33 sessions<br>127<br>attended |            |            |            |
| People's Network take-up    | 30%                            | 29%                        | 29%                            |            |            |            |
| One to one digital sessions | 129                            | 28                         | 25                             |            |            |            |
| Hours volunteered           | 1,473                          | 389                        | 352                            |            |            |            |

### Trends:

Table 1.2 summarises activities to support residents to get online. Between Q4 of 2017-18 and Q1 2018-19 initiatives to promote digital inclusion have remained consistent. The number of digital skills courses offered this quarter increased by 18%. As more courses are now run with volunteer support we can offer additional sessions. (Between 2016-17 and 2017-18 the digital skills courses offered increased by 118%). For more information about the help available to get online contact Lisa Dawson by email [lisa.dawson@yhn.org.uk](mailto:lisa.dawson@yhn.org.uk) or phone 0191 277 1251.

### What we are doing:

- Free Wi-Fi is available in 69 public buildings and city centre streets increasing opportunities for people to get online. For more information visit <http://www.godigitalnewcastle.co.uk/wifi>
- During Q1 2018-19 we held 5 Techy Tea Parties for customers with a tablet, iPhone or smartphone that they want to learn more about. Techy Tea Parties take place on the second and last Thursdays of the month at City Library. For more information, or to book a place, visit [Newcastle Libraries' event webpage](#)
- City Library deliver one to one support for customers who need digital support accessing UC. For more information contact Lisa Dawson [lisa.dawson@yhn.org.uk](mailto:lisa.dawson@yhn.org.uk)
- City Job Centre invited Lisa Dawson to talk to their Work Coaches about the digital support available for residents and how this is accessed. Following this Lisa now attends City Job Centre for 1 hour per week to meet with Work Coaches and residents to discuss the help available to get online
- Specialist Get Online Champion Training sessions for staff from local community and charity organisations continue to run monthly at the City Library. As of 30 June 2018, 177 people had attended. For more information contact Lisa Dawson [lisa.dawson@newcastle.gov.uk](mailto:lisa.dawson@newcastle.gov.uk)

### What next:

- The Newcastle Advice Compact is working with Jobcentre Plus to develop an exception reporting procedure to help identify and better respond to issues where residents are unable to get online. For further information email [financial.inclusion@newcastle.gov.uk](mailto:financial.inclusion@newcastle.gov.uk)

- A Digital Inclusion (tablet) course will begin in September 2018. The 20 participants are Your Homes Newcastle (YHN) and Newcastle Futures clients who are claiming UC. Participants must attend each session in the 8-week course. On completion they will receive a tablet
- Discussions around the development of a UC Journal Management drop-in course at City Library are ongoing. If given the go ahead, an update will be provided in a future briefing

## 2: Support residents to manage their money, increase financial resilience, reduce harmful debt and prevent homelessness

**Table 2.1: Debt and budgeting advice provision by Newcastle Advice Compact and its impact on Newcastle residents including homelessness prevention through debt advice**

|                         | 2017-18     | Q4 (17-18) | Q1 (18-19) | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|-------------------------|-------------|------------|------------|------------|------------|------------|
| Debts written off       | £2,604,533* | £257,605*  | £467,044*  |            |            |            |
| Clients advised         | 6,454*      | 1,399*     | 1,311*     |            |            |            |
| Homelessness prevention | 1,785*      | 391*       | 38**       |            |            |            |

\* Figure does not include all partners. \*\* Figure only includes Money Matters returns

### Trends:

Table 2.1 shows that between Q4 2017-18 and Q1 2018-19 the number of clients advised has remained consistent. As not all partners have reported returns this quarter we are unable to provide a comparison with previous quarters.

Money Matters Debt Advisers continue to monitor sustainability of their clients' budgets. During this quarter, out of 108 households for whom budgets were completed:

- **64% had sustainable budgets**
- **18% were able to meet their living costs because of additional financial support**, such as Discretionary Housing Payments (DHP) to help pay their rent and the Supporting Independence Scheme (SIS) to replace unaffordable goods bought on hire purchase
- **18% had unsustainable budgets** where there was no additional financial support available

### What we are doing:

We continue to take a coordinated citywide approach to supporting Newcastle residents affected by money problems and debt. Examples include:

- Supporting households on Housing Benefit affected by the lower benefit cap – at 7 August 2018, Active Inclusion Newcastle's information showed that there were 424 households in Newcastle who are affected by the benefit cap:
  - YHN's Advice and Support Team continue to support their affected tenants
  - The [Homelessness Prevention Trailblazer](#) multidisciplinary team began approaching residents on 12 November 2017. By 17 July 2018, the team had identified and approached 180 residents identified as 'at risk of homelessness'. The team currently identify residents through four different routes: YHN tenants affected by the "bedroom tax" and benefit cap; single YHN tenants involved in the '[sustaining tenancies](#)' process; and private rented tenants identified as 'at risk' through the use of predictive analytics. Their third quarterly 'progress and learning' report is available upon request and covers key learning from the pilot up to July 2018. Email [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk) to request a copy
  - The Active Inclusion Service co-ordinates support for households in private and social rented tenancies and prioritises according to the risk of homelessness: 'high risk' households include families that are losing £60 per week or more in Housing Benefit and/or households that are vulnerable due to their prior or current involvement with prevention services. 'High risk' households are referred to Money Matters for support. Between 1 June 2016 and 30 June 2018, Money Matters offered advice and support to 202 affected households. Information on some of the outcomes and outputs of this support and on the barriers that the families need to overcome to improve their finances and achieve financial stability is highlighted below:
    - 38 households are no longer affected by the benefit cap

- 70 households received debt advice and 42 received budgeting advice; 37 were awarded DHPs which amounted to £47,170 in extra income; 30 were prevented from homelessness and 16 were referred to Newcastle Futures for employment support
- 190 barriers to a stable life were recorded against 59 benefit cap households, including 34 households in housing that is no longer affordable, 25 without access to childcare, 15 with no confidence of securing employment and 17 with an addiction which reduces their ability to pay priority bills
- Supporting residents who are claiming UC – YHN and Money Matters provide Personal Budgeting Support (PBS) to residents who need help managing their money as a result of claiming UC. 143 referrals were made during Q1 2018-19 an increase of 117% on Q1 2017-18
- Supporting residents who are applying for a DHP to help them pay their rent – in Q1 Revenues and Benefits referred 73 residents to Money Matters for budgeting support following a DHP application.
- We provide training to partners as part of our [spectrum of advice for money management \(budgeting and debt\)](#). As part of this approach:
  - The ‘Debt Awareness’ e-learning module was completed by 46 people in Q1 of 2018-19 and provides basic debt information and details of organisations residents can be signposted to for advice
  - Quarterly face to face ‘Introduction to Budgeting’ training was completed by 31 people in Q1 of 2018-19 across 2 sessions. Details of the Active Inclusion Newcastle training programme is available online at [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
  - 402 subscribers received our quarterly debt bulletins, an increase of 89 subscribers on the previous quarter, providing the latest debt news and targeted information. To view and sign up for debt bulletins visit [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals) or email [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk)
- Money Matters supported 12 vulnerable residents to obtain a Debt Relief Order (DRO) in Q1 of 2018-19 through its discretionary DRO fund

#### **What next:**

- Newcastle is one of the three local authorities chosen to pilot a new approach to problem debt – the Civil Service initiative “Re-imagine Debt” – which involves government departments identifying vulnerable people early and providing joined-up support to people who struggle with debt
- In March 2017 Money Advice Service (MAS) released the [Standard Financial Statement \(SFS\)](#), a single format for financial statements, allowing debt advisors and creditors to work together to achieve the best outcomes for people struggling with their finances. We are consulting with MAS about Newcastle City Council’s Corporate Debt Strategy to help us create more consistency between Newcastle City Council’s collection departments and debt advisers, and a smoother transition through the debt collection process for residents who owe money to Newcastle City Council
- As part of our work to support residents with debts and to roll out the SFS, we are working with Advice Compact partners to develop a consistent approach to budgeting support and debt advice for residents whose income is insufficient to meet their basic needs, and/or to afford to make debt repayments. This will be the topic of a Financial Inclusion Group Seminar in October 2018
- Citizens Advice Newcastle (CAN) report an increase in gambling related debt and are working locally and nationally with gambling organisations to fund support to those most affected

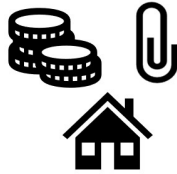


## Case study: insolvency support

### Context



Single female employed full-time, referred by YHN to Money Matters



She owed £1,714 in rent arrears, had arrears with her Council Tax, and owed £14,350 in non-priority debts including £2,407 overpayment of Housing Benefit. Newcastle City Council's Revenues and Benefits were taking £325 per month from her wages for the overpayment of Housing Benefit and her Council Tax arrears. This left her with £770 each month for rent, other debts and ongoing bills, which she was falling behind on

### Establishing contact



She was reluctant to engage; she attended an appointment in October 2017 but failed to engage further and her case was closed in December 2017. She then re-engaged in February 2018, by which time her rent arrears had increased to £3,400 and YHN were looking to evict, having already issued a Notice of Seeking Possession (NOSP) in January 2017 and obtained a postponed possession order in October 2017

### Work done

- Debt Advisor **negotiated with YHN Court Team** to buy time to fully assess the situation and explore insolvency options
- Discovered the client had a **historic overpayment of Housing Benefit** of £9,980 which, combined with her other debts, took her over the £20,000 Debt Relief Order limit
- As no charitable funds were available, agreed that the **Homelessness Prevention Fund would meet half of the £680 bankruptcy fee** if the client found the remainder. Client raised the funds and her bankruptcy application was approved. This wrote off £4,093 rent arrears, £3,755 council tax arrears and £21,188 non-priority debt
- Debt advisor kept the Court Team, ASW and Income Recovery Officer informed throughout the process. Eviction action was ceased and can now meet ongoing bills from her salary

### 3: Help residents to train, gain and remain in employment

**Table 3.1: Number of people supported into employment, self-employment, volunteering or apprenticeships**

|              | 2017-18 | Q4 (17-18) | Q1 (18-19) | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|--------------|---------|------------|------------|------------|------------|------------|
| <b>Total</b> | 996     | 256        | 298        |            |            |            |

#### **Trends:**

Table 3.1 shows that between Q4 of 2017-18 and Q1 of 2018-19 the number of residents supported into employment has increased by 16%, however, figures have fluctuated as not all partners have consistently reported their figures via the Newcastle Employment Support Compact.

Employment advisors from the Supported Employment Service, Newcastle Futures, YHN, Crisis Skylight Newcastle, JET, and Barnardo's continue to work with residents experiencing significant barriers to employment which must be overcome before work can be considered. Typically, barriers relate to confidence, debt, concerns about being "worse off" and fears about rent affordability.

#### **What we are doing:**

- The Skills Hub and City Library offer a variety of free workshops and events to help people into work. Details of upcoming events are available [here](#)
- YHN, the Skills Hub and Karbon Homes held an employment event on 6 June 2018 at Newcastle City Library to provide tenants an opportunity to meet with local employers who had vacancies or training opportunities. Over 100 people attended this event
- YHN are a delivery partner for the European Social Fund (ESF) and National Lottery Funded 'Wise Steps' programme, which supports people with multiple barriers to employment find work. In Q1 of 2018-19, YHN supported 35 people through this project. For more information contact YHN's Employment Team by email [employability@yhn.org.uk](mailto:employability@yhn.org.uk)
- 15 tenants who were employed by YHN prior to Q1 of 2018-19 all progressed into permanent employment this quarter. The tenants were employed through a combination of our Your Homes Your Jobs and Apprenticeship programmes.
- The Walker and Galafield Learning Hives supported 6 people to progress to employment this quarter
- The Supported Employment Service now have FoodWorks Coffee Carts at three locations (YHN House, Allendale Road and the Civic Centre), offering sustainable employment opportunities for 7 vulnerable people. A new café will be opening at Fenham Library in December 2018. Further information about FoodWorks is available at [www.wemakethingsbetter.co.uk](http://www.wemakethingsbetter.co.uk)

#### **What next:**

- We are developing an 'Introduction to Employment Support' e-learning module and face to face training session. These have been delayed due to sickness, but we expect the module to go live and to announce training dates by the end of 2018. For more information email [financial.inclusion@newcastle.gov.uk](mailto:financial.inclusion@newcastle.gov.uk)
- We will be promoting cooperative growth – supporting the 40,000 households affected by welfare reforms to participate in the city's economic development; sharing solutions and developing a coordinated, targeted response for residents who need additional support to gain and sustain employment
- The Homelessness Prevention Trailblazer Multidisciplinary Team focus for Q1 of 2018-19 will be on residents' requirements for employment support, specifically capturing qualitative data to better understand residents' actual and perceived barriers to work. This information will help us to refine the employment support offer in Newcastle

- Following July 2018's Financial Inclusion Group seminar, officers from Children's Services will be holding a workshop for employment support providers to share the learning from their 30-hour childcare take-up campaign to help identify opportunities to support more parents overcome childcare as a barrier to employment

**Case study – to add**

#### 4: Promote the expansion of affordable credit options as an alternative to expensive high interest credit, such as payday loans or loan sharks

**Table 4.1: Moneywise Credit Union membership and loans granted**

|                | 2017-18    | Q4 (17-18) | Q1 (18-19) | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|----------------|------------|------------|------------|------------|------------|------------|
| No. of members | 11,352     | 11,352     | 11,531     |            |            |            |
| Loans granted  | 2,308      | 467        | 560        |            |            |            |
| Loan value     | £2,266,706 | £433,587   | £503,610   |            |            |            |

**Table 4.2: Five Lamps loans granted and loan value (Newcastle residents)**

|               | 2016-17  | Q4 (17-18) | Q1 (18-19) | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|---------------|----------|------------|------------|------------|------------|------------|
| Loans granted | 457      | 76         | 84         |            |            |            |
| Loan value    | £315,353 | £53,350    | £65,810    |            |            |            |

#### Trends:

Table 4.1 shows that between Q4 of 2017-18 and Q1 of 2018-19 Moneywise Credit Union's membership remained consistent. The number of loans granted this quarter increased by 20% following last quarter's seasonal dip.

This quarter Five Lamps have experienced an 11% increase in the number of loans granted and is comparable to the same period last year. Five Lamps no longer have an office in Newcastle and have not undertaken active promotion in the area since 2012. As a result, most of their custom is generated from repeat business.

#### What we are doing:

- The Illegal Money Lending Team offers free Stop Loan Shark Awareness Training sessions to organisations and volunteers, to raise awareness of the dangers of loan sharks and how to tackle them. For more information e-mail [natalie.barker@birmingham.gov.uk](mailto:natalie.barker@birmingham.gov.uk)
- Moneywise Credit Union is working with staff at the Royal Victoria Infirmary and the Freeman Hospital to promote their payroll savings scheme. Organisations interested in offering a payroll deduction scheme for staff can e-mail [symon.agnew@moneywise.org.uk](mailto:symon.agnew@moneywise.org.uk)
- Moneywise Credit Union is working with YHN to promote the benefits of regular saving with new apprentices
- Representatives from Moneywise Credit Union attended the Pottery Bank Community Centre and Riverside Community Health Project to promote the benefits of saving regularly and affordable credit
- Representatives from Moneywise Credit Union attended the 1001 Critical Days (pregnancy preparation events) at Sure Start centres across the city to discuss benefits of saving regularly and affordable credit
- Five Lamps has secured £5m investment to help vulnerable households break out of the cycle of high-cost debt. Further information is available at [www.fivelamps.org.uk](http://www.fivelamps.org.uk)
- Five Lamps is working in partnership with ASDA to promote affordable credit options to customers. Further information is available at [www.money.asda.com/personal-loans/](http://www.money.asda.com/personal-loans/)

#### What next:

- In March 2017 Money Advice Service (MAS) released the [Standard Financial Statement \(SFS\)](#), a single format for financial statements, allowing debt advisors and creditors to work together to achieve the best outcomes for people struggling with their finances. We are consulting with MAS about Newcastle City Council's Corporate Debt Strategy to help us create more consistency between Newcastle City Council's collection departments and debt advisers, and a smoother transition through the debt collection process for residents who owe money to Newcastle City Council

## 5: Reduce fuel poverty, increase financial resilience and promote access to bank accounts

**Table 5.1: Energy Services new referrals, cases closed and financial outputs**

|                          | 2017-18  | Q4 (17-18) | Q1 (18-19) | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|--------------------------|----------|------------|------------|------------|------------|------------|
| New YHN referrals        | 334      | 128        | 89         |            |            |            |
| New non YHN enquiries    | 67       | 31         | 26         |            |            |            |
| Energy debts written off | £104,708 | £17,346    | £8,654     |            |            |            |
| Total cases closed       | 259      | 52         | 91         |            |            |            |
| Average financial gains  | £404.28  | £333.56    | £95.10     |            |            |            |

**Table 5.2: Citizens Advice Newcastle's Northern Powergrid Fuel Debt Project's new clients seen and fuel debt issues dealt with**

|                  | 2017-18 | Q4 (17-18) | Q1 (18-19) | Q2 (18-19) | Q3 (18-19) | Q4 (18-19) |
|------------------|---------|------------|------------|------------|------------|------------|
| New clients      | 566     | 250        | 216        |            |            |            |
| Issues addressed | 978     | 425        | 370        |            |            |            |

### Trends:

Newcastle City Council's Energy Services provide specialist energy saving and fuel debt advice to Newcastle residents and fuel debt casework. Table 5.1 shows that between Q4 of 2017-18 and Q1 of 2018-19 there was a 28% decrease in the number of referrals received, however referrals remain higher than the same period in 2017-18 (68 referrals) and 2016-17 (64 referrals). This quarter Energy Services closed 60 cases for clients who did not respond, resulting in the lower financial outputs reported.

CAN's Northern Powergrid Fuel Debt Project started in October 2014. It provides a daily drop-in face-to-face specialist advice for residents experiencing problems with energy bills and fuel debt, including advice on reducing energy costs by switching tariffs, payment methods or suppliers, and saving money through energy efficiency, or help with current supply problems, including debts and disputed bills. Table 5.2 above shows that between Q4 of 2017-18 and Q1 of 2018-19, the number of new clients seen decreased by 14% and the issues addressed decreased by 13%. CAN attribute the decreases witnessed this quarter to a seasonal variance.

### What we are doing

- Newcastle City Council's Crisis Support Scheme provided 142 fuel top-up vouchers during Q1 of 2018-19
- This quarter CAN's Northern Powergrid Fuel Debt project helped clients deal with £35,676 of fuel debt
- CAN have a hardship fund to support vulnerable clients (based on Ofgem's definition of vulnerability) experiencing hardship, for example benefit delays, with a one-off short-term emergency payment via the Northern Powergrid Fuel Debt Project. For more information contact the team by e-mail [powergrid@newcastlecab.org.uk](mailto:powergrid@newcastlecab.org.uk) or phone 0370 1451450
- Newcastle City Council is running an energy price comparison and switching scheme. For more information visit [www.newcastle.gov.uk/energyswitch](http://www.newcastle.gov.uk/energyswitch)

- Newcastle City Council have been awarded £400,000 from National Grid to install gas central heating systems for fuel poor households without central heating. For more information contact Energy Services on 0191 2783427
- Newcastle City Council have secured funding from National Grid to provide support to residents who are home owners or are living in private rented accommodation. For more information contact Energy Services on 0191 2783427
- Warm Zone offer assistance to low income home owners who suffer from a health condition made worse by living in a cold or damp home. For more information phone 0800 0199969
- YHN's 'Void Affinity' scheme which allows the energy supply for their empty properties to be switched to a preferred supplier, was successfully completed. A procurement is underway to appoint a supplier for the next two years

**What next:**

- Energy Services have reviewed best practice from the other cities which have decided to have a greater role in the supply of energy to their communities. An energy company options appraisal is being carried out with other North East local authorities and North East Procurement Organisation (NEPO)

## Active Inclusion Newcastle

The Financial Inclusion Group is part of the Active Inclusion Newcastle partnership approach that responds to the growth in demand for information, advice and support to promote social and financial inclusion and to prevent the risk of homelessness with reduced resources. The Active Inclusion Newcastle partnership coordinates responses to the welfare reforms, austerity and destitution by creating the conditions for stability:

- **An income**
- **Somewhere to live**
- **Financial inclusion – life without excessive debt**
- **Training and employment opportunities**

The Active Inclusion Newcastle partnership provides and supports partners to deliver the following:

**Primary prevention activities** – to support making the prevention of homelessness and destitution ‘everyone’s business’:

- Information for professionals, volunteers and the public – financial inclusion examples are available online at [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
- Consultancy advice for professionals and volunteers – contact details are available online at [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
- Briefing sessions for professionals and volunteers – to request a briefing, email [activeinclusion@newcastle.gov.uk](mailto:activeinclusion@newcastle.gov.uk)
- Spectrums of advice – details are available online at [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
- Training for professionals and volunteers – details of e-learning modules and face to face training sessions are available online at [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
- Protocols and policies – details are available online at [www.newcastle.gov.uk/homelessnesspreventionforprofessionals](http://www.newcastle.gov.uk/homelessnesspreventionforprofessionals)
- Partnerships and governance – details are available online at [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals)
- Copies of previous quarterly reviews are available online at [www.newcastle.gov.uk/benefits-and-council-tax/welfare-rights-and-money-advice/information-professionals-and-volunteers/financial-inclusion-group](http://www.newcastle.gov.uk/benefits-and-council-tax/welfare-rights-and-money-advice/information-professionals-and-volunteers/financial-inclusion-group)

**Secondary prevention activities** – specialist advice and accommodation services that community based primary services can turn to when they need help

**Crisis activities** – services that support people facing destitution when community and preventative support fails to prevent crisis

## Next steps and how to get involved

The issues raised in this briefing were discussed at the Newcastle Advice Compact meeting on 19 September 2018. Feedback has been incorporated into this document which will be presented to councillors and the Financial Inclusion Group at our next seminar on 10 October 2018.

For more information on financial inclusion:

visit [www.newcastle.gov.uk/financialinclusionforprofessionals](http://www.newcastle.gov.uk/financialinclusionforprofessionals) or contact Clare Fish by phone 0191 277 7529, or e-mail [clare.fish@newcastle.gov.uk](mailto:clare.fish@newcastle.gov.uk)