

Active Inclusion Newcastle

Newcastle's Financial Inclusion Briefing: 2017-18 Q2

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, priorities and challenges. 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:

- The Autumn Budget 2017 announced some 'easements' in Universal Credit and changes with help with rent. Benefit sanctions for a failure to undertake work related activity mean a cut of £74 a week for some. Latest Universal Credit records show there was 1 sanction for every 26 claimants
- Newcastle is part of a Ministerial Working Group pilot (including the Council, JCP, YHN, and Crisis) on preventing homelessness related to benefit administration and worklessness; reporting back October 2017
- Universal Credit (UC) 'full service' is now live across the city; 11,094 Newcastle residents were claiming UC on 12 October 2017. Further information about UC and support arrangements for residents is available online at www.newcastle.gov.uk/universalcredit
- On 6 October 2017 the DWP updated its office closure programme including the closure of Jobcentre West by 2 March 2018
- YHN and Money Matters have responded to 368 households affected by the lower benefit cap in Newcastle, including 1,311 children – no families have become homeless
- FoodWorks (with Crisis), launched a coffee cart at Newcastle Civic Centre on 17 July 2017; will be launching at Allendale Road in New Year
- Newcastle is working with HMRC Civil Service Live on re-imagining, challenging and understanding more about problem debt
- The next Financial Inclusion Group seminar is on 7 February 2018 and will focus on re-imagining public sector debt. For more information email 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

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
Benefit gains	£30,166,554	£6,846,660	£7,880,809			£14,727,469
Clients advised	18,323	4,259	5,285			9,544

Trends:

Table 1.1 shows that between Q1 and Q2 of 2017-18, benefit gains by the Newcastle Advice Compact increased by 19%, while clients advised increased by 24%. This reflects feedback from advisors that welfare reforms mean more time-consuming cases, and in particular, that Universal Credit (UC) claimants require a lot of extra support to understand and navigate the process of making claims and getting benefit in payment, including dealing with the lack of income during the six week (or longer) wait for their first payment. More information about benefit advice services are found online at www.newcastle.gov.uk/benefitcontacts, and further information about welfare reforms is available at www.newcastle.gov.uk/welfarerights.

The Autumn Budget 2017 announced a number of 'easements' in the impact of Universal Credit (UC) and some changes with help with rent. For example, the seven day waiting period of nil entitlement for some new Universal Credit claims is abolished from February 2018; advanced payments of Universal Credit (loans) will be improved; a two week Housing Benefit run-on for new Universal Credit claims from April 2018; it will be easier for the Universal Credit housing element to be paid directly to their landlord; the roll out of Universal Credit will be slowed down and those with more than two children will continue to be directed to claim legacy benefits instead of Universal Credit until 'the end of January 2019' rather than November 2018. The summer Budget 2015 plan to apply private sector Local Housing Allowance caps to Housing Benefit for social housing is withdrawn. These changes will be explained in a Benefit Bulletin which is available via subscription on the web page:

www.newcastle.gov.uk/financialinclusionforprofessionals

On 28 November 2017 the government [confirmed](#) that most working age benefits – apart from those linked with disability and caring - will remain frozen. The [Joseph Rowntree Fund](#) say that combined with the rising cost of essentials this is expected to push almost half a million people into poverty in 2020/21 and that 85% of them are in working households. See also the recent reports "[Living Standards, Poverty and Inequality in the UK: 2016–17 to 2021–22](#)" by the IFS and "[Poorest hit hardest by tax, social security and public spending reforms](#)" by the Equality and Human Rights Commission, where for example, families with a disabled adult will see a £2,500 reduction of income per year.

What we are doing:

- A report on welfare reform, its impact on the residents of Newcastle, what the City Council and its partners are doing together to support residents affected by welfare reforms, using the principle of putting advice and support at the start of a process rather than at the end and recommendations for further activity was presented to the [Council's Business Cabinet on 16 October 2017](#)
- The Council led 'Welfare Reform Operation Group' and strategic partners continue to monitor and develop joint activity on welfare reform, such as the benefit cap and what is being done to support affected residents and an analysis on Discretionary Housing Payments and alignment with support services

- The Council and Jobcentre Plus continue to work together to help to reduce benefit sanctions by providing information and quarterly workshops with 27 people attending in Q2 2017-18. The next workshop is on Thursday 15 March 2018. For more information, visit www.newcastle.gov.uk/financialinclusionforprofessionals
- 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 and training for those organisations. This includes the following targeted face to face and e-learning training:
 - E-learning module Introduction to Benefits Stage 1 was completed by 26 people in Q2 and Introduction to Benefits Stage 2 is now live and will be targeted to key staff
 - Quarterly face to face 'Introduction to Benefits' training was completed by 15 people in Q2. The next sessions are on 16 January 2016 (fully booked) and 17 April 2018
 - The Welfare Rights Service and Active Inclusion Service also provided 11 briefings in Q2 for partner organisations on various aspects of the benefits system and Active Inclusion support
 - 3,154 people received our bi-monthly benefit bulletins providing the latest benefit news and targeted information, an increase of 73 subscribers on the previous quarter
 - The 'Where to get benefit and debt advice in Newcastle' booklet is distributed bi-annually to 3,032 subscribers and internal staff. It provides details of organisations providing benefit, debt and financial inclusion advice
 - We write a quarterly article for the national Institute of Money Advisers' Quarterly Account magazine, distributed to 1,930 money advisers
- In Q2, there were 8,721 unique visits to the [welfare rights and money advice](#) section of Newcastle City Council's website. The most popular pages include where people can get benefit and debt advice in Newcastle and the two Universal Credit web pages
- The Active Inclusion's targeted benefit information on GPTeamNet - the web based portal for the health service - has provided practical information for GP practices and others, saw 204 views in Q2 (an increase of 54% on Q1) and generated requests for talks from GP practices
- Citizens Advice Newcastle and others are working with local Members of Parliament to highlight the difficulties faced by UC claimants
- We continue 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, which will include adapting services, targeting support and catching those we fail to protect. Staff have now been appointed to this multidisciplinary team who started working together on 9 October 2017. For more information, see our Homelessness Prevention Trailblazer briefing note on the webpage: www.newcastle.gov.uk/homelessnesspreventionforprofessionals
- Newcastle Welfare Rights Service have begun working with local GP practices to target disability and related benefit advice to older people, following ward funding in Kenton.

What next:

- A new Universal Credit e-learning module is being developed by the Active Inclusion Service and should be available in January 2018
- As part of the Homelessness Prevention Trailblazer, the Active Inclusion Service will be working with Council partners to provide mandatory training for staff working with residents at risk
- Given the reductions in benefit support, Joseph Rowntree Foundation has developed a [definition of destitution](#), which we are looking to pilot and adapt to understand who and how many be may experiencing this issue in Newcastle, allowing us to inform policy
- Citizens Advice Newcastle are looking into ways of extending advice provision in the outer parts of Newcastle and tie into existing services that local people already use

- The Department for Work and Pensions (DWP) and Newcastle City Council will continue the pilot to trial and strengthen systematic joint working between Jobcentre Plus, the local authority and partner organisations in Newcastle, as agreed at the Department for Communities and Local Government and DWP Joint Ministerial Working Group on Homelessness meeting on 14 March 2017

Welfare Rights Service case study – mixed-age couple with health conditions

Mr L is 68 and has suffered for several years with anxiety and depression, generalised osteoarthritis, unstable angina, hernia, diverticulitis, peptic ulcer disease and hypertension. Mrs L is 64 and has recently been diagnosed with lung cancer, in addition to her other health issues: COPD, chronic fatigue syndrome, fibromyalgia, carpal tunnel, atrial fibrillation, and type 2 diabetes. She is hard of hearing and wears a hearing aid. Mr L had received Disability Living Allowance (DLA) at the Higher Rate for Mobility and the Lower Rate for Care until he was reassessed under Personal Independence Payment (PIP). He was awarded 6 points for the Daily Living Component and 4 points for the Mobility component - not enough to receive any benefit but does acknowledge that he has difficulties due to his health conditions. The couple rent a YHN property. Before WRS intervened, their household income was £319.10 per week, comprised of state pension and Lower Rate DLA for Mrs L. The loss of PIP and removing Higher Rate DLA from Mr L had reduced their income by £80.00 per week.

Details of WRS intervention

- Supported Mr L to request a 'Mandatory Reconsideration' and obtain supportive medical evidence. On the Mandatory Reconsideration Notice, the original decision stood
- Supported Mr L with the 2nd stage of the appeal process by lodging an 'appeal' with the DWP, arranged a home visit so that he could have the support of his wife to go through the appeal papers, sent in further medical evidence and wrote a submission for the hearing
- At tribunal, Mr L was awarded the Standard Rate for both Daily Living Activities and the Mobility Activities of PIP - this award was backdated to 8 February 2017 when his DLA award ended
- Advised Mrs L that because her health had significantly deteriorated she would be eligible to ask the DWP to reassess her. However, due to the difficulties her husband had when he was migrated to PIP, she does not want to risk her current award even though she would likely qualify for a higher rate of support. She will wait until the DWP request to transfer her to PIP
- The increase to the couple's weekly income was £77.65 per week, (£4,037.80 per year), plus a one-off backdated payment of £2,562.45

Digital inclusion

Table 1.2: Initiatives to promote digital inclusion

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
Digital Skills Courses	40 sessions 289 attended	19 sessions 157 attended	16 sessions 132 attended			35 sessions 289 attended
People's Network take-up	-	32%	31%			32%
Go Digital free Wi-Fi average session length	-	144 minutes	147 minutes			146 minutes
Hours volunteered	1,156*	437	388			825

*Previously under-reported due to omission of Q1 data

Trends:

Table 1.2 summarises activities to support residents to get online. Between Q1 and Q2 of 2017-18 the number of courses offered and attendees decreased by 16%, due to volunteers having a three-week break in September. As more courses are now run with volunteer support, we have matched 2016-17 indicators in the first 6 months of 2017-18. 132 people attended Digital Skills courses run by the Library Service in Q1; the courses offered include Techy Tea Parties, Online Basics, and Digital Champion Training. For more information contact lisa.dawson@yhn.org.uk. From 2017-18 onwards, we are monitoring usage of People's Network and Go Digital free Wi-Fi.

In Q2 we recruited 3 full-time members of staff who can deliver one to one support to customers who need digital support accessing Universal Credit. They have assisted 312 people in Q2, up from 46 people during Q1. This is an almost six-fold increase and indicative of increased demand for support in this area.

What we are doing:

- There are 610 free or low cost digital access points and 72 organisations offering IT training in Newcastle. For more information visit www.getonlinenewcastle.co.uk
- Free Wi-Fi is available in 69 public buildings and city centre streets, helping to increase opportunities for people to get online. For more information visit <http://www.godigitalnewcastle.co.uk/wifi>
- 'Learn My Way' online basic skill sessions have been scheduled to continue to run until March 2018. For more information, or to book a place, visit [Newcastle Libraries' event webpage](#)
- Techy Tea Parties for customers with a tablet, iPhone or smartphone that they want to get more out of, 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](#)
- A Digital Inclusion Network has been established to bring together voluntary organisations, training providers, public bodies and charities to look at digital inclusion in the city
- City Library are delivering one to one support for customers who need digital support accessing Universal Credit. 312 people were assisted during Q2; an increase of 578%
- A digital financial inclusion course was delivered between January and September 2017 at City Library to YHN tenants who were claiming Universal Credit. 44 people completed the course, for the full report contact lisa.dawson@yhn.org.uk

- In response to the closure of the West End Job Centre, an online Universal Credit course is to be delivered weekly out of Wet End Library, Condicum Road. This course is specifically for UC recipients and is designed to show them how to complete their mandatory UC online tasks and journal. Delivered with one to one support from volunteers the course will give the attendees the digital skills and confidence to navigate their UC process. Signposting to specialist NCC and YHN advice and guidance services will also be on offer
- Specialist Get Online Champion Training sessions for staff from local community and charity organisations continue to run monthly at the City Library. To date over 120 people have attended

What next:

- A Social Media for Community Groups course is being developed to improve the profile of voluntary and community groups in the city

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

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
Debts written off	£3,732,363	£927,758	£286,862			£1,214,620
Clients advised	4,782	1,622	1,089			2,711
Homelessness prevention	815	532	434			966

Trends:

Between Q1 and Q2 of 2017-18 the number of clients advised by the Newcastle Advice Compact decreased by 33%, debts written off decreased by 69% and homelessness preventions decreased by 18%. This is because returns have not been received from all partners, however, even with this caveat, the number of clients advised is up 15% on the same quarter in 2016-17, representing an increased demand for debt and budgeting support as more residents have to live on smaller budgets. In addition, some partners report an increase in referrals for debt and budgeting support in Q2: Money Matters' figures are up by 25% and Payplan's figures are up by 35%. The amount of debts written off varies as it depends on the type of debts that residents have and on their individual circumstances.

The number of homelessness preventions achieved in Q2 2017-18 is almost eight times higher than in Q2 2016-17. Increases in homelessness preventions compared to the previous year are largely attributed to improved recording by Your Homes Newcastle (YHN)'s Advice and Support Workers. Additionally, from Q1 the number of clients advised includes families affected by the lower benefit cap that are supported by Changing Lives Floating Support Service. Advisors note that the impact of welfare reforms, particularly the lower benefit cap, is exacerbating poverty and money worries.

Money Matters Debt Advisers continue to monitor sustainability of their clients' budgets. In Q2, out of 133 households for whom budgets were completed:

- **72% had sustainable budgets**
- **9% were able to meet their living costs because of additional financial support**, such as Discretionary Housing Payments (DHPs) to help pay their rent and the Supporting Independence Scheme (SIS) to replace unaffordable goods bought on hire purchase
- **19% 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. Some examples of this work are given below:

- Supporting households affected by the lower benefit cap – at 20 November 2017, the Active Inclusion Unit's information showed that there were **368 households in Newcastle who are affected by the benefit cap**:
 - YHN Advice and Support Workers continue to support their affected tenants
 - The Homelessness Prevention Trailblazer Multi-Disciplinary Team are starting to identify and target support to households in YHN with a high risk of homelessness who have failed to engage with the support offered

- The Active Inclusion Service co-ordinates support for private rented and RSL households and prioritises households according to the potential risk of homelessness: ‘high risk’ households include families that are losing £60.00pw 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 12 November 2017, Money Matters offered advice and support to 170 affected households. Information on some of the outcomes and outputs of this support and also on the barriers that the families need to overcome to improve their finances and achieve financial stability is below:
 - 35 households are no longer affected by the benefit cap
 - 58 households received debt advice and 37 received budgeting advice; 33 were awarded DHPs which amounted to £44,936 in extra income; 25 were prevented from homelessness and 12 were referred to Newcastle Futures for employment support
 - 175 barriers to a stable life were recorded against 54 benefit cap households, including 31 households in unaffordable housing, 23 without access to childcare, 15 with no confidence of securing employment and 16 with a smoking addiction which reduces their ability to pay priority bills
- Changing Lives’ Floating Support Service accepted 26 referrals in Q2 for lower-risk private rented households and those that didn’t engage with Money Matters; by 14 November 2017 10 households had received benefits advice and 10 households had budget plans completed
- 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 Universal Credit. 140 referrals were made for PBS during Q2
- Supporting residents who are applying for a DHP to help them pay their rent – in Q2 Revenues and Benefits referred 55 residents to Money Matters for budgeting support (up from 8 in Q1)
- 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 21 people in Q2. This training 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 46 people in Q2; extra sessions were run for partners including Tyne Housing and Community Family Hub West. Details of the Active Inclusion Newcastle training programme is available online at www.newcastle.gov.uk/financialinclusionforprofessionals
 - 273 subscribers received our quarterly debt bulletins, an increase of 18 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 or email activeinclusion@newcastle.gov.uk
- Money Matters supported 1 vulnerable resident to obtain a Debt Relief Order (DRO) in Q1 through its discretionary DRO fund
- The [Homelessness Prevention Trailblazer](#) has begun integrating preventative budgeting and debt advice with employment support, housing and benefits advice to help prevent homelessness
- **‘Collection of Council Tax Arrears Good Practice Protocol’** – revised and agreed by Citizens Advice and Local Government Association in June 2017; signed in Newcastle on 6 October 2017

What next:

- Newcastle is one of the three local authorities chosen to pilot a new approach to problem debt – a Civil Service initiative “Re-imagining Problem Debt” – government departments identifying vulnerable people early and providing joined-up support to people who struggle with debt
- The next Financial Inclusion Group Seminar is on 7 February 2018, and will focus on the “Re-imagining Problem Debt” work

- 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 the Council's Corporate Debt Strategy to help us create more consistency between the Council's collection departments and debt advisers, and a smoother transition through the debt collection process for residents who owe money to the Council
- Support for Mortgage Interest (SMI) benefit is ending on 5 April 2018 – SMI loans will be available instead
- Citizens Advice report an increase in gambling related debt and are working locally and nationally with gambling organisations to fund support to those most affected

Money Matters case study: Supporting a family affected by the benefit cap

Y is 43, single, and lives with 3 of her children (twins aged 16 and a 5-year-old) and her grandson (aged 18 months) in a 3 bedroom YHN tenancy. She isn't working due to looking after her youngest dependents full-time. The family were affected by the lower benefit cap on 26 December 2016, with a Housing Benefit reduction of £66.97 per week. In addition to this, her Housing Benefit had been suspended when her son (the father of her grandchild) moved out. She had built up rent arrears of £1,141.42 from a former tenancy and had total debts of £2,462.28. She had failed to engage with YHN support and had received an eviction notice from YHN before she visited the HAC drop-in. The support provided by Money Matters has resulted in the following:

- Additional money coming into the household – received support to supply information to Council to demonstrate her son had moved out, and get Housing Benefit of £39.01 per week back in payment, she received a DHP award of £1,473.34 which cleared her rent arrears and will pay her full rent until December, and a Supporting Independence Scheme award to replace her furniture pack (value £1,477.84)
- Reduction in her expenses – due to the SIS award she has returned her furniture pack, saving £38.84 per week; she has reduced her tobacco use by switching to vapour (she is addicted to smoking) and she obtained Under 16 Pop cards which enable her children to travel at concessionary child fares on public transport
- Employment support – she was referred to Newcastle Futures to begin preparing for work, although childcare had been identified as a potential barrier
- Kept support worker from YHN informed of progress of DHP award and YHN agreed to rescind eviction notice once arrears were cleared, so Y could remain in her home

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

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

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
Total	667	347	161			508

Trends:

Table 3.1 shows that between Q1 and Q2 of 2017-18 the overall number of residents supported into employment has decreased by 54%, as not all partners have reported their figures for Q2 via the Newcastle Employment Support Compact.

Employment advisors from the Supported Employment Service, Crisis Skylight, and Changing Lives 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. Advisors also note that the changing nature of the labour market has resulted in more temporary and zero hour contracts or working hours that are not suitable for people with childcare responsibilities. The rise in such employment contracts can create additional pressure for jobseekers. However, services are still supporting clients into employment of all kinds, including garden care, production / manufacturing and barista roles. In Q2, 22 Newcastle Futures clients achieved 13 weeks’ continuous employment.

What we are doing:

- We have developed a Newcastle Employment Support Protocol. This is a learning framework designed to improve the alignment between employment support and benefit, housing, budgeting and debt advice services. 11 organisations have signed up to the principles set out in the protocol. For more information, email david.rumney@newcastle.gov.uk
- We have established an Employment Support Case Management Group to support residents to find and remain in sustainable employment. This provides a forum to share complex cases where barriers to employment are significant and work with partners to identify opportunities to overcome those barriers. The next meeting is on 15 February 2018. For more information email financial.inclusion@newcastle.gov.uk
- Referrals can now be made via Newcastle Gateway to the Supported Employment Service, Crisis Skylight’s employment service, Newcastle Futures, YHN’s employment service and Changing Lives employment service. JET are working on joining the system. For more information, email activeinclusion@newcastle.gov.uk
- 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](#)
- The Wise Steps programme, led by The Wise Group, aims to support some of the most disadvantaged people in Newcastle into employment. For more information email wisesteps@thewisegroup.co.uk
- Moving On Tyne and Wear is an employment programme aimed at supporting people aged 25 and older with a significant physical or mental health issue to secure sustainable employment. Changing Lives are part of the Northern Inclusion Consortium who, along with Mental Health Concern, are responsible for the delivery of this programme. For more information visit www.motw.org.uk
- Citizens Advice Newcastle (CAN) are working with Northumbria University to develop their volunteer program, and with Jobcentre Plus to offer volunteering experience to jobseekers. CAN are also taking on apprenticeships

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 in 2018. For more information email financial.inclusion@newcastle.gov.uk
- We will be promoting inclusive 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

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

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
No. of members	8,792	9,032	8,767			8,767
Loans granted	2,143	480	507			987
Loan value	£2,158,531	£500,676	£543,000			£1,043,676

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

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
Loans granted	566	81	130			211
Loan value	£391,695	£58,640	£82,732			£141,372

Trends:

Moneywise Credit Union's membership has dropped by 3% between Q1 and Q2 of 2017-18, due to the closure of inactive accounts. Since the development of our collaborative approach to financial inclusion in 2011, membership has increased by 75%. Loans granted has increased by 6% between Q1 and Q2 of 2017-18.

Loans granted by Five Lamps have increased by 60% over the same period, due to loans taken out to cover seasonal costs such as school uniforms. 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 email natalie.barker@birmingham.gov.uk
- Moneywise Credit Union is undertaking a promotion campaign for existing members
- Newcastle Law Centre, Care Visions at Home, Inspired Outsourcing, and the 3 Rivers Learning Trust have all launched a payroll deduction scheme making it easier for staff to save with Moneywise Credit Union. Organisations interested in offering a payroll deduction scheme for staff can email symon.agnew@moneywise.org.uk
- The Millin Centre have launched a local credit union collection point to help more residents save money on a regular basis. For more information about opportunities to save with Moneywise Credit Union phone 0191 276 7693
- 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/
- Moneywise Credit Union has recently employed a Business Development Manager who will be responsible for supporting the growth of the business
- Moneywise Credit Union is working with Engage to develop an account suitable for residents in receipt of Universal Credit who do not have or do not want a bank account

What next:

- Moneywise Credit Union are exploring expanding membership to self-employed residents

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

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
New YHN referrals	251	68	56			124
New non YHN enquiries	56	8	16			24
Energy debts written off	£82,224	£28,317	£29,635			£58,012
Total cases closed	254	50	75			125
Average financial gains	£323.72	£566.34	£395.93			£464.09

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

	2016-17	Q1 (17-18)	Q2 (17-18)	Q3 (17-18)	Q4 (17-18)	2017-18
New clients	533	99	101			200
Issues addressed	1,341	175	195			370

Trends:

Newcastle City Council's Energy Services provide specialist energy saving and fuel debt advice to Newcastle residents and fuel debt casework for YHN tenants. Table 5.1 shows that between Q1 and Q2 of 2017-18 there was a 6% decrease in the number of referrals and enquiries received, although this is consistent with the summer months being less busy for fuel debt enquiries, and is 30% higher than the number of referrals in Q2 2016-17. The average financial gain per case is almost £400.

Citizens Advice Newcastle's Northern Powergrid Fuel Debt Project started in October 2014. It provides specialist advice to residents experiencing problems with energy bills and fuel debt. Table 5.2 above shows that between Q1 and Q2 of 2017-18, the number of issues dealt with by this scheme increased by 11%. 45% of clients advised had a long-term health condition or considered themselves disabled. The project can provide fuel debt / energy efficiency advice to anyone who asks us for it, regardless of their housing tenure. This includes a number of YHN tenants, and private sector tenants referred to us by the Council's Energy Advice service. The project provides face-to-face advice, on a daily drop-in basis.

What we are doing:

- Warm Up North have completed the installation of fully funded central heating systems for fuel poor households with funding awarded by the former Department of Energy and Climate Change. 89 Newcastle households benefited from the scheme
- 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 is running a pilot for a 'Void Affinity' scheme which allows the energy supply for their empty properties to be switched to a preferred supplier. The energy supplier choice was based number of factors, such as energy advice, smart meters, pricing and management issues. The pilot is being trialled in Kenton ward and, if successful, will be rolled out across the city

What next:

- Energy Services are reviewing best practice from the other cities which have decided to have a greater role in the supply of energy to their communities and are reviewing options for increasing the energy supplier choices available to residents
- Citizens Advice Newcastle has secured funding for a 'hardship fund' to provide financial support for their clients experiencing severe hardship with their fuel

Northern Powergrid Fuel Debt Project case studies

D had long standing fuel debt with Npower of £1,672.97. D is single and lives alone in a Local Authority property. The problem originally arose as the DWP ceased making agreed deductions from D's Job Seekers Allowance, following a problem with a misdirected email. After receiving advice, D decided to apply for a debt relief order with the help of a CAN advisor.

H is single, retired and lives in an ISOS property; he owes £450.41 to Npower. CAN applied for a Warm Homes discount scheme as H suffers from many health problems related to mobility and back pain. This was successful and H will receive £140 credited to his account in 8-10 weeks – he was very pleased as he was not aware of this discount. CAN also advised H on how to apply for Personal Independence Payment and Pension Credit. CAN helped H negotiate a repayment plan with Npower for his fuel debts.

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
- Consultancy advice for professionals and volunteers – contact details are available online at www.newcastle.gov.uk/financialinclusionforprofessionals
- Briefing sessions for professionals and volunteers – to request a briefing, email activeinclusion@newcastle.gov.uk
- Spectrums of advice – details are available online at 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
- Protocols and policies – details are available online at www.newcastle.gov.uk/homelessnesspreventionforprofessionals
- Partnerships and governance – details are available online at 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

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 20 December 2017. Feedback has been incorporated into this document which will be presented to councillors and the Financial Inclusion Group at our next seminar on 7 February 2018.

For more information on financial inclusion:

visit www.newcastle.gov.uk/managingyourmoney

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