

Active Inclusion Newcastle

Newcastle's Financial Inclusion Briefing: 2016-17 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, 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 welfare reform**
- 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 people 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, but we welcome partners to point out any errors or opportunities for improvement.

Headlines:

- 'Full service' Universal Credit (UC) will be rolled out to the two remaining Newcastle Jobcentre Plus offices in February and March 2017. Further information about UC and the support arrangements for residents is available at www.newcastle.gov.uk/universalcredit
- The lowered household benefit cap will be introduced in Newcastle from November 2016. This briefing note describes how we will support those households affected by the change.
- To find out how many Newcastle households suffering debt problems are affected by deficit budgets Money Matters team have started completing a 'budget sustainability' indicator on case closure. In Q1 2016-17 48% of the completed household budgets were not sustainable for residents.
- A 'Digital Champions' training course has been set up to support volunteers and staff at organisations who are interested in offering digital support to their customers or service users. For more information contact the Libraries Service Enquiry Centre 0191 277 4100.
- We have developed an Employment Support Protocol. This is a learning framework designed to improve the alignment between employment support, debt, housing and welfare rights advice.

- The next Financial Inclusion Group seminar will be held on Thursday 13 October and will consider credit unions and affordable credit, in recognition of International Credit Union Day. Contact clare.fish@newcastle.gov.uk for more information.
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1: Maximise income and respond to welfare reform (including digital inclusion)

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

	2015-16	Q4 (15-16)	Q1 (16-17)	Q2 (16-17)	Q3 (16-17)	Q4(16-17)
Benefit gains	£27,174,682	£7,399,960	£7,196,782			
Clients advised	18,697	4,259	5,314			

Trends:

Table 1.1 shows that between Q4 of 2015-16 and Q1 of 2016-17 benefit gains have remained consistent. During the same period there has been a 25% increase in the number of clients advised. The growth in clients seen this quarter is attributed to an increase in returning clients seeking advice for more difficult and time consuming cases, possibly as a result of welfare reforms.

The growing problem of poverty and destitution in the context of the reduced welfare state is highlighted in a recent report by the [Local Government Select Committee](#). The report helped to further highlight the challenges created by the welfare reforms, with two-thirds of English local authorities citing that changes have resulted in increased levels of homelessness. At the same time, however, data from the [Department for Work and Pensions \(DWP\)](#) shows that nationally £13 billion in benefit entitlement went unclaimed in 2014-15. Encouraging residents to claim their full benefit entitlement can help to mitigate the impact of the welfare reforms by maximising income. An example of the value of trusted advice is outlined in the following case study.

Case study – Newcastle Council’s Welfare Rights Service

Mr W was referred for specialist welfare benefits advice by his local Ward Councillor following a long spell in hospital. During which time, Mr W’s Housing Benefit, Council Tax reduction and Employment Support Allowance entitlement had stopped, resulting in rent arrears, a Housing Benefit overpayment and the risk of homelessness and destitution.

A Welfare Rights Officer (WRO):

- Recognised the complexity of overpayment legislation in relation to the new benefit, Universal Credit, and its interaction with the other benefits, and was able to devise a way forward
- Met the landlord and presented the technical arguments to Revenues and Benefits who agreed that given the legal arguments, complex circumstances, adverse impact that recovering the Housing Benefit overpayment would have on Mr W’s mental health and the potential that recovery processes would lengthen his stay in hospital, Housing Benefit would be reinstated

The support provided by the WRO resulted in:

- A backdated Housing Benefit payment of £1,248 for Mr W’s landlord, ending the threat of eviction and reducing the risk of homelessness
- A £819 credit for Council Tax
- The reinstatement of Employment Support Allowance
- A referral to Money Matters for support with wider problem debt

What we are doing:

- The Council continues to monitor the impact of the welfare reforms in Newcastle. [June 2016's Cabinet report](#) estimated that residents of working age would see an annual reduction in benefits of £138.97 million by 2020-21.
- Your Homes Newcastle (YHN) have an Advice and Support Worker co-located in each of the three Jobcentre Plus (JCP) offices across the city to support tenants who are claiming Universal Credit (UC).
- The Council and JCP are continuing to work together to help to reduce benefit sanctions through quarterly workshops. The next workshop will be held on 15 December 2016. Further information is available at www.newcastle.gov.uk/financialinclusionforprofessionals. The joint Council and Department for Work and Pensions (DWP) information sheet, [Benefit sanctions and how to avoid them](#), is also available for download.
- Your Homes Newcastle (YHN) are delivering free sessions for tenants who are affected by the introduction of UC. For more information contact the Customer Involvement Team on 0191 278 3663 or email getinvolved@yhn.org.uk
- The [spectrum of advice for benefits](#) has been developed with the Newcastle Advice Compact to describe what level of benefit advice services are expected to provide. As part of this approach:
 - 2,864 subscribers receive bi-monthly benefit bulletins. To sign up for this service, email activeinclusion@newcastle.gov.uk
 - The 'Introduction to Benefits' e-learning module was completed by 41 people during Q1. Further information about this training module is available at www.newcastle.gov.uk/financialinclusionforprofessionals
 - Quarterly face to face 'Introduction to Benefits' training sessions continue to be provided, with 25 people attending in Q1. Details of 2015-16's training programme is available at www.newcastle.gov.uk/financialinclusionforprofessionals
- During Q1 98 staff and volunteers accessed advice via the Council's Welfare Rights Service (WRS) consultancy line. For more information about the support available from Active inclusion, email activeinclusion@newcastle.gov.uk
- During May and July 2016 the Council's WRS delivered 4 days of Tax Credit take up sessions at the Newcastle Bangladeshi Association. Sessions have generated financial gains of £194,625.
- YHN Telecare users are being offered a free benefit check from the Council's WRS. As of 23 August 2016, 77 residents had been referred into the service resulting in £22,704 in benefit gains, helping to mitigate the increased Telecare charge.
- In July 2016 the Council's WRS developed a referral pathway for social care residents who are not able to manage their affairs. As of 23 August 2016, 231 corporate appointeeships had been referred into the service resulting in £14,050 in benefit gains.
- There were 8,193 unique visits to Newcastle Welfare Rights webpages in Q1, a rise of 15% when compared to the previous quarter.
- We are providing targeted benefit information for GP's and other health professionals on their web portal, 'GPTeamNet', to enable health staff support residents. This information went live in August 2016 and follows on from October 2015's Financial Inclusion Group seminar.

What next:

- We are still investigating opportunities to develop a pilot with JCP and supported housing providers to align the Claimant Commitment with support planning processes. This will inform future case management arrangements and contribute towards a shared public services approach, providing a stronger system of support for residents who are vulnerable to benefit sanctions. It will also strengthen partnership working arrangements with Jobcentre Plus at an operational level.

- We will develop stage two of the 'Introduction to Benefits' e-learning module in September 2016.
- We are collating details of cases which highlight the impact of the welfare reforms to inform local authority meetings with MP's.
- We are working with Newcastle University to consider the health impacts of the welfare reforms.

Digital inclusion

Table 1.2: Free or low-cost internet access points and organisations offering IT training in Newcastle

	2015-16	Q4 (15-16)	Q1 (16-17)	Q2 (16-17)	Q3 (16-17)	Q4(16-17)
Free / low cost internet access points	610	610	610			
Venues offering IT training	72	72	72			
Free Wi-Fi provision in Newcastle	69	69	69			

Table 1.3: YHN Digital Champions – tenants who have completed digital training and hours of digital training provided by Digital Champions

	2015-16	Q4 (15-16)	Q1 (16-17)	Q2 (16-17)	Q3 (16-17)	Q4 (16-17)
Number of tenants who have completed digital training	897	281	115			
Hours of digital training provided by YHN Digital Champions	1,126	564	259			

Trends:

Table 1.2 shows that between Q4 of 2015-16 and Q1 of 2016-17 the number of free or low cost access points and organisations or venues offering IT training has remained consistent. Investment from Go Digital Newcastle has resulted in free Wi-Fi being installed in 69 public building and city centre streets, helping to increase opportunities for people to get online. Further information about free Wi-Fi in public buildings is available online at www.godigitalnewcastle.co.uk, and the interactive map showing where you can get free or low cost access to computers, training and support in Newcastle can be found at www.getonlinenewcastle.co.uk

In June 2015 YHN developed a network of Digital Champions to support tenants to get online and improve their digital skills; they are based at Walker Central Housing Office, Walker Learning Hive and support drop in sessions at City Library and other community venues. Table 1.3 shows . To find out more about YHN's Digital Champions, contact Lisa Dawson by email lisa.dawson@yhn.org.uk

What we are doing:

- Newcastle Libraries Service has removed the 14 hours per week time limit from public access PC's.
- Individual one-to-one taster sessions are offered at all libraries across the city. For more information contact the Libraries Service Enquiry Centre 0191 277 4100.
- The Newcastle Libraries Service can provide individual support to residents to make an online claim for Universal Credit. During Q1 one referral was made to the service for support.

- Techy Tea Parties take place on the last Thursday of the month at Newcastle City Library. To find out more, or to book a place, visit [Newcastle Libraries event webpage](#).
- Newcastle City Library has opened one of its computer rooms specifically for job seekers. For more information contact the Newcastle Libraries Service Enquiry Centre on 0191 277 4100.
- A Digital Inclusion Network has been established to bring together voluntary organisations, training providers, public bodies and charities to look at how digital inclusion can be brought together across the city.
- A 'Digital Champions' training course has been set up to support volunteers and staff at organisations who are interested in offering digital support to their customers or service users. For more information contact the Libraries Service Enquiry Centre 0191 277 4100.

What next:

- Newcastle Library Service are developing a Work Club offer that provides job seekers with basic digital skills, advice and support about how to search and apply for jobs online along with interview advice and skills.
- The Newcastle Library Service is designing two 'Code Clubs' designed to let 9-11 year olds develop their coding skills.
- West End Library will host a Digital Drop In for YHN residents to get digital support at a time when the library is currently closed. Further information will be circulated to partners when available.
- Get Online Week (17-23 October 2016) will include a range of activities for residents and staff to encourage people to try digital devices for the first time, or to develop their skills and confidence. Further information about Get Online Week will be circulated to partners when available.

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

Table 2.1: Debt advice and homelessness prevention through debt advice by Newcastle Advice Compact

	2015-16	Q4 (15-16)	Q1 (16-17)	Q2 (16-17)	Q3(16-17)	Q4(16-17)
Debts written off	£3,625,005	£1,120,810				
Clients advised	4,269	1,071				
Homelessness prevention	542	81				

Trends:

Between Q4 of 2015-16 and Q1 of 2016-17 the number of clients advised by the Newcastle Advice Compact remained consistent. In the same period the amount of debts written off decreased by 28%, and homelessness preventions decreased by 33%. The amount of debts written off fluctuates from quarter to quarter as it is dependent on a clients' individual circumstance and the amount of debt that they have. This quarter's reduction in homelessness prevention through debt advice was mainly a result of lower figures submitted by YHN's Advice and Support Team due to a change in their recording system.

Debt advisors continue to see a growing number of residents for whom there are no workable debt solutions that can offer financial stability. Budgeting support remains an integral part of debt advice processes as for many households' incomes are not sufficient to meet essential expenditure and priority bills. Increasingly advisors report that adjustments to household bills to reduce spending on both non-essential and essential bills may not remove a budget deficit in its entirety. Many households are reliant on temporary financial support, such as Discretionary Housing Payments (DHPs) and food parcels. Advice Compact members suggest that residents' deficit budgets are due to a combination of welfare reforms, the cost of living rises, job insecurity and low wages. This is highlighted in the case study below.

What we are doing:

- To prepare for the introduction of the lower benefit cap (implemented in Newcastle from 7 November 2016), we have developed a coordinated citywide approach to support affected households. As well as new households being impacted, residents that are currently capped will see their benefits further reduced. YHN has attempted to contact all 276 households identified in February 2016 as being likely to be capped at the lower rate of the benefit cap, unless they were clearly exempt. They assessed households for possible benefit cap exemptions, offered them employability support and budgeting support to reduce household expenditure.
- In July 2016, Active Inclusion Newcastle began a project to support private rented and Registered Social Landlords (RSL) tenants who will be impacted by the lower benefit cap. The first stage of the project is to trial a triage approach. Welfare Rights Service and Money Matters are contacting affected households to assess opportunities to help residents improve their financial situation.
- YHN and Money Matters are continuing to provide Personal Budgeting Support (PBS) to residents who need help managing their money as they claim Universal Credit (UC). 48 referrals were made for this support during Q1.
- In Q1 we continued to roll out the Active Inclusion Newcastle (AIN) training and support available to partners as part of our [spectrum of advice for money management \(budgeting and debt\)](#):

- The 'Debt Awareness' Level 1 e-learning module was completed by 23 people during Q1.
- The 'Introduction to Budgeting' face to face training sessions were attended by 54 in Q1. Details of the AIN 2016-17 training programme is available at www.newcastle.gov.uk/financialinclusionforprofessionals
- Money Matters supported 3 vulnerable residents to obtain a Debt Relief Order (DRO) in Q1, becoming debt free as a result of financial help from Money Matters DRO Fund. Additionally, residents attended financial capability sessions to improve their money management skills.
- To strengthen our preventative approach to dealing with problem debt in the city this issue was considered at July 2016's Financial Inclusion Group seminar. The seminar was attended by 60 staff and volunteers who work with residents at risk of poverty and financial exclusion, and encouraged productive discussions between organisations to identify opportunities to better support residents at an earlier stages to prevent problem debt.
- We are continuing work to strengthen the alignment of short-term Discretionary Housing Payments (DHP), advice, employment support and homelessness processes to support tenants to comply with the conditions of their DHP award, or to overcome difficulties with paying their rent if they have been refused.
- To find out how many Newcastle households suffering debt problems are affected by deficit budgets Money Matters team have started completing a 'budget sustainability' indicator on case closure. In Q1 2016-17 48% of the completed household budgets were not sustainable for residents.

Money Matters case study showing the impact of UC and deductions of fines

JCP referred Ms B to Money Matters for Personal Budgeting Support (PBS) when she claimed Universal Credit (UC) upon losing her job in October 2015. Ms B is 44, single and lives alone. She didn't have any savings nor could she count on support from family and friends to survive the waiting period of five weeks before she got her first payment of UC. To prevent destitution Money Matters issued her food vouchers and advised her to claim a short-term benefit advance.

The first payment of UC to Ms B was reduced by £108 to pay for a court fine and by £16 to pay Council Tax arrears. In March 2016 the deductions increased further because of paying back the short-term benefit advance. Ms B now has £127 per month taken from her UC to pay for debts owed. This leaves Ms B with £12.73 per month to live on, once her bills and debts have been paid. Money Matters has issued several food vouchers to Ms B and referred her to Talking Therapies as her money problems have affected her mental health and she is finding it extremely hard to cope.

Money Matters made a request to the DWP to reduce the deductions for fine repayments as the deduction rate was set at the maximum level allowed by law and the DWP has discretion to lower it. The DWP refused to lower the deductions saying that they had to comply with the Magistrates' Court request. The Northumbria Central Enforcement Unit also refused to lower the deductions stating that it was up to the DWP to do that. Money Matters has raised this issue with the local MP's office and with the Child Poverty Action Group who are considering a legal challenge.

What next:

- The Active Inclusion Service will be testing a framework to systematically identify and monitor barriers that Newcastle residents face in achieving financial stability. The service's Money Matters team is piloting the implementation of the framework within their benefit cap project. The team is also further strengthening partnership working and referral arrangements with other services that contribute to the joint aim of helping people realise financial stability: employment support services, social care, mental health and alcohol and drugs services.
- We are exploring different ways to target households at an early stages in order to prevent problem debt and financial hardship. To achieve this some of the services and organisations that we are working with include the Council's Community Nurseries, Newcastle City Learning, Newcastle Families Programme and Sure Start. Our intention is to provide their staff with financial inclusion knowledge and tools so that they can help the residents they support be financially included. For AIN resources that are currently available and for more information about debt and financial inclusion issues visit www.newcastle.gov.uk/financialinclusionforprofessionals.
- Money Matters and the Active Inclusion Newcastle Unit are meeting with Newcastle University researchers in September 2016 to plan for their research which will look at the impact of high cost credit on Newcastle residents.
- We are continuing to work with the Money Advice Service (MAS) to improve access to budgeting support and debt advice for Newcastle residents.

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

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

	2015-16	Q4 (15-16)	Q1(16-17)	Q2(16-17)	Q3(16-17)	Q4(16-17)
Newcastle Futures	406	55	53			
Supported Employment Service	75	26	9			
YHN	118	33	21			
Changing Lives	48*	10	10			
Crisis Skylight Newcastle	5*	5	18			
Total	652	129	111			

* Part year figures

Trends:

Table 3.1 shows a 14% decrease in the overall number of people supported into employment between Q4 of 2015-16 and Q1 of 2016-17. The main reasons for this quarter's reduction continue to relate to a drop in referrals received by organisations and a refocus on targeting support to vulnerable client groups.

Key trends this quarter include:

- Employment Advisors from the Newcastle Families Programme continue to witness residents experiencing multiple interconnected barriers to employment which must be overcome before work can be considered as an option. Typically barriers relate to debt, concerns about being "worse off" and fears about rent affordability.
- The number of people helped to find work by the Supported Employment Service has reduced by 65% (17 residents). A fall was expected this quarter. This is due to starting dates of educational programmes. The service are anticipating an increase in the number of people supported into employment in Q2.
- In Q1 the Supported Employment Service helped 8 people to achieve an accredited qualification.
- Newcastle Crisis Skylight experienced a 260% (13 residents) increase in the number of people supported into employment. Reasons for this upturn include a dedicated outreach worker in bail hostels who supported residents who were almost 'work-ready', and needed minimal support to access employment, the introduction of the CSCS card training and a cohort of catering trainees who moved into paid employment this quarter.
- YHN's Employability Team experienced a 39% decrease people supported to find employment, including self-employment and apprenticeship opportunities. This reduction is a result of not recruiting any apprentices this quarter. However, two current apprentices did progress into permanent employment. 17 tenants engaged with and received support through the Make Your Own Money Project which helps tenants to set up their own business. Nine new businesses were launched this quarter, including a domestic cleaner, mobile hairdresser, confectionary van and henna candles. An example of the positive impact of this support is detailed below.
- Changing Lives support some of the most vulnerable residents to find and sustain employment. This quarter the number of people they have supported into employment has remained consistent. An example of how they can support people into employment is detailed below.

Case study: YHN's Make Your Own Money project – Paws to Play

The [Make Your Own Money](#) project helps YHN tenants who wanted to turn an interest into a business. Claire received help to set up a doge crèche, Paws to Play, after struggling to find anywhere suitable to take care of her own dog. She said: *“I’m so pleased I decided to set the company up. It was a risk and something I never thought I would be able to do, but I’ve loved turning something I thought was a hobby into a career.”*

Case study: Changing Lives employment support

Mr M was medically discharged from the Royal Horse Artillery with post-traumatic stress disorder (PTSD) after 6 years of service. Following his discharge M found work in a variety of roles before falling into a heroin addiction which led to a 6 year period of substance misuse, severe depressions, very low aspirations and periods of rehabilitation to eradicate his dependency. Eventually convincing his most recent NHS support service provider of his intention to “kick his habit” and progress his life back towards employment. Mr M was referred to the Changing Lives employment service. The team provided the following advice and support:

- Discussions with M led to him revealing he had rent arrears on his property and a series of debts, all of which were causing a great deal of stress and acting as a barrier to employment. M’s debts included £800 rent arrears and £600 owed to Northumbrian Water who were threatening disconnection
- Mr M was referred to the Benefit Employment Action Team (BEAT) who specialise in dealing with debt and benefits. The team worked with Mr M to tackle his imminent risk of eviction due to a county court claim
- A successful application was made for a DHP to clear the rent arrears and halt further eviction proceedings
- An application to the Court offering Northumbrian Water £1 per month. This proposal was accepted

This immediate supported helped to lift Mr M’s mood and aspirations which allowed him to focus on progressing towards employment. Mr M successfully took part in a two week work placement with Carillion. He attended every day, build up good working relationships with colleagues and was able to use his skills.

Mr M felt that his self-confidence had grown and he could now gain and remain in employment. Mr M has achieved his CSCS certification with the support of Changing Lives and is actively seeking paid employment in the construction industry. Mr M said: *“The help I received from staff at Changing Lives has been invaluable...I don’t think I’d be where I am today without it”.*

What we are doing:

- We have established the Newcastle Employment Compact. The second meeting, held on 8 September 2016, was chaired by Councillor McCarty and was attended by 23 organisations. The next meeting will be held in November 2016, for information contact Clare Fish at clare.fish@newcastle.gov.uk
- The Newcastle Gateway system has been updated to include the Supported Employment Service, Crisis Skylight employment service and Newcastle Futures. Your Homes Newcastle's employment service and Changing Lives employment service are working on joining the system. For more information contact activeinclusion@newcastle.gov.uk
- The Skills Hub offer CV and job application workshops at City Library. For more information visit their [Eventbrite](#) webpage
- Changing Lives' Ready for Work programme provides support for adults with some of the biggest barriers to employment secure sustainable work and is aimed at clients who have experienced homelessness, drug and alcohol dependency, care leavers, have had involvement in the criminal justice system or have left the armed forces. For more information contact Val Chybowski, Employment Services Manager, by phone 07506744928, or email val.chybowski@changing-lives.org.uk
- Changing Lives are working in partnership with the Dame Kelly Homes Trust to deliver their [Get On Track programme](#) in Newcastle. The programme is aimed at disadvantaged young people to enhance confidence, improve self-belief and boost employability skills. As part of this programme elite athletes will provide intensive mentoring. For more information contact Thomas Peel on 07730764023

What next:

- We will be developing an 'Introduction to employment support' e-learning package and quarterly face to face training sessions. Training will be developed by September 2016.
- We are developing an Employment Support Protocol. This is a learning framework which will help organisations to better identify the interconnected barriers to employment. It is hoped that this approach will also help to improve monitoring information.
- We are considering proposals to utilise some funding from the Supporting Independence Scheme (SIS) to help residents overcome their barriers to employment. Suggestions include helping people in supported accommodation at risk of eviction due to UC take up employment opportunities and a pilot with the Supported Employment Service to provide funding for training courses, equipment or qualifications which help people gain employment.
- The Supported Employment Service are investigating opportunities to provide coffee and snack facilities at Council buildings.

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

	2015-16	Q4 (15-16)	Q1(16-17)	Q2(16-17)	Q3(16-17)	Q4(16-17)
No. of members	8,276	8,276	8,422			
Loans granted	2,173	403	517			
Loan value	£2,142,695	£435,382	£511,313			
Own Your Own	64 approved applications from 354 received	13 approved applications from 84 received	13 approved applications from 55 received			

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

	2015-16	Q4 (15-16)	Q1(16-17)	Q2(16-17)	Q3(16-17)	Q4(16-17)
Loans granted	460	53	124			
Loan value	£266,180	£29,835	£78,530			

Trends:

Moneywise Credit Union's membership continues to grow. Table 4.1 shows that between Q4 of 2015-16 and Q1 of 2016-17 membership increased by 2%. This growth is due to additional payroll deduction schemes, school based collection points and marketing opportunities through partners.

Moneywise Credit Union and Five Lamps experienced an increase in the number of loans granted this quarter (28% and 134% respectively). Moneywise Credit Union's Community Development Officer has undertaken a range of marketing and promotional activity this quarter which could be attributed to this increase. Five Lamps no longer have an office in Newcastle and have not undertaken active promotion in the area since 2012. As a result the majority of Five Lamps custom is generated from repeat business (82% / 104 of the loans granted).

Own Your Own is a scheme developed by Moneywise Credit Union and YHN. It provides low cost loans for household items, helping to discourage residents from purchasing goods through expensive, high interest credit providers. Q1's Own Your Own approval rate was 24%. The main reasons for refusal continue to relate to rent arrears or poor credit history.

During Q1 there were no prosecutions for suspected loan shark activity. The Illegal Money Lending Team believe that loan sharks continue to operate in Walker, Byker, Fenham and Newbiggin Hall wards. Officers are following up on all leads and continue to work in partnership to raise awareness of the dangers of illegal money lending and encourage loan shark victims to seek help.

What we are doing:

- The Illegal Money Lending Team have launched 'Your Choice 2016' in Newcastle, offering community and voluntary sector organisations funding for projects which raise awareness of the dangers of loan sharks. For more information contact Natalie Barker: natalie.barker@birmingham.gov.uk
- The Illegal Money Lending Team are supporting Work Suicide Day on 10 September 2016 to help raise awareness of the dangers of loan sharks and their impact on residents. To report a loan shark text LOAN SHARK and the lenders details to 60003, phone the 24 hour confidential phone line on 0300 555 2222, or email reportaloanshark@stoploansharks.gov.uk
- Moneywise Credit Union's 2015-16 loan decline rate was 7%. Reporting this information provides an opportunity to identify ways to better support residents to improve their credit rating, or target debt advice.
- Moneywise Credit Union attended the Newcastle University staff seminar to promote their payroll deduction scheme and the benefits of membership. 18 members of staff are saving through payroll deduction.
- Moneywise Credit Union are working with Sure Start to help raise awareness of credit unions, the services they can offer and affordable credit as a preventative measure to problem debt.

What next:

- The Regional Financial Inclusion Group are investigating opportunities to promote the importance of credit unions, saving money and access to affordable credit through a coordinated approach.
- We are investigating ways to support residents to repair and build their credit rating. This includes identifying opportunities to promote Moneywise Credit Union's credit repair loan and developing information detailing practical steps to increase credit worthiness.
- 20 October 2016 marks International Credit Union Day. This is a day to reflect upon the credit union movement's history and to promote its achievements, in recognition of this day Autumn's Financial Inclusion Group seminar (Thursday 13 October 2016) will focus on this topic. For further information contact Clare Fish clare.fish@newcastle.gov.uk
- We are investigating opportunities to set up credit union savings accounts for families qualifying for assisted childcare.

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

	2015-16	Q4 (15-16)	Q1(16-17)	Q2(16-17)	Q3(16-17)	Q4(16-17)
New YHN referrals	269	72	64			
New non YHN enquiries	89	32	12			
Energy debts written off	£78,110	£26,717	£15,120			
Total cases closed	230	56	59			
Average financial gains	£339.61	£477.08	£256.27			

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

	2015-16	Q4 (15-16)	Q1(16-17)	Q2(16-17)	Q3(16-17)	Q4(16-17)
New clients	180	17	140			
Issues addressed	1,625	60	282			

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 Q4 of 2015-16 and Q1 of 2016-17 there was a 27% reduction in the number of referrals and enquiries received. The main reasons for referral continue to relate to high energy bills, understanding fuel bills, fuel debt, self-disconnection, advice about reducing energy bills and keeping homes warm.

The financial outputs realised by Energy Services include energy bill reductions and the average financial outputs for closed cases, which includes the correction of energy billing errors, Warm Home Discount awards, successful Charis applications and goodwill payments.

Last quarter Citizens Advice Newcastle experienced a change of personnel to their Fuel Debt caseworker post and extended leave due to illness. Following a phased return, Citizen Advice Newcastle's Fuel Debt caseworker is back to work. As a result, table 5.2 shows a 724% increase in the number of new clients seen (123 residents). The number of issues addressed has increased by 370% (222 issues addressed). Citizens Advice Newcastle continue to note the accuracy of meter readings and problems with estimated meter readings and as being the main reasons for referral. An example of the support provided by this project is detailed below.

What we are doing:

- Shelter have secured funding from the British Gas Energy Trust to provide fuel poverty and energy efficiency advice to vulnerable households. Within this role there is also scope to assist with any debt issue, particularly where this impacts the client's ability to pay for fuel. For more information about the support available please contact Chris Kemp by email Fuel_northeast@shelter.org.uk , or phone 0344 5151601.

- 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 will be based on a number of factors, such as energy advice, smart meters, pricing and management issues. The pilot is currently being trialled in Kenton ward, and if successful, will be rolled out across the city.
- Warm Up North are offering free replacement boilers (subject to survey) to eligible private sector households with inefficient gas heating systems. For more information, visit www.warmupnorth.com
- Health Through Warmth offer assistance to home owners who suffer from a cold or damp related health condition. If clients do not have heating and hot water and meet the HTW criteria then they can access the Rapid Care Fund. For more information phone 0800 022220 (select the energy efficiency option).
- Newcastle City Council's Crisis Support Scheme can assist with fuel vouchers for eligible residents. During Q1 142 energy vouchers were raised for 81 households. The total value of energy vouchers issued this quarter was £3,765.

Case study – Citizens Advice Newcastle's Northern Powergrid Fuel Debt Project

Mrs E lives in a property managed by YHN, she is the primary carer for her disabled husband and receives Carer's Allowance, Income Support Housing Benefit and Council Tax reduction. The couple have lived in their property for 17 years and have had a prepayment meter installed the whole time they have lived at this address. Following a change in energy supplier, Mrs E received a final bill from her previous energy company for £202. Mrs E contacted the energy supplier to query the bill, as she did not understand how she accrued this debt due to the pre-payment meter. Mrs E approached Citizens Advice Newcastle for advice; a specialist Fuel Debt Adviser supported Miss A to:

- Contact the energy supplier's executive complaints team to make a formal complaint. The Fuel Debt Adviser was informed that the debt related to a standing charge accrued during periods when the household had been in 'emergency credit' and not paid a standing charge.
- Mrs E could not recall being in 'emergency credit', so the Energy Adviser contacted the energy supplier to request a full breakdown of the charges which had led to this debt. The energy supplier advised that charges had accrued over the lifetime of Mrs E's tenancy, although they were not able to provide exact dates relating to charges had been applied to the account.

The energy company agreed to write off the full amount of debt. Miss A was grateful for the help to remove the risk of recovery from the electricity supplier.

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.
- Due to the success of Citizen Advice Newcastle and Northern Powergrid's Fuel Debt Project, funding has been secured to develop a similar initiative in Leeds. Citizens Advice Newcastle will be working with Citizens Advice Leeds to promote access to energy fuel debt advice.

Active Inclusion Newcastle (AIN)

The Financial Inclusion Group is part of the Active Inclusion Newcastle (AIN) 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. AIN coordinates responses to welfare reform, austerity and destitution by creating the conditions for stability:

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

AIN facilitates partners at the following levels:

Primary prevention activities – to support making prevention ‘everyone’s business’ AIN has the following primary prevention ‘offer’ to support partners.

- Information for staff 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
- 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 training sessions are available online at www.newcastle.gov.uk/financialinclusionforprofessionals
- Protocols and policies – details are available online at www.newcastle.gov.uk/housing
- Partnerships and governance – details are available online at www.newcastle.gov.uk/financialinclusionforprofessionals
- Copies of quarterly reviews available at www.newcastle.gov.uk/financialinclusionforprofessionals

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 the draft version of this briefing were discussed at the Newcastle Advice Compact meeting on 18 May 2016. Feedback has been incorporated into this document which will be presented to councillors and the Financial Inclusion Group at our next quarterly seminar. 2016 Financial Inclusion Group seminars will take place on:

- Thursday 13 October 2016, 3pm to 5pm – credit unions and affordable credit
- Tuesday 6 December 2016, 3pm to 5pm – food poverty

To find out more about Financial Inclusion Group seminars, or the work we are doing to promote financial inclusion visit www.newcastle.gov.uk/managingyourmoney or contact Clare Fish by phone 0191 277 7529 or email: clare.fish@newcastle.gov.uk