

Active Inclusion Newcastle

Newcastle's Financial Inclusion Briefing: 2019-20 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 (£122m cut in Newcastle by 2024) 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 six 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**
- 6. Tackle food poverty**

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:

- Seven Ward Committees are funding welfare rights drop in sessions for residents. Between 1 April 2013 and 13 July 2019, ward funded projects secured £7,019,556 in annualised benefit gains. The average financial gain per resident, per year is £2,492.59. Details of drop in sessions are listed in the [Where to Get Advice in Newcastle](#) booklet
- The Welfare Rights Service undertook a Tax Credit take-up campaign at the Bangladeshi Centre on 21 and 22 May, and 16 and 17 June 2019, advising 116 people
- A new Senior Active Inclusion Officer Joined Active Inclusion on 1 July 2019 to undertake a review of corporate debt to move from a culture of collection towards connection. Updates will be provided as work develops
- Moneywise Credit Union have launched 'Own Comforts', an affordable alternative to rent to own schemes. Unlike rent to own schemes, clients own the items from day one. Further information about Own Comforts is available at www.moneywise.org.uk/owncomforts
- Five Lamps have secured £5million investment to help vulnerable households across the UK break the cycle of high cost debt
- The next Financial Inclusion Group seminar is on 27 November 2019 and will focus on collectively supporting residents with unsustainable budgets. For more information, or to book a place, 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

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (18-19) | Q4 (19-20) |
|-----------------|-------------|------------|------------|------------|------------|------------|
| Benefit gains | £31,171,014 | £7,195,993 | £7,349,373 | | | |
| Clients advised | 21,670 | 5,911 | 5,900 | | | |

Trends:

Advisers continue to experience more time consuming and complex cases due to the welfare reforms. Table 1.1 shows that the number of clients supported, and benefit gains achieved by partners has remained consistent. Citizens Advice Newcastle (CAN) advise they are experiencing an increase in the number of people with English as a second language who are being sign posted or referred to them. However, they report that they do not have interpreters available for general drop-in sessions and only have very limited funding for Language Line with debt clients.

In Newcastle, 44% of residents entitled to Universal Credit (UC) are in receipt of this benefit. The remaining 56% of residents are still in receipt of 'legacy' benefits. In the UK, 24% of eligible households are in receipt of UC compared to 28% in the North East. Nationally, 3% of Universal Credit claimants (69,000 people) have been sanctioned for failure to comply with work related conditionality. CAN report that in Q1 they dealt with 1,331 Universal Credit issue and 981 other benefit issues.

What we are doing:

- As part of making financial inclusion everyone's business the [spectrum of advice for benefits](#) continues to help services better understand what level of benefit support services provide, whilst providing support for those organisations in the form of training, information and advice, for example, during this quarter:
 - 55 people completed the 'Introduction to Benefits' tiers 1 and 2, the 'Universal Credit' e-learning modules and free quarterly face to face training on 'Introduction to Benefits'. Further information can be found on our [information for professionals and volunteers webpage](#)
 - 3,136 people received our bi-monthly Benefit Bulletin, which provides benefit news, targeted information and 'tips' to help navigate the benefits system and avoid problems
 - The Active Inclusion Service writes a quarterly article on welfare reforms for the national Institute of Money Advisers' Quarterly Account magazine, which is distributed to 1,930 money advisers
- The Welfare Rights Service answered 98 consultancy advice calls from professionals
- There were 8,102 unique visits to the City Council's welfare rights and money webpages – www.newcastle.gov.uk/welfare-rights , a 6.5% increase on the previous quarter. There has been an increase in views of the table showing when people must claim Universal Credit and when they do not
- Active Inclusion has provided information to staff and public to help people avoid the recent Universal Credit (UC) scams. More details on UC scams can be found at www.newcastle.gov.uk/UniversalCreditScams
- The Newcastle Advice Compact campaign for residents affected by the 'mixed age' couples change continued with a targeted letter to 74 identified residents from Newcastle Welfare Rights advising those at risk of losing benefit to get advice and claim before the deadline
- Seven Ward Committees are committed to funding Welfare Rights drop-in sessions for residents. Between 1 April 2013 and 16 July 2019, ward projects secured £7,019,556 in annualised benefit gains. The average financial gain per client, per year is £2,492.59. Details of ward drop-in sessions are listed in the [Where to Get Advice in Newcastle](#) booklet

- Support for UC claims in Newcastle is provided by the government funded CAN 'Help to Claim' scheme (with the special phone: 0800 144 8444 and email HTC@newcastlecab.org.uk) and by council staff in the East End and the West End Community Hubs. Help with Universal Credit claimants with budgeting is provided by Your Homes Newcastle (YHN) and Money Matters. Details are available at www.newcastle.gov.uk/universalcredit-moredetail
- CAN have been funded by the Meso UK Charity to provide a part-time Welfare Advisor for those affected by Mesothelioma and other asbestos-related cancers. The project covers the North East, and started in July 2019
- In Q1 2018-19 the Welfare Rights Service advised:
 - 135 residents with learning disabilities to claim benefits worth £351,376 a year
 - 718 residents with physical difficulties to claim benefits worth £1,598,723 a year
 - 331 residents with mental health problems to claim benefits worth £977,939 a year
 - 229 carers to claim benefits worth £371,872 a year
 - 385 families with a disabled child to claim benefits worth £910,96 a year
- Between April 2013 to Mar 2019 our Welfare Rights Officers secured £14,852,106 in unclaimed benefits for families with disabled children through targeted advice based on data matching. In Dec 2017 we automated the process of identifying eligible families, aligning it with the completion of Education, Health and Care Plans
- The Active Inclusion Service provides targeted benefit information and advice for health staff and GPs via GPTeamNet. Information has received 928 views
- The Welfare Rights Service repeated the Tax Credit take-up sessions at the Bangladeshi Centre on 21 and 22 May, and 16 and 17 July 2019. 116 people were advised compared with 50 in 2017-18
- The Welfare Rights Service have commenced a monthly advice session at the Marie Curie hospice (3 hours per month)

What next:

- Active Inclusion training is being extended to Early Years help. This is part of the Homelessness Prevention Trailblazer which aims 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 multidisciplinary team, which includes a Welfare Rights officer, will begin the second phase of their work on 9 September 2019, having secured funding to continue their work until September 2020 through the Life Chances Fund. For details, see section 2 and the [summative report](#)
- Active Inclusion will be delivering training to YHN Support and Progression staff, including 'introduction to benefits' and 'challenging benefit decision'
- Building on its close working relationship with Jobcentre Plus (JCP) the Welfare Rights Service will meet JCP Disability Employment Advisers and visit the City Jobcentre

Case study: Supporting vulnerable residents to maximise income

Context



Single female recently divorced and living alone



She has chronic obstructive pulmonary disease (COPD) and mental health issues



She attended a ward funded welfare rights drop-in service. Due to her mental health issues she rarely left her home, but because the sessions were so close to her home she felt confident to attend with support from family members



She had previously received Employment Support Allowance (ESA) contribution based (Support Group). Following a new Work Capability Assessment, she was placed in an ESA Work Related Activity Group (WRAG paid at a lower amount). This change also meant the loss of Enhanced

Work done and outcomes:

- Welfare Rights requested a Mandatory Reconsideration, highlighting the serious risk to health if she was found not to have limited capability for work related activity (Support Group criteria)
- Welfare Rights gathered medical evidence and a supporting letter from her GP stating there would be a significant risk to health if she was not in the Support Group. The letter also details the impact that being moved to the WRAG had had on her health
- The DWP accepted the submission and the evidence and she was therefore put back into the Support Group
- Welfare Rights' intervention resulted in £20.26 weekly increase in her income:

| | |
|-----------------------|---|
| ESA Support Group | £112.32 |
| Housing Benefit | £63.05 |
| Council Tax Reduction | £7.91 |
| Occupational Pension | £55.61 |
| Total | £239.89 (Annual increase of £1,053.52) |

The resident is now back in the Support Group removing the risk of any sanctions connected to work-related conditionality

Digital inclusion

Table 1.2: Initiatives to promote digital inclusion

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4 (19-20) |
|-----------------------------|-----------------------------|-----------------------------|-----------------------------|------------|------------|------------|
| Digital skills courses | 98 sessions 456 attended | 17 sessions 120 attended | 28 sessions 121 attended | | | |
| People's Network take-up | 28% | 28% | 25% | | | |
| One to one digital sessions | Pending | Pending | 10 | | | |
| Hours volunteered | 1,598 | 426 | 423.5 | | | |

Table 1.3: Citizens Advice Newcastle Help to Claim service

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4 (19-20) |
|----------------------------|---------|---------------|------------|------------|------------|------------|
| Number of people supported | N/A | Not available | 250 | | | |

Trends:

Table 1.2 summarises activities to support residents to get online provided by Newcastle City Council and YHN. Between Q4 of 2018-19 and Q1 of 2019 - 20 uptake of digital skills courses increased by 65% (11 additional sessions). Hours volunteered remained consistent this quarter. On-year comparisons show an 20% increase in the number of hours volunteered in 2018-19 when compared to 2017-18, reflecting the increase in volunteer-delivered sessions. For more information about the help available to get online contact Lisa Dawson by email lisa.dawson@yhn.org.uk or phone 0191 277 1251.

Table 1.3 shows the number of people supported by CAN's Help to Claim service. The Help to Claim service provides support to people during the early stages of a UC claim, from application to first payment. Please note that this service is not Newcastle specific. This quarter the top five issues people were supported to deal with were:

- Eligibility – 198 (86%) clients
- Advance payment – 105 (46%) clients
- Evidence and verification – 104 people (45%) clients
- Understanding UC payments – 94 (41%) clients
- Access to internet / digital literacy – 96 (42%) clients

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 2019-20 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. In Q1 30 residents attended. For more information, or to book a place, visit [Newcastle Libraries' event webpage](#)
- During Q1 2019-20 we held 17 sessions (8 courses) of the Learn My Way, Online Basics sessions. In Q1, 78 people attended. For more information, or to book a place, visit [Newcastle Libraries' event webpage](#)

- 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. During Q1 2019-20, 1 course was delivered, and 8 people attended. For more information contact Lisa Dawson lisa.dawson@newcastle.gov.uk
- An additional Learn My Way, Online Basics course is being delivered on Tuesdays, increasing the number of courses delivered to three per week. For more information, or to book a place, visit [Newcastle Libraries' event webpage](#)

What next:

- HM Revenues and Customs (HMRC) have contacted Newcastle City Council's Digital Inclusion team to discuss tailored Get Online Champion training for staff in customer facing positions. Planning will take place soon
- Four new Get Online volunteers have been recruited and are undergoing training
- A new Learn My Way Introduction to Office will be launched during Get Online Week (October 2019). The first 10 participants will be referrals from Jobcentre Plus

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

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4 (19-20) |
|-------------------------|-------------|------------|------------|------------|------------|------------|
| Debts written off | £1,963,639* | £703,516* | £489,868 | | | |
| Clients advised | 4,916* | 1,259* | 1,074* | | | |
| Homelessness prevention | 726* | 64* | 35** | | | |

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

Trends:

Table 2.1 shows that between Q4 2018-19 and Q1 2019-20 the number of clients advised decreased by 15%. A decrease is typical after the usual Q4 post winter holiday period increase, however this was also due to the initial pilot of the Homelessness Prevention Trailblazer ending in March 2019 and not taking on any new clients during Q1 2019-20.

Money Matters Debt Advisers continue to monitor sustainability of their clients' budgets. During Q1 2019-20, out of 110 households for whom budgets were completed:

- **63% had sustainable budgets**
- **21% 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
- **16% had unsustainable budgets** where they had insufficient income to meet their basic living costs, but 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 30 June 2019, Revenues and Benefits information showed that there were 245 households in Newcastle who were affected by the benefit cap. 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 2019, Money Matters offered advice and support to 257 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:
 - 40 households are no longer affected by the benefit cap
 - 81 households received debt advice and 48 received budgeting advice; 49 were awarded DHPs which amounted to £75,571 in extra income; 36 were prevented from becoming homeless and 18 were referred to Newcastle Futures for employment support
 - 196 barriers to a stable life were recorded against 61 benefit cap households, including 35 households in housing that is no longer affordable, 26 without access to childcare, 15 with no confidence of securing employment and 19 with an addiction which reduces their ability to pay priority bills

YHN's Advice and Support Team continue to support their affected tenants

- The multidisciplinary team will begin the second phase of their work on 9 September 2019, having secured funding to continue their work until September 2020 through the Life Chances Fund. This second phase will incorporate an Early Help Specialist, seconded from Newcastle City Council. The multidisciplinary team were originally established through the Ministry of Housing, Communities and Local Government (MHCLG) funded [Homelessness Prevention Trailblazer](#). They began approaching residents using a 'case finding' approach on 12 November 2017. The initial pilot ran until the end of March 2019. The [final summative report](#) that draws together learning from the team's work over their initial pilot period and is available online as part of [a suite of reports and resources produced through our Homelessness Prevention Trailblazer programme](#).
- 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. 154 referrals were made during Q1 2019-20.
- 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 32 people in Q1 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 10 people in Q4. Details of the Active Inclusion Newcastle training programme is available online at <https://www.newcastle.gov.uk/financialinclusionforprofessionals>
 - 432 subscribers received our quarterly debt bulletins, providing the latest debt news and targeted information. To view and sign up for debt bulletins visit <https://www.newcastle.gov.uk/financialinclusionforprofessionals> or email activeinclusion@newcastle.gov.uk
- Money Matters supported 6 vulnerable residents to obtain a Debt Relief Order (DRO) during Q1 2019-20 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 "Re-imagine Debt" initiative – which involves government departments identifying vulnerable people early and providing joined-up support to people who struggle with debt. 20 households have now been selected and are receiving support from Money Matters. Feedback was provided to the national Reimagining Debt Steering Group in March 2019 and the pilot is going to be progressed from within the Cabinet Office and will start to be extended to other local authority areas. To that end, Money Matters advisors met with Policy in Practice recently to share their experiences as part of work that they are doing with the Cabinet Office
- 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 was the topic of the Financial Inclusion Group Seminar in October 2018. Following on from this, we are working with staff to review the Council's approach to corporate debt to move from collection towards connection on the context of resident's reduced incomes and increased debts. A new Senior Active Inclusion Officer joined the Active Inclusion Unit on 1st July 2019 to carry out this review of corporate debt within the Council and YHN
- Money Matters advisers were interviewed as part of research by Heriot-Watt University on the 'Role of the local state' to consider how we prevent homelessness in the context of localism, austerity & welfare reforms. [The final report](#) was published on 19 June 2019 as part of our suite of reports and resources produced through our [Homelessness Prevention Trailblazer](#)

Case study: preventing homelessness

Context



Single female with 3 dependent children referred to Money Matters by a Homelessness Prevention Officer at the Housing Advice Centre due to having received a warrant of eviction for rent arrears of £5,791. She lives with her children in YHN accommodation and at time of initial appointment was self-employed but not drawing a wage. She suffers from depression and bipolar disorder



She had lived in her property for 3 years and been struggling with her finances since becoming self-employed. She decided to give up her self-employment whilst receiving help from Money Matters and make a claim for Income Support. She was already receiving Carer's Allowance in respect of her middle child who is disabled and in receipt of Disability Living Allowance

Work done and outcomes:

- Money Matters carried out a benefit check for the client and identified issues with her tax credits payments. A referral to a Welfare Rights Officer (WRO) based in the Housing Advice Centre was made
- Money Matters completed an N244 Application to Suspend the Warrant and liaised with the Duty Solicitor. The matter was adjourned to allow for the client's benefit issues to be resolved
- Money Matters applied for Discretionary Housing Payment for help to clear some of the rent arrears and liaised with Revenues and Benefits to have the matter dealt with as a priority. A lump sum award of **£744** was made before the client attended court, helping to reduce the arrears before the hearing and an ongoing award covered the shortfall in her rent until Income Support was in payment and full housing benefit was claimed
- Money Matters helped client obtain foodbank vouchers from her landlord and help topping up her utility meters from Citizens Advice whilst waiting for her Income Support to be paid
- Money Matters arranged for a direct deduction of £5 per week to be taken from clients Income Support for a small Magistrates Court Fine
- At Court the Warrant for Eviction was suspended on payment of rent plus £5 per week with payments due to start once the client was back in receipt of Tax Credits and Income Support
- Money Matters began work on helping the client obtain a Debt Relief Order in order to help her obtain a fresh start, but the client disengaged

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

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

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4(19-20) |
|--|---------|------------|------------|------------|------------|-----------|
| People supported into employment, training volunteering or apprenticeships | 630 | 141 | 80* | | | |

*Excludes Crisis Skylight data

Trends:

Table 3.1 shows that between Q4 of 2018-19 and Q1 of 2019-20 the number of residents supported into employment decreased by 43%. However, figures have fluctuated throughout the year as not all partners have consistently reported their figures via the Newcastle Employment Support Compact. This makes comparison with previous periods difficult.

Employment advisors from the Supported Employment Service, Newcastle Futures, YHN and Crisis Skylight Newcastle 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](#)
- 13 tenants who were employed by YHN prior to Q1 progressed into permanent employment this quarter. Tenants were employed through a combination of Your Homes Your Jobs and apprenticeship programmes. For more information contact the Employment Team by email employabilityteam@yhn.org.uk
- 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. The team have developed a delivery programme which involves supporting tenants who have identified IT and digital skills as a barrier to employment. Delivery of the ESF programme started this quarter, providing tenants with a range of employability provision to support them into work or training opportunities

What next:

- 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

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

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4 (19-20) |
|----------------|------------|------------|------------|------------|------------|------------|
| No. of members | 9,782 | 9,782 | 9,893 | | | |
| Loans granted | 2,422 | 454 | 626 | | | |
| Loan value | £2,272,211 | £477,213 | £551,135 | | | |

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

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4(19-20) |
|---------------|----------|------------|------------|------------|------------|-----------|
| Loans granted | 410 | 68 | 93 | | | |
| Loan value | £304,179 | £45,400 | 71,190 | | | |

Trends:

Table 4.1 shows that between Q4 of 2018-19 and Q1 of 2019-20 Moneywise Credit Union's membership has remained consistent. Loans granted increased by 38%. During the same period the number of loans granted by Five Lamps increased by 37%. On year comparisons show that the number of loans were slightly higher (9%) this quarter than for the same period in 2018-19.

What we are doing:

- The Illegal Money Lending Team have developed a series of short cartoons to warn children and young people about the dangers of loan sharks. The cartoons are available online at <https://www.youtube.com/watch?v=37wgTGyZ7J0>
- Five Lamps have been awarded 'best newcomer' at the Credit Strategy Awards (voted for by customers). Although Five Lamps have been delivering personal loans since 2008, they have been delivering loans as the Conduit brands since July 2018
- Five Lamps have secured £5million investment to help vulnerable households across the UK break out of the cycle of high cost debt. This investment represents the largest ever single investment in a UK community lender. Further information is available [here](#)
- 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 have introduced several new products, including a Christmas Savings account, a revolving credit account, and a Just Borrow loan (similar to a payday loan). Further information is available at www.moneywise.org.uk
- Moneywise Credit Union have launched 'Own Comforts' an affordable alternative to rent to own. Applicants do not need to be members to apply for an 'Own Comfort' loan. Further information is available at www.moneywise.org.uk/owncomforts

What next:

- Five Lamps have been chosen to be part of the Fair4All Finance pilot programme and the dormant bank account fund. The project has been designed to support the financial wellbeing of the most vulnerable in society. Updates will be shared in future briefings

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

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4 (19-20) |
|--------------------------|----------|------------|------------|------------|------------|------------|
| New YHN referrals | 351 | 88 | 101 | | | |
| New non YHN enquiries | 170 | 60 | 53 | | | |
| Energy debts written off | £111,625 | £30,666 | £13,296 | | | |
| Total cases closed | 343 | 84 | 94 | | | |
| Average financial gains | £325.44 | £365.07 | £141.45 | | | |

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

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19-20) | Q4 (19-20) |
|------------------|---------|------------|------------|------------|------------|------------|
| New clients | 1,081 | 325 | 301 | | | |
| Issues addressed | 978 | 541 | 519 | | | |

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 2018-19 and Q1 of 2019-20 referrals remained consistent. The main reasons for referral continue to relate to fuel debt, high energy bills and general energy advice.

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 2018-19 and Q1 of 2019-20, the number of new clients seen, and the issues addressed remained consistent. In Q1 the project also helped residents to deal with £56,468.57 of fuel related issues, including fuel debt, reimbursements, hardship payments and tariff checks.

What we are doing

- Newcastle City Council's Crisis Support Scheme provided 217 fuel top-up vouchers at a value of £6,571 during Q1 of 2019-20 to residents experiencing crisis or disaster
- 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 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
- 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

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)

6. Tackle food poverty

Table 6.1: Number of food parcels issued by the Crisis Support Scheme to residents experiencing crisis or disaster

| | 2018-19 | Q4 (18-19) | Q1 (19-20) | Q2 (19-20) | Q3 (19 -20) | Q4 (19-20) |
|--------------------------|---------|------------|------------|------------|-------------|------------|
| Number of parcels issued | 706 | 236 | 102 | | | |

Tackling food poverty was added to our aims following January 2019's Financial Inclusion Group seminar. As this is a relatively new area, we will be working with partners to develop measures to understand food insecurity levels, the reasons why people use foodbanks and opportunities to prevent crisis at the earliest opportunity.

Table 6.1 shows the number of food parcels issued by the Crisis Support Scheme to residents experiencing crisis or disaster. Between Q4 of 2018-19 and Q1 of 2019-20, the number of parcels decreased by 57%. The Crisis Support Team advise that this is a seasonal trend due to receiving more requests in winter months for support.

What we are doing:

- We have worked with Food Nation to establish the Food Poverty Network Group in response to the Newcastle Good Food Plan, and to improve coordination and awareness of support for people experiencing food insecurity. For more information contact Clare Fish by email clare.fish@newcastle.gov.uk
- Newcastle City Council and Street Games secured £1.1 million funding from the Department for Education to support disadvantaged children during summer school holidays by providing meals and activities. Projects were open to all and operated in the east, west and central parts of Newcastle. For more information contact Duncan O'Farrell by email duncan.ofarrell@newcastle.gov.uk
- Food Power's annual conference is taking place on 12 June 2019 and provides an opportunity to share learning and experiences in tackling food poverty. For more information contact Simon Shaw by email simon@sustainweb.org
- We have mapped the emergency food, discounted food and free hot food provision available across the city. Information will be available via the [Information Now](#) website by August 2019
- Food Power Newcastle have set up a [Facebook page](#) detailing emergency food, free food or discounted food in Byker
- Food Newcastle have applied to the Sustainable Food Cities for the bronze award. Awards recognise work to tackle key food issues
- Cardiff University is researching Food Power and how it works with organisations. Food Power aims to strengthen local communities' ability to reduce food poverty through locally developed solutions. Research findings will be reported to the Big Lottery Fund by Autumn 2019

What next:

- We are developing a financial inclusion pilot for Benfield School to help students and staff have a better understanding of issues and the support available
- We will be working with Newcastle West End Foodbank to provide support to residents experiencing food insecurity
- The Food Poverty Network Group is considering opportunities to measure food insecurity levels in Newcastle. Work will also seek to understand the reasons why people use foodbanks and identify earlier opportunities for intervention. For more information contact Clare Fish by email

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 15 May 2019. Feedback has been incorporated into this document which will be presented to councillors and the Financial Inclusion Group at our next seminar on 27 November 2019.

For more information on financial inclusion:

visit www.newcastle.gov.uk/financialinclusionforprofessionals or contact Clare Fish by phone 0191 277 7529, or e-mail clare.fish@newcastle.gov.uk