

Active Inclusion Newcastle

Newcastle's Financial Inclusion Briefing: 2018-19 Q3

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:

- Following January 2019's Financial Inclusion Group seminar, tackling food poverty has been added to our financial inclusion aims
- Following a consultation by the Social Security Advisory Committee's (SSAC) on the 'managed migration' plans for Universal Credit (UC) where 2.87 million existing benefit claimants will be told their 'legacy benefits' will stop and will have to claim UC, in which Newcastle City Council and Your Homes Newcastle (YHN) took part, the government produced draft regulations. However, soon after in January, the government replaced these with new draft regulations, ([Universal Credit \(Transitional Provisions\) Regulations 2014](#) ('Transitional pilot' regulations)) which legislate for a smaller 'managed migration' pilot of up to 10,000 people from July 2019 before returning to Parliament with an impact assessment and legislation on the full roll-out of 'managed migration'
- Newcastle City Council and YHN provided evidence to the [Work and Pensions Committee's welfare safety net inquiry](#), December 2018. For more details on benefit changes and Welfare Reform, read the latest Benefit Bulletin on www.newcastle.gov.uk/financialinclusionforprofessionals
- The next Financial Inclusion Group seminar is on 16 April 2019 and will focus on fuel poverty. 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

	2017-18	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
Benefit gains	£30,000,543	£7,670,863	£9,192,669	£7,055,427		£23,975,020
Clients advised	19,069	5,158	5,421	5,073		15,759

Trends:

Table 1.1 shows that between Q2 and Q3 of 2018-19 benefit gains reported by Advice Compact partners decreased by 23% and in the same period the number of clients seen decreased by 6%. In part the decreases reported in Q3 are a result of the closure of Warmzone (in Q2 Warmzone advised 234 clients and reported £667,347 in gains). However, the Compact is still on track to advise more clients than in 2017-18 if current trends continue.

Advisers continue to experience more time consuming and complex cases due to welfare reforms. For example, when a claimant on 'legacy benefit(s)' challenges an 'incapacity' decision, they may need to wait a period without any benefit in order to avoid dropping down to a lower level of UC. Such examples were described in the evidence from Newcastle City Council and Your Homes Newcastle (YHN) to the [Work and Pensions Committee's welfare safety net inquiry](#). For more information and guidance on UC, visit www.newcastle.gov.uk/universalcredit. For more information on benefit changes, visit www.newcastle.gov.uk/welfarereform.

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 information, support & training for those organisations. This includes the following targeted face to face and online training:
 - 20 people completed the 'Introduction to Benefits' tiers 1 and 2 and the 'Universal Credit' e-learning modules in Q3 of 2018-19
 - 19 people attended the free quarterly face to face training on 'Introduction to Benefits' and 'Preventing Benefit Sanctions' in Q3 of 2018-19. The next sessions are on 16 April 2019 and 25 July 2019
 - 3,044 people receive our bi-monthly Benefit Bulletins which provide the latest benefit news and 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
- During Q3 of 2018-19 there were 6,916 unique visits to the welfare rights and money advice section of Newcastle City Council's website – www.newcastle.gov.uk/welfarerights. The most visited page describes [benefit advice services and benefit offices](#)
- The Active Inclusion Service provides targeted benefit information for GP TeamNet, the web-based portal for health staff including GPs. This quarter information received 58 views
- Elswick and Monument Ward Committees have funded targeted benefit take up work. As part of this work advice services have opened at Cruddas Park GP Surgery (from January 2019) and Cruddas Park Library (from November 2018)

- The Welfare Rights Service continues to provide benefits advice to vulnerable residents. In Q3 this included advising 3,731 residents with learning disabilities and obtaining annual gains of £770,983. The team also supported 327 families with a disabled child and achieved annual gains of £543,630
- Between 1 March 2018 and 18 March 2019, the Welfare Rights Service's Children with Disabilities project (CWDP) received automatic referrals for children who receive an Education Health and Care plan. 247 children were automatically referred into the service for advice, which generated £141,862 in annualised financial gains. Due to the time-consuming nature of completing and processing a Disability Living Allowance claim for a child it is likely that the project's gains will increase as many families are still waiting for decisions
- Between March and September 2018, the CWDP project has supported 665 families in addition to those above, generating £2,399,853 in annualised financial gains
- From May 2018 we seconded an Active Inclusion Officer to work with Jobcentre Plus to reduce the risk of homelessness. For more information contact James Williams by email james.williams@newcastle.gov.uk
- We are continuing to develop the Homelessness Prevention Trailblazer, which has been extended to September 2020 and will be extended to include Early Years help. The Homelessness Prevention Trailblazer is a programme to consolidate Active Inclusion Newcastle and strengthen our citywide approach to identifying residents' risks of homelessness related to the foundations for a stable life: somewhere to live, an income, financial inclusion and employment opportunities. The Homelessness Prevention Trailblazer Multidisciplinary Team started working together on 9 October 2017 and recent activity has extended support to households affected by the UC two-child limit

What next:

- The Newcastle Advice Compact are considering ways to support and inform people on the various Welfare Reforms that were recently announced, such as a potential targeted take-up campaign for residents who may be adversely affected by the 'mixed age' couples change on 15 May 2019
- The Welfare Rights Service plan to repeat a Tax Credit take-up session at the Bangladeshi Centre during June and July 2019. Last year, the service secured £225,139 in annualised financial gains for over 50 people
- Government funded support provided by local authorities to provide budgeting and online support for residents who need additional help to manage their UC payment administration and payments will change. In October 2018, [the government announced](#) that funding will be provided to Citizens Advice to provide a national contract for this support for one year from 1 April 2019. This will be a more limited 'help to claim' service, providing support only in the initial period to help people to get ready for their first UC payment
- The Active Inclusion Service continues to work with Ways to Wellness and Primary Care Navigators to improve partnership working in relation to social prescribing
- Given the impact of austerity measures and reductions in benefit support on household budgets, the Joseph Rowntree Foundation has developed a [definition of destitution](#), which the Council's Welfare Rights team is using. This will help us to better identify residents at risk of destitution and to understand why and what responses are available. Newcastle Advice Compact partners are considering monitoring using the same definition

Case study: Multi agency working to support a family avoid destitution and homelessness



Context:

A family of 2 adults and 4 children



The father was recently made bankrupt and lost his business. Working Tax Credits had stopped due to overpayments and Carer's Allowance payments were at risk due to the outcome of the DLA review.



The mother attended a ward funded advice session, presenting with a letter stating that her youngest son was no longer eligible for Disability Living Allowance (DLA) following a Department for Work and Pensions (DWP) review



During the meeting the mother was tearful and not sure where to turn, she was worried that she would lose the little income the household had, and build up unmanageable debts

Work done

Before the Welfare Rights Officer (WRO) intervention the household weekly income was:

Child Tax Credit	£63.00
Child Benefit	£61.00
Total	£124.00 (£6,488 per year)

Over a four-month period, the WRO:

- Supported the family with a Mandatory Reconsideration request of the DLA decision. This was successful, resulting in the son being awarded DLA Care Component at middle rate
- Helped to gather vital medical evidence to support the Mandatory Reconsideration
- Informed the relevant department of the revised DLA decision to ensure that Carers Allowance was reinstated and backdated

The WRO intervention resulted in the following increase to the weekly income:

Carers Allowance	£64.60
DLA Care Component middle rate	£57.30 per week
Tax Credits	£63.00 per week
Total	£184.90 (£9,614.80 per year)

The family has doubled their income, and are receiving all support to which they are entitled. This has stabilised their situation, and they are no longer at risk of homelessness or building up debts.

Digital inclusion

Table 1.2: Initiatives to promote digital inclusion

	2017-18	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
Digital skills courses	87 sessions 503 attended	33 sessions 127 attended	26 sessions 123 attended	22 sessions 120 attended		81 sessions 370 attended
People's Network take-up	30%	29%	29%	27%		28%
One to one digital sessions	129	25	22	21		68
Hours volunteered	1,473	352	414	416		1,182

Trends:

Table 1.2 summarises activities to support residents to get online. Between Q2 and Q3 of 2018-19 uptake of activities and the number of hours volunteered to support residents get online remained consistent. 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.

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 Q3 2018-19 we held 5 Techy Tea Parties for customers with a tablet, iPhone or smartphone that they want to learn more about. Techy Tea Parties take place on the second and last Thursdays of the month at City Library. For more information, or to book a place, visit [Newcastle Libraries' event webpage](#)
- During Q3 2018-19 we held 20 sessions (10 courses) of the Learn My Way, Online Basics sessions. 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. As of 31 December 2018, 190 people had 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:

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

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

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

	2017-18	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
Debts written off	£2,604,533*	£467,044*	£429,756	£389,172*		£1,285,972*
Clients advised	6,454*	1,311*	1,200*	1,146*		3,657*
Homelessness prevention	1,785*	38**	32**	59*		129**

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

Trends:

Table 2.1 shows that between Q2 and Q3 of 2018-19 the number of clients advised has remained largely consistent, with an 5% decrease which is usual during the winter holiday period. As not all partners have reported returns, we are unable to provide a full comparison with previous quarters.

Money Matters Debt Advisers continue to monitor sustainability of their clients' budgets. During Q3, out of 133 households for whom budgets were completed:

- **70% had sustainable budgets**
- **19% 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
- **11% had unsustainable budgets** where there was no additional financial support available

What we are doing:

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

- Supporting households on Housing Benefit affected by the lower benefit cap – at 30 November 2018, Active Inclusion Newcastle's information showed that there were 264 households in Newcastle who are affected by the benefit cap:
 - YHN's Advice and Support Team continue to support their affected tenants
 - The [Homelessness Prevention Trailblazer](#) multidisciplinary team began approaching residents on 12 November 2017. By 9 January 2019, the team had identified and approached 261 residents who were 'at risk of homelessness'. The team currently identify residents through six different routes: YHN tenants affected by the "bedroom tax" and benefit cap; single YHN tenants involved in the '[sustaining tenancies](#)' process; residents identified as having integrated needs by Energy Services and both private rented and YHN tenants identified as 'at risk' through the use of predictive analytics. In January 2019, the team also began using predictive analytics to identify households with three or more children, living in private tenants, and who may soon transition onto UC. The team's Debt Specialist had helped to write off **£122,253.53** of debts as part of the team's holistic approach to seeking sustainable solutions for households. Their fifth quarterly 'progress and learning' report is available upon request and covers key learning from the pilot up to January 2019. Email activeinclusion@newcastle.gov.uk to request a copy

- The Active Inclusion Service co-ordinates support for households in private and social rented tenancies and prioritises according to the risk of homelessness: ‘high risk’ households include families that are losing £60 per week or more in Housing Benefit and/or households that are vulnerable due to their prior or current involvement with prevention services. ‘High risk’ households are referred to Money Matters for support. Between 1 June 2016 and 31 December 2018, Money Matters offered advice and support to 221 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:
 - 39 households are no longer affected by the benefit cap
 - 77 households received debt advice and 43 received budgeting advice; 49 were awarded DHPs which amounted to £69,555 in extra income; 34 were prevented from homelessness and 17 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
- 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. 338 referrals were made during Q3 2018-19, an increase of 9% on the previous quarter
- Supporting residents who are applying for a DHP to help them pay their rent – in Q3 Revenues and Benefits referred 41 residents to Money Matters for budgeting support following a DHP application
- We provide training to partners as part of our [spectrum of advice for money management \(budgeting and debt\)](#). As part of this approach:
 - The ‘Debt Awareness’ e-learning module was completed by 3 people in Q3 of 2018-19 and provides basic debt information and details of organisations residents can be signposted to for advice
 - Quarterly face to face ‘Introduction to Budgeting’ training was completed by 26 people in Q3 of 2018-19. Details of the Active Inclusion Newcastle training programme is available online at www.newcastle.gov.uk/financialinclusionforprofessionals
 - 419 subscribers received our quarterly debt bulletins, 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 13 vulnerable residents to obtain a Debt Relief Order (DRO) in Q1 to Q3 of 2018-19 through its discretionary DRO fund

What next:

- Newcastle is one of the three local authorities chosen to pilot a new approach to problem debt – the Civil Service initiative “Re-imagine Debt” – which involves government departments identifying vulnerable people early and providing joined-up support to people who struggle with debt. 20 households have now been selected and are receiving support from Money Matters. Initial feedback has been provided to the Cabinet Office for their analysts to review and compare/contrast with the other authorities’ data
- 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
- 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 is to be published April 2019

Case study: preventing homelessness

Context



Single female referred to Money Matters by Your Homes Newcastle Advice and Support Worker due to impending court date for rent arrears. Client lives alone in a 3-bed property and had given up work due to severe depression



The Advice and Support Worker had applied for a Discretionary Housing Payment prior to the referral and the client had made a claim for Universal Credit (UC) and Personal Independence Payment (PIP) but neither were in payment at the date of appointment.

Negotiations:

Money Matters advised the client on the court hearing procedure and how much she would need to pay. Money Matters liaised with the court team at Your Homes Newcastle to request that they accept £3.70 per week towards the rent arrears. Money Matters contact the Discretionary Housing Payment (DHP) team to request that a payment was made prior to the hearing.

At court a postponed possession order was made on terms of rent plus £3.70 per week towards the arrears. An alternative payment arrangement was put in place in respect of the housing costs from her UC and the DHP award covered the under-occupancy charge leaving the client to pay just the £3.70 per week off the rent arrears.

Other work done and outcomes:

- Money Matters negotiated a hold on recovery action with Council Tax until the client received her first UC payment
- Money Matters helped the client set up a payment arrangement to pay her TV licence.
- Money Matters contacted the Magistrates Court with regards to a fine the client had and got the amount being recovered from her UC reduced to 5%
- Money Matters helped the client successfully apply to the Northumbrian Water support scheme and obtain a water meter pack
- Client was able to maintain her payments and remain in the home she had lived in for many years and from which she did not wish to move
- Following the award of UC and PIP and by helping her reduce some items of expenditure and the amount of deductions from her UC award, the client's situation became sustainable

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

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

	2017-18	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
Total	996	298	113	113		528

Trends:

Table 3.1 shows that between Q2 and Q3 of 2018-19 the number of residents supported into employment has remained consistent. However, figures have fluctuated as not all partners have consistently reported their figures via the Newcastle Employment Support Compact.

Employment advisors from the Supported Employment Service, Newcastle Futures, YHN 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.

Officers from the Supported Employment Service note the costs involved in supporting residents with complex lives move towards employment. Over a 12-month period the team recorded the amount of time spent helping clients to resolve UC issues, considered to be outside of the usual support the service would provide. During this period:

- 49 residents required a Supported Employment Officer to intervene to ensure that residents maintained their benefits whilst searching for employment
- 7 residents have not yet resolved their issues, and are receiving on-going support from the service to address issues
- 9 residents have not had enough funds to live on

During the 12-month period, the team spent 987.6 hours supporting residents to maintain an income and housing, taking time and effort away from searching for employment.

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](#)
- The Newcastle Employment Support Compact will now refocus to consider opportunities to align work-related conditionality and employment support provision. For more information contact Clare Fish by email clare.fish@newcastle.gov.uk
- YHN held an employer engagement event in November 2018. The event was attended by over 100 tenants and provided an opportunity for tenants to meet local employers and find out about job vacancies. 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. In Q3 they provided individual training to 60 tenants. For more information contact YHN’s Employment Team by email employability@yhn.org.uk
- 5 tenants who were employed by YHN prior to Q3 of 2018-19 all progressed into permanent employment in Q3. The tenants were employed through a combination of our Your Homes Your Jobs and Apprenticeship programmes.

- The Supported Employment Service opened a second FoodWorks café at Fenham Library in December 2018. FoodWorks cafes and coffee carts provide ethical and sustainable employment for 7 people who have experienced significant barriers to employment. Further information about FoodWorks is available at www.wemakethingsbetter.co.uk

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
- July 2019's Financial Inclusion Group seminar will focus on employment support. For more information please email financial.inclusion@newcastle.gov.uk

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

Table 4.1: Moneywise Credit Union membership and loans granted

	2017-18	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
No. of members	11,352	11,531	11,219	11,385		11,385
Loans granted	2,308	560	530	838		1,928
Loan value	£2,266,706	£503,610	£553,756	£737,632		£1,794,998

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

	2016-17	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
Loans granted	457	84	89	169		342
Loan value	£315,353	£65,810	£65,709	£127,260		£131,719

Trends:

Table 4.1 shows that between Q2 and Q3 of 2018-19 Moneywise Credit Union's membership slightly increased (1% - 166 new members). Q3 marks Moneywise Credit Union and Five Lamps' busiest period, with the number of loans granted increasing by 58% and 90% respectively. Moneywise Credit Union note that the number of loans granted in December 2019 was lower than the same period in 2018 (the number of loans granted in December 2018 was 15% lower than December 2017). They can identify no reason for this but suggest that December's lower figure is in line with other credit union lenders.

What we are doing:

- The Illegal Money Lending Team offers free Stop Loan Shark Awareness Training sessions to organisations and volunteers, to raise awareness of the dangers of loan sharks and how to tackle them. For more information e-mail natalie.barker@birmingham.gov.uk
- 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>
- Moneywise Credit Union is working with staff at the Royal Victoria Infirmary and the Freeman Hospital to promote their payroll savings scheme
- In Q3 Moneywise Credit Union have developed payroll deduction schemes for Newcastle Council for Voluntary Service, Mental Health Matters and Care Visions at Home. Organisations interested in offering a payroll deduction scheme for staff can e-mail symon.agnew@moneywise.org.uk
- Moneywise Credit Union is working with the Illegal Money Lending Team, Blakelaw Community Centre and the Raising Participation Team to develop and deliver a project for young adults. 10 people have signed up and agreed to save money for 12 weeks, on completion they will receive a £25 bonus paid into their savings account. A condition of receiving the bonus is that no withdrawals can be made until July 2019
- Five Lamps has secured £5m investment to help vulnerable households break out of the cycle of high-cost debt. Further information is available at www.fivelamps.org.uk
- 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/

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

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

	2017-18	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
New YHN referrals	334	89	79	95		263
New non YHN enquiries	67	26	26	58		110
Energy debts written off	£104,708	£8,654	£15,790	£25,849		£50,293
Total cases closed	259	91	48	120		259
Average financial gains	£404.28	£95.10	£328.96	£215.40		£194.18

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

	2017-18	Q1 (18-19)	Q2 (18-19)	Q3 (18-19)	Q4 (18-19)	2018-19
New clients	566	216	225	315		756
Issues addressed	978	370	387	417		1,174

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 Q2 and Q2 of 2018-19 there was a 46% increase in the number of referrals received. Energy Services note that they tend to receive more referrals in Q3 due to seasonal variance.

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 Q2 and Q3 of 2018-19, the number of new clients seen increased by 40% and the issues addressed increased by 8%. In Q3 the project also helped residents to deal with £81,122 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 146 fuel top-up vouchers during Q2 of 2018-19
- 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 been awarded £400,000 from National Grid to install gas central heating systems for fuel poor households without central heating. For more information contact Energy Services on 0191 2783427

- Newcastle City Council have secured funding from National Grid to provide support to residents who are home owners or are living in private rented accommodation. For more information contact Energy Services on 0191 2783427

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)
- April 2019's Financial Inclusion Group seminar will focus on fuel poverty. For more information contact Clare Fish by email – clare.fish@newcastle.gov.uk

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 February 2019. Feedback has been incorporated into this document which will be presented to councillors and the Financial Inclusion Group at our next seminar on 16 April 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