

Active Inclusion Newcastle

Newcastle's Financial Inclusion Briefing: 2016-17 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, priorities and challenges. To help facilitate this we produce a quarterly briefing note to create a common language, to highlight trends and to review our responses to the following five objectives in our Financial Inclusion Action Plan:

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

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

Headlines:

- Universal Credit 'full service' was rolled out to the Newcastle East and West Jobcentres in February and March 2017. Further information about Universal Credit and the support arrangements for residents is available online at www.newcastle.gov.uk/universalcredit
- The benefit cap was lowered on 7 November 2016 for those already affected by the original benefit cap. The number of capped households in Newcastle has increased from 57 on 30 November 2016 to 335 on 26 December 2016 when the cap was applied to families not previously affected. This number does not include those residents claiming Universal Credit who will be affected by the lower benefit cap, as the Department for Work and Pensions (DWP) are not providing local authorities with information about Universal Credit claimants. More information, including the support arrangements for residents, is available online [here](#)
- There are significant benefit changes being introduced from April 2017 – visit www.newcastle.gov.uk/financialinclusionforprofessionals for more information
- Newcastle City Council is one of three early adopters for the Homelessness Prevention Trailblazer
- Between December 2016 and February 2017 there was three arrests for illegal money lending and money laundering. To report a loan shark in confidence phone 0300 555 2222

- Our next Financial Inclusion Group seminar will be held on 27 April 2017 and will focus on financial capability. For more information email financial.inclusion@newcastle.gov.uk
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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

	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	£7,469,086	£7,020,683	
Clients advised	18,697	4,259	5,314	4,266	4,763	

Table 1.1 shows that between Q2 and Q3 of 2016-17 benefit gains reduced by 6%, but the number of clients advised has increased by 12%. On year comparison suggests that the projected annual benefit gains for 2016-17 will be similar to 2015-16. Advisers continue to experience more time consuming and complex cases due to the welfare reforms.

Welfare reforms continue to have an impact both locally and nationally. The Secretary of State for Work and Pensions, Damien Green MP, has advised that there will be no more welfare cuts during the present Government. However, the existing and new welfare reforms continue as planned. More information about the welfare reforms is available [here](#).

A [recent report by the Public Accounts Committee](#) has found that sanctions "have increased in severity in recent years and can have serious consequences". Latest figures show the number of people sanctioned as a proportion of JSA claimants in Q2 of 2016-17 has halved when compared to the same period in 2015-16. However, many claimants are moving across to Universal Credit and data on Universal Credit sanctions is not expected until [early 2018](#).

What we are doing:

- We have provided an [update on the welfare reforms](#) to Newcastle City Council's Cabinet which forms part of our routine monitoring and improving our understanding of the government's welfare reforms
- The Council and Jobcentre Plus (JCP) continue to work together to help to reduce benefit sanctions by providing information and quarterly workshops. The next workshop is on 15 June 2017. For more information, visit www.newcastle.gov.uk/financialinclusionforprofessionals
- The [spectrum of advice for benefits](#) was developed with the Newcastle Advice Compact to support residents and services to better understand what level of benefit information and advice services provide, whilst providing information, support & training for those organisations. As part of this approach:
 - The Introduction to Benefits stage 1 e-learning module was completed by 22 people during Q3. This training provides basic benefit information and details of organisations residents can be signposted to for advice
 - Quarterly face to face 'Introduction to Benefits' training was completed by 21 people during Q3. Details of the Active Inclusion Newcastle training programme is available online at www.newcastle.gov.uk/financialinclusionforprofessionals
 - 2,924 subscribers received bi-monthly benefit bulletins, providing the latest benefit news and targeted information - an increase of 60 when compared to the previous quarter. To view and sign up for benefit bulletins visit www.newcastle.gov.uk/financialinclusionforprofessionals or email activeinclusion@newcastle.gov.uk
 - The 'Where to get advice in Newcastle' booklet is distributed bi-annually to 2,895 subscribers and internal staff – details of organisations providing debt, welfare, employment and financial inclusion advice is available at www.newcastlesupportdirectory.org.uk

- Writing a quarterly article for the national money adviser's Quarterly Account magazine
- In Q3, there were 8,623 unique visits to the top ten most visited pages in the [welfare rights and money advice](#) section of Newcastle City Council's website
- We have developed a new e-learning module: 'Introduction to Benefits stage 2', aimed at staff who can provide limited, non-specialist welfare rights information. For more information email activeinclusion@newcastle.gov.uk . This module will be available by 31 March 2017
- From January 2017 the Council's Welfare Rights Service has provided a weekly three hour advice service for the heart transplant Social Work team

What next:

- We are developing a new Universal Credit e-learning module which will be available by 31 May 2017

Case study from Newcastle City Council's Welfare Rights Service

tails of Welfare Rights Service intervention:

Mr A had been through the Mandatory Reconsideration process and required support from a Welfare Rights Officer (WRO) to make an appeal. The WRO went through the papers with him and drafted a submission which was sent to the HM Courts and Tribunal Service, along with supporting letters from his consultants. The tribunal reinstated Mr A's PIP at the same rate as his initial award. The WRO then assisted with the reinstatement of his mum's Carer's Allowance.

Details of increase to household income:

Weekly payments

PIP (daily living component)	£55.10 per week
PIP (mobility component)	£21.80 per week
Carer's Allowance	£62.10 per week
Total	£139.00 per week (£7,228 per annum)

One-off payments

PIP backdated award of £2,383.90
 Carer's Allowance backdated award of £1,676.00

Mr A's mum's re-instatement of Carer's Allowance has contributed to household income, allowing her to continue to support her adult son.

Digital inclusion

Table 1.2: Initiatives to promote digital inclusion

	2015-16	Q4 (15-16)	Q1 (16-17)	Q2 (16-17)	Q3 (16-17)	Q4 (16-17)
Techy Tea Parties	Not available	Not available	Not available	5 sessions 30 attended	4 sessions 41 attended	
Online basics session	Not available	Not available	Not available	7 sessions 37 attended	5 sessions 40 attended	
Online job search session	Not available	Not available	Not available	1 session 3 attended	3 sessions 17 attended	
Get online digital champion training	Not available	Not available	Not available	3 sessions 23 attended	2 sessions 21 attended	
Digital Champions' volunteer hours	Not available	Not available	Not available	225	234	

Trends:

Table 1.2 summarises the activity which has taken place to support residents get online. Between Q2 and Q3 of 2016-17 take up has remained consistent. For more information about the work taking place contact Lisa Dawson by email lisa.dawson@yhn.org.uk.

What we are doing:

- There are 610 free or low cost digital access points and 72 organisations offering IT training in Newcastle. For more information visit www.getonlinenewcastle.co.uk.
- Free Wi-Fi is available in 69 public buildings and city centre streets, helping to increase opportunities for people to get online. For more information visit <http://www.godigitalnewcastle.co.uk/wifi>
- Learn My Way, online basic skill sessions have been scheduled to continue to run until September 2017. For more information, or to book a place, visit [Newcastle Libraries' event webpage](#)
- 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](#)
- A Digital Inclusion Network has been established to bring together voluntary organisations, training providers, public bodies and charities to look at digital inclusion in the city
- A Get Online Champions training course is being delivered on a monthly basis to support volunteers and staff of organisations who are interested in offering digital support to their service users. For more information, phone or email Getonline@newcastle.gov.uk or call 0191 278 4292.
- City Library are delivering one to one support for Customers who need digital support accessing Universal Credit.
- The Newcastle Libraries Service & Skills Hub have developed a Job Searching Online course which is now open to customers, visit [Newcastle Libraries' event webpage](#) for more information

What next:

- A new Digital Financial Inclusion course is being delivered to YHN's Universal Credit and Job Seeker customers between March and September 2017

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

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

Table 2.1: Debt 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	£810,325	£1,210,594	£1,156,444	
Clients advised	4,269	1,071	1,058	944	1,234	
Homelessness prevention	542	81	54	55	349	

Table 2.1 shows that between Q2 and Q3 of 2016-17 the number of clients advised by the Newcastle Advice Compact increased by 31% and homelessness preventions increased by 534%. The large increase in homelessness prevention is attributed to YHN Advice and Support Workers' (ASWs) move to a more accurate recording system which captures all homelessness preventions achieved through debt advice. The increase in clients advised is mainly due to changes in YHN's recording system, leading to an under-report of prevention in Q1 and Q2, however from this quarter we have also started to count households supported by YHN through Personal Budgeting Support (PBS).

Money Matters Debt Advisers continue to determine the sustainability of their clients' budgets. Between Q1 and Q3 of 2016-17, out of 361 households:

- **55% had sustainable budgets.**
- **21% were able to meet their living costs because of additional financial support**, such as Discretionary Housing Payments (DHPs) to help pay their rent and the Supporting Independence Scheme (SIS) to replace unaffordable goods bought on hire purchase.
- **24% had unsustainable budgets** where there was no additional financial support available that could help them to afford their living costs. These households could go further into debt.

Even more worrying is that many of the working households that Money Matters support have unsustainable budgets. Between Q1 and Q3 of 2016-17, 27% of the working households had unsustainable budgets and a further 12% could only manage with additional, temporary financial support via the Council, meaning that only 61% of working households had sustainable budgets.

What we are doing:

- Supporting residents who are claiming Universal Credit – YHN and Money Matters continue to provide Personal Budgeting Support to residents who need help managing their money as a result of claiming Universal Credit. 102 referrals were made for this support during Q3; an increase of 20% when compared to the previous quarter
- Supporting residents who are applying for a DHP to help them pay their rent – In Q3 Revenues and Benefits referred 12 residents to Money Matters for budgeting support
- Supporting households affected by the lower benefit cap – Revenues and Benefits' monthly figures show that as of 31 January 2017 there were 360 affected households in Newcastle. Households claiming Universal Credit are not included in the above data as the DWP does not provide us with this information. Our joint work to support these residents includes:
 - We held an information session at City Library on 6 December 2016 for households affected by the lower benefit cap in conjunction with YHN's benefit cap project. 273 private and Registered Social Landlord (RSL) households and 236 YHN households were invited. As a result, 22 private and RSL households made contact and received individual support and advice in December 2016 and January 2017

- YHN have allocated 3 Advice and Support Workers to their benefit cap project since January 2017, who have been contacting and supporting their affected tenants. Since February 2016 135 YHN tenants have avoided the benefit cap – mainly through finding work
- Isos Housing Association is continuing to support their tenants by doing benefit checks, helping them with budgeting changes and referring their tenants to employment support
- Byker Community Trust wrote to the 31 households that were estimated to be affected before the lower benefit cap took effect and called at each of the properties
- The Active Inclusion Service is continuing to co-ordinate support for private and RSL households. The service has prioritised the targeting of support to households who are at most risk of homelessness. Money Matters team has started to contact 44 'high-risk' households in February 2017. Changing Lives' Floating Support Service will help target lower-risk private households and those that don't engage with Money Matters
- Quarterly face to face 'Introduction to Budgeting' training was completed by 17 people during Q3. Details of the Active Inclusion Newcastle training programme is available online at www.newcastle.gov.uk/financialinclusionforprofessionals
- Newcastle Advice Compact members continue to work with the researchers from Newcastle University to help them assess the impact of high cost credit on Newcastle residents

What next:

- The Money Advice Service's Standard Financial Statement (SFS) will start being used from 1 March 2017. There will be a transition period from March 2017 until April 2018 during which the SFS will be in operation alongside the Common Financial Statement. The Council has obtained the licence to use the SFS and it aims to implement the SFS within its Active Inclusion Service before rolling it out to other Council departments. Organisations helping people with money issues and creditors can apply for a licence online at sfs.moneyadviceservice.org.uk
- The [Homelessness Prevention Trailblazer](#) will integrate preventative budgeting and debt advice with employment support, housing and benefits advice to help to prevent homelessness

Money Matters benefit cap case scenario – partnership working in practice

Ms T was an unemployed single mum with 4 children living in private rented accommodation. Her Housing Benefit was reduced by £82.55 per week from 26 December 2016 and her landlord had advised her he was considering eviction.

She was already working with Intensive Family Support and her Key Worker contacted Money Matters to get additional help to prevent her being evicted, and supported her to advise her landlord she was getting advice to improve her financial situation.

Details of intervention

- When the benefit cap was applied, Ms T was claiming Jobseeker's Allowance (JSA). She then applied for Employment and Support Allowance (ESA) due to poor mental health, was given a deadline to submit a sick note, and required support to get a GP appointment before the deadline. While her application was processed, she was temporarily removed from the cap
- Ms T was receiving less than half of her Child Benefit as HM Revenue & Customs (HMRC) were deducting £144.07 per month from her entitlement because of an historical overpayment. However, the benefit cap was calculated on the basis of her total Child Benefit. Her Intensive Family Support Key Worker helped Money Matters chase DWP for information about Ms T's Child Benefit, and a Welfare Rights Officer confirmed that the gross amount of Child Benefit is taken into account, regardless of how much is actually being paid. Ms T was advised that she could still ask the HMRC to lower the rate of debt repayments
- The DWP recalculated the tenant's benefit cap amount after her JSA claim ended, instructing Revenues and Benefits to reduce her Housing Benefit by £9.45 per week (instead of the original reduction of £82.55). DWP do not appear to be taking into account her ESA income of £73.10 per week
- A Discretionary Housing Payment (DHP) has been awarded £9.45 per week until 31 March 2017
- Money Matters is helping the resident to review and improve her financial position

Learning

As the gross amount of Child Benefit is taken into account regardless of how much is actually being paid, the Council will raise this case with the DWP as an example of a family facing serious hardship because of the government's benefit cap calculation rules.

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	54*	80*	80	
Supported Employment Service	75	26	9	20	8	
YHN	118	33	21	29	30	
Changing Lives	**48	10	10	9	6	
Crisis Skylight Newcastle	**5	5	18	14	12	
Total	652	129	111	151	136	

*Figures slightly differ to previous briefings due to a discovered under report

** Part year figures

Trends:

Table 3.1 shows that between Q2 and Q3 of 2016-17 the overall number of residents supported into employment has decreased by 10%. This reduction is mainly due to a seasonal variance, with organisations such as Crisis Skylight Newcastle noting that residents are reluctant to accept temporary employment contracts employed during the Christmas period due to fears that this may affect benefit stability.

Employment Advisors from the Newcastle Families Programme, the Supported Employment Service and Crisis Skylight 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 (an example is detailed in the case study below). Additionally, this quarter Crisis Skylight have experienced an increase in residents seeking support to help improve digital skills in order to help increase their employment opportunities.

What we are doing:

- A second Learning Hive (Galafield Hive) was opened in November 2016 and is based within the Galafield Centre. The Galafield Hive has a new IT suite and provides doorstep employability support for local residents. Qualified tutors and volunteers offer drop-in sessions where people can job search or work on application forms, as well as more structured sessions where people can develop their English and maths skills. For more information contact YHN’s Employability Team on 0191 2771187 or email employabilityteam@yhn.org.uk
- A pilot ‘Introduction to Employment Support’ training session was held on 31 January 2017 and attended by 17 people. The feedback received will be used to shape the development of a future training programme
- We have established the Newcastle Employment Support Compact which involves 23 organisations and chaired by Councillor McCarty. The next meeting will be held on 29 March 2017. For more information, email clare.fish@newcastle.gov.uk
- We have developed a Newcastle Employment Support Protocol. This is a learning framework designed to improve the alignment between employment support and benefit, housing, budgeting and debt advice services. 11 organisations have signed up to the principles set out in the protocol. For more information, email clare.fish@newcastle.gov.uk
- The Newcastle Gateway has been updated to include the Supported Employment Service, Crisis Skylight’s employment service and Newcastle Futures. YHN’s employment service and Changing Lives employment service are working on joining the system. For more information, email activeinclusion@newcastle.gov.uk

- YHN's Employability Team has supported 12 apprentices and trainees to progress to permanent employment within the organisation
- The Skills Hub and City Library are offering a four-week online job search course for residents. For more information phone the Skills Hub On 0191 277 4125
- Changing Lives' Ready for Work programme provides support for adults with some of the biggest barriers to employment to secure sustainable work. It is aimed at residents who have experienced homelessness, have drug and / or alcohol dependency, have had involvement in the criminal justice system, have left the armed forces or are care leavers. For more information, contact Val Chybowski by phone on 07506 744 928 or email val.chybowski@changing-lives.org.uk

Case study – Crisis Skylight Newcastle and Changing Lives

K was referred to Crisis Skylight Newcastle by Changing Lives for employment support. K had recently completed a placement at Greggs through the Ready for Work programme. K felt that the placement had went well and feedback from the employer was positive, but no offer of employment was made.

At K's first meeting with Crisis Skylight Newcastle's Employment Coach it became clear that there were a number of issues affecting her health and wellbeing, as well as her chances of sustaining employment long term emerged. Crisis Skylight's Work Coach:

- Arranged three sessions with a Wellbeing and Mental Health Worker who supported K to develop coping strategies to better manage her mental health condition
- Developed a short term coaching programme for K which focused on identifying issues within K's control, which as a result brought a greater focus to her job searching
- Arrange a work experience placement at a local bakery, which resulted in K being offered a permanent position. Soon K was being asked to run events on her own and was viewed as potential management material

K was delighted and felt that her life had turned around, and was looking forward to giving her children "the Christmas they deserved" for the first time in years. Unfortunately over the Christmas period K experienced a 'blip' and began drinking again and not turning up to work. Staff from Changing Lives and Crisis Skylight worked together and managed to get back in contact with K and support her to attend additional appointments with Crisis' Mental Health Team. Further support was provided to enable K to remain in employment, including support to help build K's confidence and remind K about the benefits of employment.

Two months later, K is still in employment at the bakery, working regular shifts and gradually regaining the trust of her work colleagues. K continues to attend appointments with the mental health team and, as a result of her stability, one of K's children has returned to live with her.

Without this ongoing support K would not have achieved such positive outcomes and maintained her employment.

What next:

- We are establishing an Employment Support Case Management Group to support residents to find and remain in sustainable employment. The Employment Support Case Management Group will provide a forum to share complex cases where barriers to employment are significant and work with partners to identify opportunities to overcome those barriers. The first meeting will take place on 22 March 2017
- We are developing a city-wide monitoring framework in order to provide a greater sense of employment support provision in Newcastle and the difference we are making for residents

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	8,583	8,733	
Loans granted	2,173	403	517	509	750	
Loan value	£2,142,695	£435,382	£511,313	£537,823	£717,070	
Own Your Own	64 approved applications from 354 received	13 approved applications from 84 received	13 approved applications from 55 received	18 approved applications from 57 received	12 approved applications from 35 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	123	177	
Loan value	£266,180	£29,835	£78,530	£78,000	£130,065	

Trends:

Moneywise Credit Union's membership continues to grow. Table 4.1 shows that between Q2 and Q3 of 2016-17 membership increased by 2%. Since the development of our collaborative approach to financial inclusion in 2011 there has been a 74% growth in membership. This is mainly due to community development initiatives, additional payroll deduction schemes and school based collection points and marketing opportunities through partners. Q3 marks Moneywise Credit Union and Five Lamps busiest period, with the numbers of loans granted increasing by 47% and 44% respectively. 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 their custom is generated from repeat business (66% 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. Table 4.2 shows that Q3's Own Your Own approval rate was 44%, a 12% increase on the previous quarter. The main reasons for refusal continue to relate to rent arrears and / or poor credit history.

Between December 2016 and February 2017 there was three arrests for illegal money lending and money laundering. The Illegal Money Lending Team suggests the increase in local loan shark activity is partly a result of Universal Credit and the [lengthy wait for payments](#), resulting in low income household's potentially facing eviction and being reliant on food banks. In response to growing concerns, The Commons Work and Pensions Committee has launched an official enquiry into [Universal Credit](#).

What we are doing:

- In January 2017 we held a performance of 'It's Only A Few Quid' which was attended by 56 people. The session helped to highlight the impact that loan sharks have on households and communities. To find out more about the Illegal Money Lending Team and the support they can provide, email Natalie Barker natalie.barker@birmingham.gov.uk

- Moneywise Credit Union, Adult Learning and Sure Start are working together to deliver 'Pots of Gold' training sessions for residents. The sessions focus on budgeting, the advantages and disadvantages of credit and opportunities to save money. For more information contact Annie Murphy annie.murphy@moneywise.org.uk
- We are running a pilot project to encourage families qualifying for assisted childcare to open a credit union savings account and save money on a regular basis. As part of this we will also consider what drives or inhibits residents' financial wellbeing and resilience. The information gathered from this work will help us to think about how we can best support residents to be financially included. For more information email financial.inclusion@newcastle.gov.uk
- Five Lamps is working in partnership with ASDA as part of a six month pilot scheme to promote affordable credit options to customers. Further information is available at www.money.asda.com/personal-loans/
- Moneywise Credit Union has recently employed a Business Development Manager who will be responsible for supporting the growth of the business

What next:

- We are investigating opportunities to promote credit unions and the value of saving money on a regular basis to organisations involved in the Better Health At Work Award and through the Social Value Act
- We are developing a Statement of Support for Moneywise Credit Union, which will detail their offer to members and how we will support people to deal with problem debt and increase their credit worthiness. This will be available by March 2017
- Moneywise Credit Union are one of five credit unions across the country taking part in a fifteen part BBC documentary series entitled 'Life and Debt'. The series will be screened summer 2017

Support available from the Illegal Money Lending Team

Sarah and John were parents of two children and living in private rented accommodation. Having two small children and not much money, they would borrow money from a loan shark to help with the cost of day to day expenses. They often lent small amounts of money and always made their loan payment at the end of each month. Due to the financial pressure they were under, the relationship broke down and John left.

At first the loan shark was sympathetic towards Sarah telling her he would look after her and make sure things were ok. As time went on and Sarah couldn't meet repayments he started to threaten Sarah and her children with violence. Although Sarah had only borrowed a few hundred pounds, she had paid back £4,000 with help from her family.

Sarah was no longer spending the night in her own home, instead the family of 3 were sleeping at a family member's home. In November 2016, the loan shark text Sarah advising that he was "sending someone around and that he meant business". Although the loan shark had never carried out any of his threats, Sarah emailed herself a letter entitled "If anything happens to me tonight, this is what happened". The following morning she contacted the Illegal Money Lending Team.

Once the loan shark was arrested Sarah's loan was written off. (A loan made by an illegal money lender is unenforceable. This means that you cannot legally be made to pay it back). Sarah was supported engage with the children's school and ensure that only family members collect the children from school were also given help to access debt advice services, sort out their rent arrears and support throughout.

Sarah said "it was when my children were put in danger that I knew I had to do something. I am really happy now and I feel much safer. I am so grateful for all the support the loan shark team have given to me. Even when I was out of my head with worry, they helped. Without the loan shark scheme I wouldn't have coped!"

To report a loan shark phone 0300 555 2222 in confidence.

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	41	78	
New non YHN enquiries	89	32	12	14	15	
Energy debts written off	£78,110	£26,717	£15,120	£32,870	£22,608	
Total cases closed	230	56	59	67	61	
Average financial gains	£339.61	£477.08	£256.27	£490.60	£370.62	

Table 5.2: Citizens Advice Newcastle's Northern Powergrid Fuel Debt Project's 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	144	123	
Issues addressed	1,625	60	282	319		

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 Q2 and Q3 of 2016-17 there was a 69% increase in the number of referrals and enquiries received. The increase experienced this quarter is a result of last quarter's seasonal dip, meaning that enquiries are back to expected levels. The main reason for referrals this quarter relate to gas self-disconnection. Citizens Advice Newcastle's Northern Powergrid Fuel Debt Project started in October 2014. It provides specialist advice to residents experiencing problems with energy bills and fuel debt. Table 5.2 shows that between Q1 and Q2 of 2016-17 the number of new clients advised has remained consistent, however the number of issues addressed has increased by 13%.

What we are doing:

- Warm up North are installing fully funded central heating systems for fuel poor households with funding awarded by the former Department of Energy and Climate Change. The scheme is closed to new applications. For more information phone 0800 2940873 or visit www.warmupnorth.com
- Warm Zone offer assistance to low income home owners who suffer from a health condition made worse by living in a cold or damp home. For more information phone 0800 199969.
- YHN is running a pilot for a 'Void Affinity' scheme which allows the energy supply for their empty properties to be switched to a preferred supplier. The energy supplier choice was based number of factors, such as energy advice, smart meters, pricing and management issues. The pilot is being trialled in Kenton ward and, if successful, will be rolled out across the city

What next:

- Energy Services are reviewing best practice from the other cities which have decided to have a greater role in the supply of energy to their communities and are reviewing options for increasing the energy supplier choices available to residents

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 & 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 the draft version of this briefing were discussed at the Newcastle Advice Compact meeting on 18 February 2017. Feedback has been incorporated into this document which will be presented to councillors and the Financial Inclusion Group at our next quarterly seminar which will be held on 16 May 2017. For more information on financial inclusion, visit www.newcastle.gov.uk/managingyourmoney or contact Clare Fish by phone on 0191 277 7529 or email clare.fish@newcastle.gov.uk.

