



## Our Financial Inclusion Journey.....

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Financial Inclusion Manager – NWBC

20th November 2012



# In the beginning....



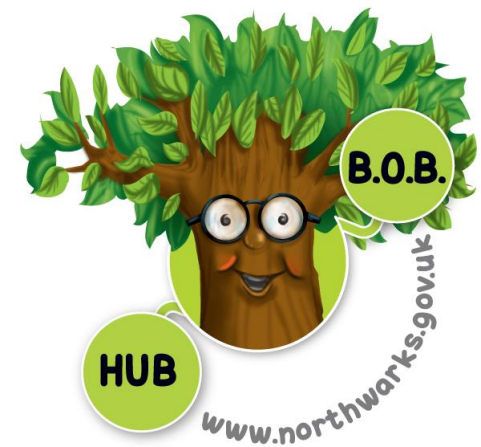
- Family Friendly Facts
  - Family friendly books – distributed to all children in NW
- Extra Help for Older People
  - Older people books – distributed to those on concessionary travel scheme
- Schools
  - School banks project by CDA and CU – very successful
- B.O.B at Dickens night – a ‘financial’ theme with the run up to Christmas
- Help for Tenants
  - Financial inclusion newsletter to all tenants
  - Moneymadeclear booklets to all tenants
- Referrals to Moneymadeclear and Energy Saving Trust – call back service!
- Joint working with Severn Trent Water
  - Sharing Data where possible to identify generic customers – joint approach
- Credit Union presence in the One Stop Shop
- Take up work – Disabled Persons Rate Relief / Fuel Poverty initiative with WWRAS
- Building partnership base – Schools / WCC / Children’s Centres / Extended schools / Community Development
- And the journey continues.....

# The Evolution of B.O.B.....



- A DSCF funded project to tackle Child Poverty
- Selected as one of Ten Local Authority Innovation Pilots and awarded £289k for a 22 month pilot and “On the Road” in June 2009
- Multi Agency Approach –
  - Council (various divisions), CAB, Credit Union, FIS, JC+, College
- 4 Day Per Week service that is also used for ad hoc events at weekends & evenings – ‘Flexible Fridays’
- B.O.B Website and Z-cards
- B.O.B branding a major success!
  - The BOB is now established as a familiar and friendly source of help
- B.O.B has been a Catalyst for better connectivity between services for all aspects of Financial and Social Inclusion
  - now developed into a Financial Inclusion Partnership to oversee project moving forward
- Addressing the access issues for our isolated and rural communities
- Council approval for continued service, although reduced, until April 2013 – to be reviewed December 2012

# Introducing The B.O.B Hubs



- Drivers for the B.O.B Hubs
  - Welfare Reform – Need to Apply On Line
  - Access to Information and Training - helping people
  - Wish to Develop Community Portals – Job Clubs / digital by default
  - B.O.B branding adopted and adapted due to it's success with communities
- Initial Expressions of Interest from Parishes - Officers identified and employed to support the project and support communities in November 2011
- Strategic B.O.B Hubs include 'Video Conferencing' technology
  - Arley / Hartshill / Polesworth and Coleshill Library
- 11 B.O.B Hubs include a suite of laptops available by November 2012
  - Arley / Baddesley / Ansley Common / Shustoke / Coleshill Town Hall / Hartshill / Coleshill Library / Polesworth Library / Birchmoor / Water Orton / Mancetter
    - Still sourcing a location for Dordon and Kingsbury
- Now at the stage where we need to help promote and increase footfall, work towards a robust work programme with partners and support volunteers with the 'new' volunteer coordinator (a post created by the volunteer centre and funded by LEADER)
  - Volunteer training event 28<sup>th</sup> November 2012



Celebrating our success.....

- Headlining our most successful Campaigns and Projects!

# 'Helping you to help others'



- Frontline Workers Toolkit
  - Handbook / website / Z-cards
- Countywide FIP initiative
- Designed to empower frontline workers to signpost customers for appropriate help and support
- Launch events
  - In each district and borough
  - Group sessions for staff delivered by CAB
- Agency referral form developed at NW for frontline workers to refer customers



'Helping you to help others'  
together we can make a difference



[www.frontlineworkerstoolkit.org.uk](http://www.frontlineworkerstoolkit.org.uk)

# 'Have your cake and eat it!'



- Campaign to increase the take-up of Free School Meals (FSM)
- NWBC Worked in partnership with WWRAS – used our allocation of LPSA2 funding
- Targeted 5 primary schools, 1 special school and 1 Early Years centre
- Warwickshire Observatory data identified 56 children eligible for FSM in the target schools
- Campaign branding – important lesson from success of B.O.B brand!
  - Tried to make FSM cool and trendy!
  - Table mats for children with 'how to claim' on the back
  - Took time out to talk to parents at the school gate – used B.O.B at one school
  - Attended a Parenting Class and spoke to parents – every one completed a WWRAS referral
  - FREE Healthy Hamper draw on completion of a few 5-a-day questions
- Very successful campaign – due to be rolled out countywide
- Results:
  - **£201,592** in additional benefits awarded to families
    - 1 family received an additional **£19,763** per year
  - **34** FSM awarded
    - Pupil Premium for schools **£20,400** for 2012/13

# Other School Projects.....

- Cook and Taste Sessions
  - Healthy eating messages
  - Family inclusive work
- School Banks
  - Set up by the CU and supported by children and volunteers
  - Encouraging children to be our savers of the future
  - Skills in how to manage money
- Making a Difference Day
  - Encouraging aspiration in our young people
  - Helping them to 'achieve' their potential
  - Offering training and careers advice
- Fruit and Vegetable Scheme
  - Pilot at NWBC with staff
  - Available in schools / children's centres
  - Run by volunteers
  - Available in B.O.B Hubs





# Fuel Poverty

## Warm and Well in Warwickshire

- Public Health funded countywide partnership – WCC / NWBC / Health / WWRAS / Act on Energy
  - Tackling excessive winter deaths
  - Fuel poverty
- Working in partnership with Act on Energy
  - Delivering sessions to organisations on Energy Efficiency and Fuel Poverty
  - Raising awareness
  - Outreach sessions on Warwickshire Mobile Library Service
  - Annual partnership event on 15<sup>th</sup> October 2012
- Funding available for targeted take-up work with WWRAS
  - 500 letters
  - 10% response rate
  - **£72,574** in benefit gains

**Warm and well in Warwickshire**

26 Above ideal temperature.  
Turn down your heating to save money and energy.

24

22 Ideal temperature.  
Ideal room temperature.

20

18 Below ideal temperature.  
Turn your heating up to 21°C

16 Too cold.  
This temperature could be a danger to your health.

14

actonenergy Hunt Warwickshire Research Centre RISE Nuneaton Bedworth Warwickshire Council NHS Warwickshire

Feeling the cold?  
Call for advice & practical help  
**Freephone 0800 988 2881**  
advice@actonenergy.org.uk

# Big Energy Week

- Big Energy Week
  - A week of campaigning to highlight fuel poverty, energy efficiency and recycling – w/c 22/10/12
  - NWBC in partnership with CAB and supported by Severn Trent Water / Age UK
  - Outreach sessions at the B.O.B Hubs
  - Competitions, 'Freebies', Energy Doctor Surgeries, Energy Switching sessions using IT, Water efficiency measures available.....plus much more!



# What is a loan shark?

- A loan shark is someone who lends money without the licence required by the Consumer Credit Act 1974.
- These licences are issued by the Office of Fair Trading to individuals or companies whom they believe are “fit and proper”.
- It is a criminal offence not to have the requisite licence and carries a maximum sentence of two years in prison.
- Who enforces this legislation?



# Trading Standards and the regional Illegal Money Lending Project

- Powers to ENTER
- Powers to SEIZE
- Powers to CHARGE
- Powers to PROSECUTE
- IMLT within the team has powers to ARREST



# What are some typical characteristics displayed by loan sharks?

- No credit agreements given – “you owe me this much today”
- No receipts for payment or payment books
- Violence, intimidation or threats if repayments are missed
- Loans to young people (under 18's)
- Can take illegal securities e.g. cash card
- Never advertise – find clients by word of mouth
- Repayments of at least twice the amount lent, often with very high charges for defaulting
- Personality changes when victim can no longer meet the payments



# Who is affected?

- Report estimated 320,000 UK households use IML
- This equates to 6% of households in most deprived areas
- UK repays £120 million per year to IML
- Victims most likely female, aged 30-40, on welfare benefits, living in social housing

# Loan Shark Customer Profile

- Often very young, singles and younger single parents
- Frequently heavily dependent on family support
- Poor financial skills:
- Problems with prioritising
- Difficult to resist temptation
- Typically history of failed catalogues and home credit loans
- No engagement with creditors
- Budget entirely on their full income so frequently left with nothing
- Sustained week to week by informal lending compromising family and social networks
- Become increasingly desperate for cash to meet essentials
- May say they have borrowed from a “friend”
- May try to hide amounts when completing I&E forms

# The affects on a community

- **Their control over their victims rests on a climate of fear which both protects revenue flow and acts against reporting**
- **There is a high degree of cross-over between illegal money lending and criminal lifestyles with some victims drawn into theft, drug running, prostitution**
- **Illegal lending hollows out the finances of victims, exacerbates crime and anti-social behaviour and deepens financial and social exclusion**





# 'Legal' Money Lending



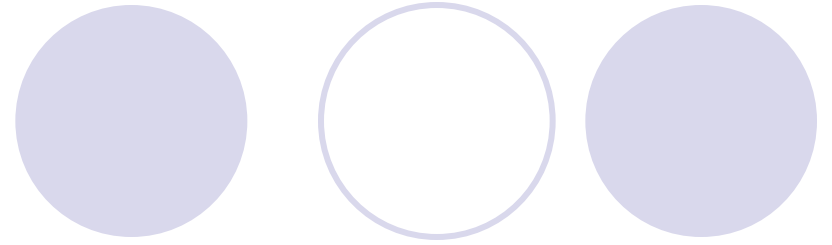
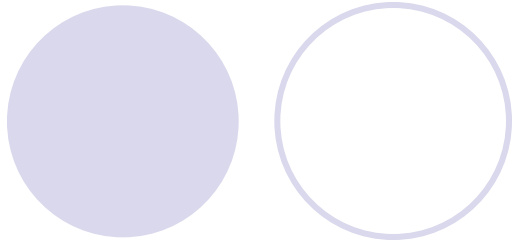
- 2.3 million people have been refused credit from a main stream lender in the last 6 months
- There are currently no restrictions on APR charges in this country!

# High Street Lenders



- Nat West
- RBS
- Lloyds TSB
- HSBC
- Sainsbury's

● **What's their APR?**



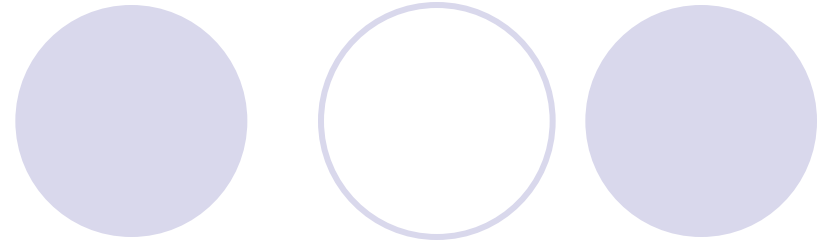
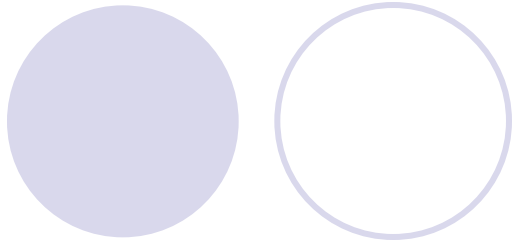
Between 5.8% and 7.9%

# Home Credit (Doorstop Lenders)

Small loans without credit checks

- Provident
- Greenwood
- Shop-a-check

● **What's their APR?**



**399.7% APR**

# Instant Pay Day Loans



- Originally devised as an advance on a pay-cheque
- Small loans for a short term



Have you heard of these .....

- Pay Day Loans

- On-line they have a 'countdown' clock to a 10 minute money advance

What's their APR?



1,734% APR

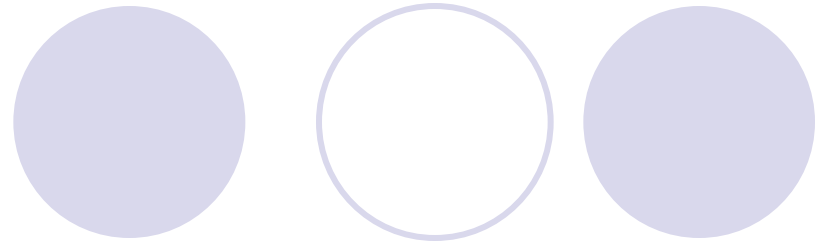
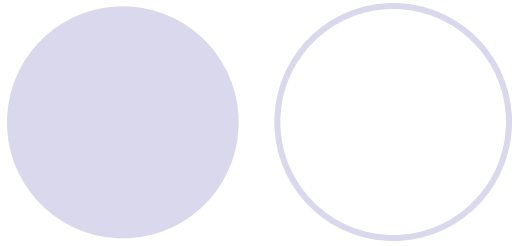




Have you heard of these.....

- Quick Quid

What's their APR?



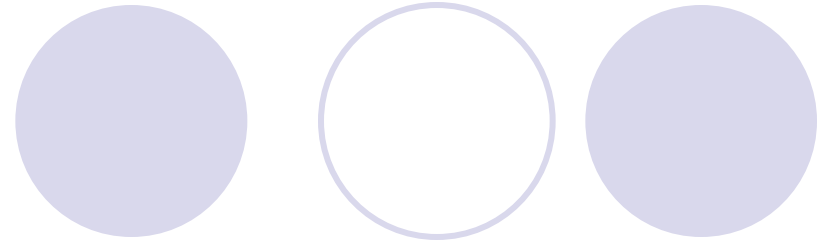
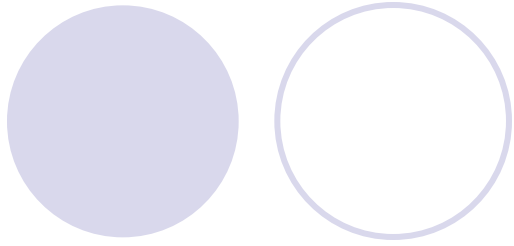
**1,754% APR**



Have you heard of these.....

- Wonga

What's their APR?



4,214% APR



# Newsflash!!!

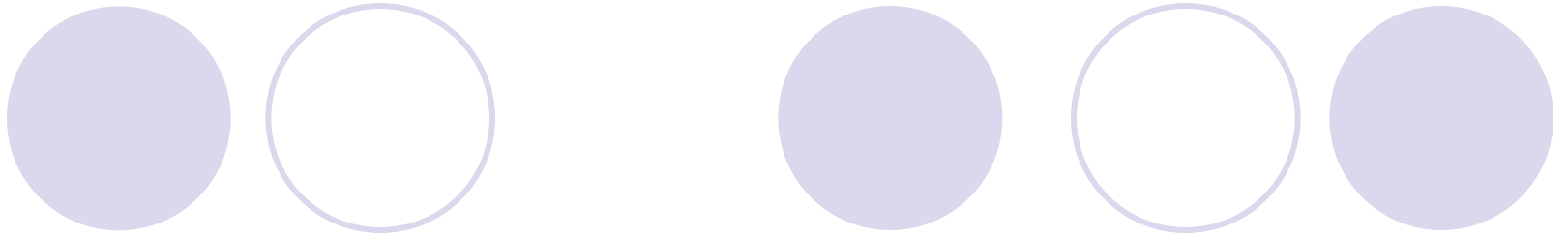
- Payday loan firms warned over lending and debt collection
  - OFT report says 50 big firms do not operate fully by its rules
  - OFT worried by 'reckless' lending and aggressive collection
    - Started formal investigations
    - All 240 payday lenders have been put on notice to improve
  - OFT concerns:
    - Do not properly check if borrowers can repay
    - Too many loans not repaid on time
    - Loans extended too often
    - Lenders too aggressive when borrowers fail to repay
    - Especially concerned re the misuse of a type of repayment used by the firms – Continuous Payment Authority (CPA) using a debit or credit card to ensure automatic repayment
      - Lenders must not keep draining cash from borrowers' accounts
  - Money Advice Trust welcomed report
    - Commented that '*payday loans have a habit of making a bad situation worse*'



# The Alternative Solution...

- A Credit Union Account!
  - Offers saving and loans to their members.
  - Some credit unions offer instant loans
  - Very competitive for smaller loans

What's their APR?



**26.8% APR**  
**(maximum)**

# New Central Credit Union Additional Services



- Jam Jar accounts in preparation for Universal Credit – small monthly charge (£5?)
- Saving accounts- small amounts accepted
- Text for balances
- Co- Op electrical scheme
- Free Life insurance
- Local personal service
- Internet access – members areas re statements & loan applications



# NWBC Tackling Loan Sharks

- **'The Bite Back Begins.....'**
  - A week of campaigning to raise awareness of Loan Sharks – w/c 08/10/12
    - Building on past successful campaigns
    - In partnership with CDA – funded by POCA and WCC
    - Awareness training session Tues 9<sup>th</sup> Oct 12 – IMLT / CDA / NWBC
    - Promoting an alternative solution to Loan Sharks and 'legal' money lenders – New Central Credit Union as part of ongoing promotion in the borough
    - Promotion on the B.O.B / B.O.B Hubs / Schools / Atherstone Market / Pubs / Betting Shops / Area Forums



# Future Campaigns.....

- Welfare Reform Action Project
- 'Drop-In' targeted sessions
  - Advice and support delivered over some 'soup and a roll'
  - Available in 4 weekly blocks at B.O.B hubs
  - 'Survival Kit' available with key information
  - Online referral process to relevant partner organisations
    - Pick up additional issues – health / job searching / training / debt / budgeting etc etc
  - To be delivered during Jan – March 13
  - Linking up the 3 themes of the NWCP



**Welfare Reform Action Project**  
**helping you to help yourself**

# Looking Forward.....Our Vision

- To develop the B.O.B hubs into access points that local people want to use and that provide services that local people need and want
- Getting people on-line, staying on-line and moving towards digital independence
- Identify our audiences and better understand their different needs
- Identify a variety of mediums to communicate our messages – a more targeted approach!!
- To encourage, develop and support our volunteer base
- To work with partner organisations to deliver joined up messages
- To explore our work with Schools and Children's Centre's to support our families

Thank you for listening

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