

# **Evaluation of the Financial Inclusion Partnership Project**

**Report prepared for CAB Cornwall, Penwith Housing  
Association, Cornish Community Banking and the  
Neighbourhoods Together Partnership**

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## **Acknowledgement**

Chapter 2 / the neighbourhood baseline and local area profile in relation to indebtedness has been prepared in collaboration with Cornwall Council Community Intelligence Team. The full profile as prepared is available from Neighbourhoods Together or Cornish Community Banking. For more information about the Cornwall Community Intelligence Team see [www.cornwall.gov.uk/intelligence](http://www.cornwall.gov.uk/intelligence)

## 1 INTRODUCTION

### ***Citizen's Advice Bureau (CAB) evaluation requirements***

1.1 The evaluation was required to assess and report the extent to which the CAB's joint financial inclusion project (FIP) for residents in Treneere, Eastern Green, Gwavas and Roscadghill helped to reduce indebtedness and improve the financial viability of households in those four neighbourhoods. Using project management data provided by CAB (mainly quantitative) and primary research (qualitative interviews with participating residents and project stakeholders) the evaluation provides robust evidence of return on investment, including information about how and why the FIP has been successful. The evaluation highlights effective partnership between CAB, Cornish Community Banking (CCB), and Penwith Housing Association (PHA).

### ***FIP delivery context and main aims***

#### **Funding source**

1.2 The Cornwall Local Area Agreement (LAA) allocated £46,000 in total of STRONG 3 (Neighbourhoods Together Partnership) funding for the period May 2009 to 31<sup>st</sup> March 2010 to a joint indebtedness project with STRONG 7 (Citizens Advice Bureau). STRONG 3 is working to improve the quality of life for residents living in the most deprived neighbourhoods and STRONG 7 is working to reduce indebtedness and increase opportunity.

#### **Neighbourhood management**

1.3 STRONG 3 is the Neighbourhoods Together Partnership (formerly known as the Treneere Together Partnership) and was established in January 2009 to oversee the roll out of the Treneere Together Partnership model of neighbourhood and locality working into the other most deprived neighbourhoods in Penzance and Newlyn, these being Eastern Green, Gwavas and Roscadghill Parc.

#### **Main aims**

1.4 The project's purpose has been to reduce indebtedness and increase opportunity for residents living in the most deprived neighbourhoods in Penzance and Newlyn. The

key objectives were debt support budgeting advice and income maximisation to enable participants to resolve their debt and improve their financial capability.

### ***Delivery partners***

1.5 The Neighbourhoods Together Partnership (NTP) provided evidence of need from its Quality of Life surveys with Treneere residents and through evidence of rent arrears from social housing landlord Penwith Housing Association. Access to financial services (savings, low interest loans, budgeting and debt advice) was identified as a key priority, particularly given the known activities of door step lenders locally.

1.6 The CAB has been working in Penzance and across Cornwall for a number of years, offering holistic debt, benefits, employment and housing advice – including (over the past 5 years) specific projects in the Neighbourhoods Together areas of Roscaghill, Gwavas and currently still in Treneere.

1.7 CCB credit union has been delivering outreach work in the four main Neighbourhoods Together areas (October 2008 to March 2009) – offering managed access to basic banking and standing order arrangements, to savings and appropriate loans. After the first 6 months of the FIP, the LAA funding for credit union was extended for a further 6 months – providing an opportunity to work more closely with the CAB particularly on debt resolution.

1.8 Penwith Housing Association (PHA) was involved from the start via a service level agreement with CCB to refer 10 clients a month that CCB would see first and refer on to the CAB. Partners subsequently agreed to facilitate direct referrals from PHA to CAB. PHA was able to use rent arrears (a good indicator of indebtedness) to target potential clients.

1.9 The LAA has been very important strategically – with reducing poverty and indebtedness as a key local indicator. The LAA is also closely linked to the Cornwall Strategic Partnership through which it can stimulate partnership linkages and encourage interagency referrals. In addition to the FIP, the CAB in Cornwall is funded through the LAA to provide debt advice in Job Centre Plus offices.

## ***FIP deliverables***

1.10 The project initiation document includes the following measurable milestones and deliverables:

- Steering group established;
- Development of service delivery plan, project management agreement; standardised project paperwork (referral, consent, reporting);
- 50% of recipients to be from Treneere;
- 110 debt cases including 90 PHA referrals over life of the project;
- 35 budgeting advice sessions;
- 30 debt relief orders<sup>1</sup>;
- Residents (38) and front line staff (12) trained in financial capability;
- Project evaluated;
- Good practice model developed;
- Case studies (agency and resident prepared).

1.11 The steering group agreed also to provide 6 months funding to CCB to maintain the CCB service on Treneere, with the following measurable outputs:

- Number of affordable loans taken up (October 2009 to March 2010);
- The value of the loans;
- Number of budgeting accounts;
- Number of saving accounts;
- How many of the loans have had missed payments;
- Number of debt management accounts set up (October 2009 to March 2010).

## **Evaluation process**

1.12 This was a five stage evaluation comprising start up, data review, interviews with FIP participants, interviews with partners / stakeholders and reporting, to include:

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<sup>1</sup> A debt relief order, is an insolvency procedure aimed at people with low income and very few assets, who are unable to pay their debts and for whom the normal bankruptcy procedure is too expensive.

- Review of FIP processes, data collection and neighbourhood profiles, key issues and indicators with steering group;
- Neighbourhood and project level data review ;
- Qualitative interviews with residents who have participated;
- Interviews with delivery stakeholders;
- Analysis and themed reporting to address evaluation objectives.

1.13 Key topics and themes, developed in consultation with the project steering group:

- Initial contacts and referrals (including outreach, information sources, engagement);
- Interaction between participants and staff (such as advice, onward referrals, review);
- The difference made by achieving key financial outcomes (such as debt resolution, maximising income, savings and repayments);
- Personal achievements (such as increased confidence, resilience, planning skills);
- Impact of reducing indebtedness on self and family (aspects of housing, health and well-being, social and economic inclusion).

1.14 Aware of the CAB Confidentiality policy and data protection sensitivities concerning financial matters, the evaluation required close co-operation from CAB staff in identifying interviewees. Almost all of the interviews with participating residents, with delivery staff and stakeholders were conducted by phone, some during the day, some during the evening.

### ***Report structure***

1.15 As appropriate, the remaining sections of this report comprise:

Chapter 2 – Review of Neighbourhood Baselines and Local Area Data

Chapter 3 – Evidence from Project Management Data

Chapter 4 – Interviews with Project Staff and Partners

Chapter 5 – Evidence from Interviews with Clients

Chapter 6 – Assessment of Return on Investment

Chapter 7 – Conclusions

## 2 NEIGHBOURHOOD BASELINES AND LOCAL AREA DATA

### ***Council tax arrears***

2.1 Currently, the most suitable proxy for indebtedness is the level of council tax arrears. Cornwall Council collects data at postcode level – a reliable indicator based on recent data available within Cornwall Council.. Council tax arrears are considered a priority debt by CAB and CCB case workers – not least because council tax debts are known to be rigorously recovered by Rossendaes on the Council's behalf.

### ***Social Housing Rent Arrears***

2.2 There is also valuable local data on rent arrears which is available from social housing landlords Penwith Housing Association – which Neighbourhoods Together could use alongside council tax arrears in relation to targeted neighbourhoods. Rent arrears are also a trigger for PHA to invite tenants to take up budgeting and debt advice from Cornish Community Banking and / or the CAB. This local data is particularly useful as a proxy for the extent to which indebtedness is reduced over time through the interagency projects that support the Neighbourhoods Together financial inclusion objectives.

### ***CAB debt relief measures***

2.3 The evaluation of the FIP funded through CAB (April 2010) has identified the following measures and new baselines for targeted neighbourhoods in Penzance (Eastern Green, Gwavas, Jack Stevens, Pendennis, Roscadghill, St, Clare and Treneere i.e. Neighbourhoods Together and nearby areas):

- Average debt per client: £7002 (148 cases)
- Average debt written off per DRO or bankruptcy: £10,700 (63 cases)
- Benefit maximisation / increased take up: 3.7% (183 cases)
- Proportion of debt written off or rescheduled: 73% (148 cases)

## ***Cornish Community Banking***

2.4 From the evaluation of the CCB Credit Union Financial Inclusion project commenced in October 2008 and continued in partnership with CAB to March 2010:

- Average number of new saving accounts / year = 58
- Average value of savings / year = £12,574
- Average number of affordable loans / year = 41
- Average value of affordable loans / year = £17,300

## ***GIS data for household income and debt***

2.5 GIS data mapped in 2008 and made available to Cornwall Council<sup>2</sup> shows the extent to which neighbourhoods in and around Penzance are in or at risk of severe financial difficulties. Almost all of the West Cornwall peninsular including Penzance is considered to be at risk financially in terms of number of individual debts and households with income less than £15K. Also the four neighbourhoods of Eastern Green, Treneere, Roscadghill (Heamore) and Gwavas (Newlyn west) are also noted as areas with high (>30) or highest (>50) numbers of households with income less than £10K.

## ***County Court Judgements (CCJs)***

2.6 Data available through Cornwall Council community intelligence team also shows a much higher increase in CCJs in Cornwall (49% increase) than for the South West as whole (14% increase) between 2003 and 2005 with a notable hot spot in Penzance.<sup>3</sup>

## ***Insolvency, Bankruptcy and Individual Voluntary Arrangements***

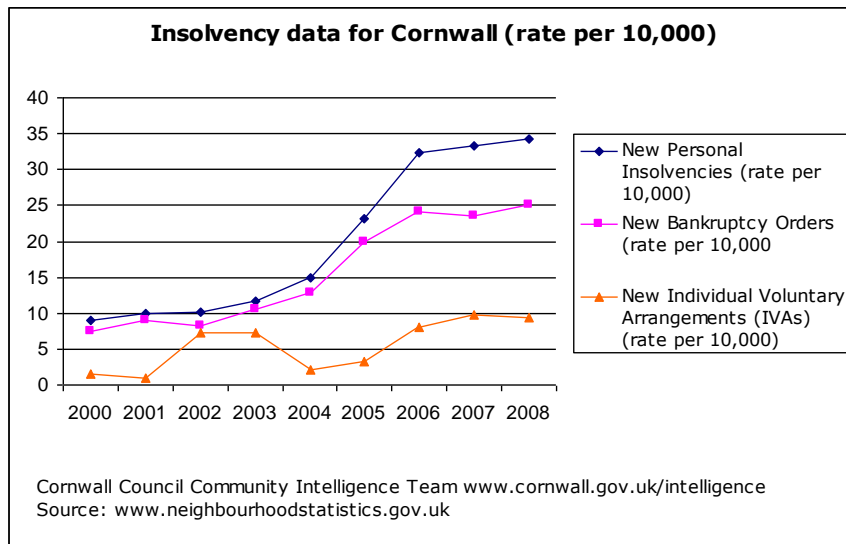
2.7 Neighbourhood statistics provide further data to show rates for new personal insolvencies have all increased in Cornwall between 2000 and 2008 and at a higher rate

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<sup>2</sup> Source: Inclusion Cornwall (Andrea Gilbert)

<sup>3</sup> Comment from Cornwall Council Community Intelligence Team: this data is from before the recession and so it is likely that numbers will have increased since this time.

than in the South West overall and across England as whole<sup>4</sup>. Cornwall and the Isles of Scilly have also had the 4th or 5th highest level of bankruptcies in England and rising.



## **Financial Stress Index<sup>5</sup>**

2.8 Experian's financial stress index (FSI) developed through Mosaic Economics takes into account unemployment factors such as reduced wages or household income, lower investment income, changes in deductions from income, such as taxes and interest charges on debts and changes in costs of living due to inflation – all within the context of individual assets, other resources and incomes (including employment incomes earned by other household members) and existing levels of debt.

2.9 The FSI indicates the severity of financial stress on households and neighbourhoods (compared to the average stresses placed across all households) over the period of the recession and its immediate aftermath (2008-2010) and could be a useful long term measure of financial inclusion. For Penzance, Lower Super Output Area data confirms 'financial stress' is high / very high in Treneere (62 % of households), less so in Newlyn East (33% of households) and Haemoor Central (25% of households) and lower in Haemoor (9% of households).

<sup>4</sup> Data and graph from Cornwall Council Community Intelligence Team

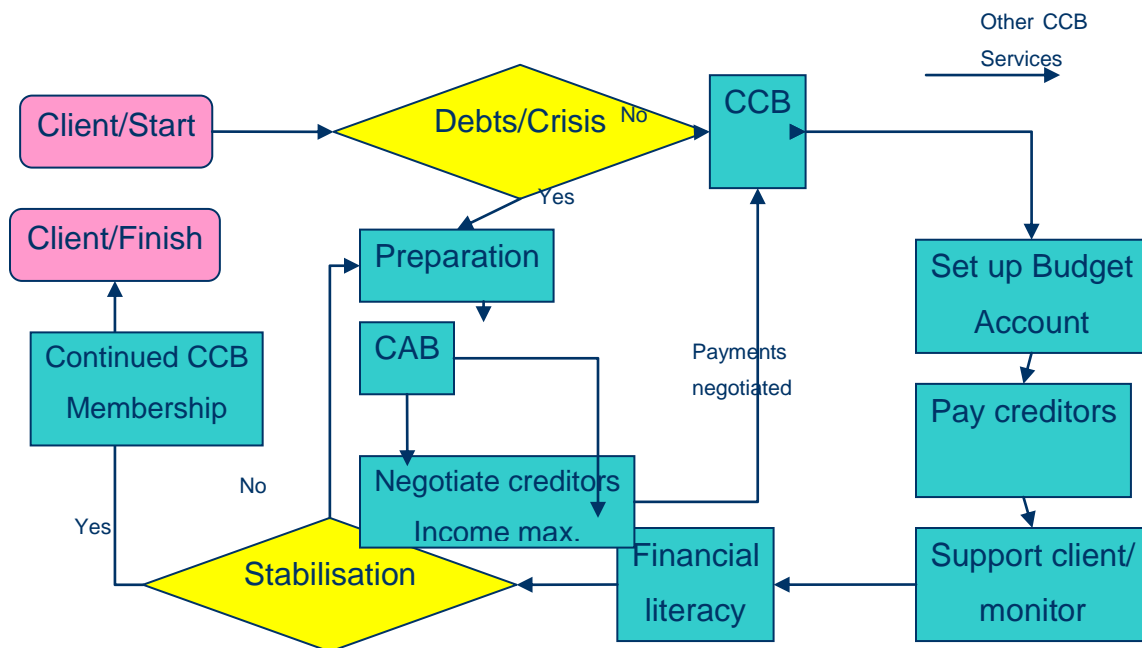
<sup>5</sup> Information source: Cornwall Council Community Intelligence Team

### 3 EVIDENCE FROM PROJECT MANAGEMENT DATA

#### *Financial Inclusion Project (FIP) overview*

3.1 The diagram below illustrates the signposting of clients through Penwith Housing Association (PHA) or following self referral to Citizens Advice Bureau (CAB) or Cornish Community Banking (CCB) to maximise the impact and effectiveness of the services offered by each agency. This process evolved as the project developed and was designed to ensure that the cycle of support could be sustained and re-entered at any point as circumstances changed. New clients started the process with an assessment by PHA, CAB, CCB or other agencies of the extent to which resolving debt was their main priority.

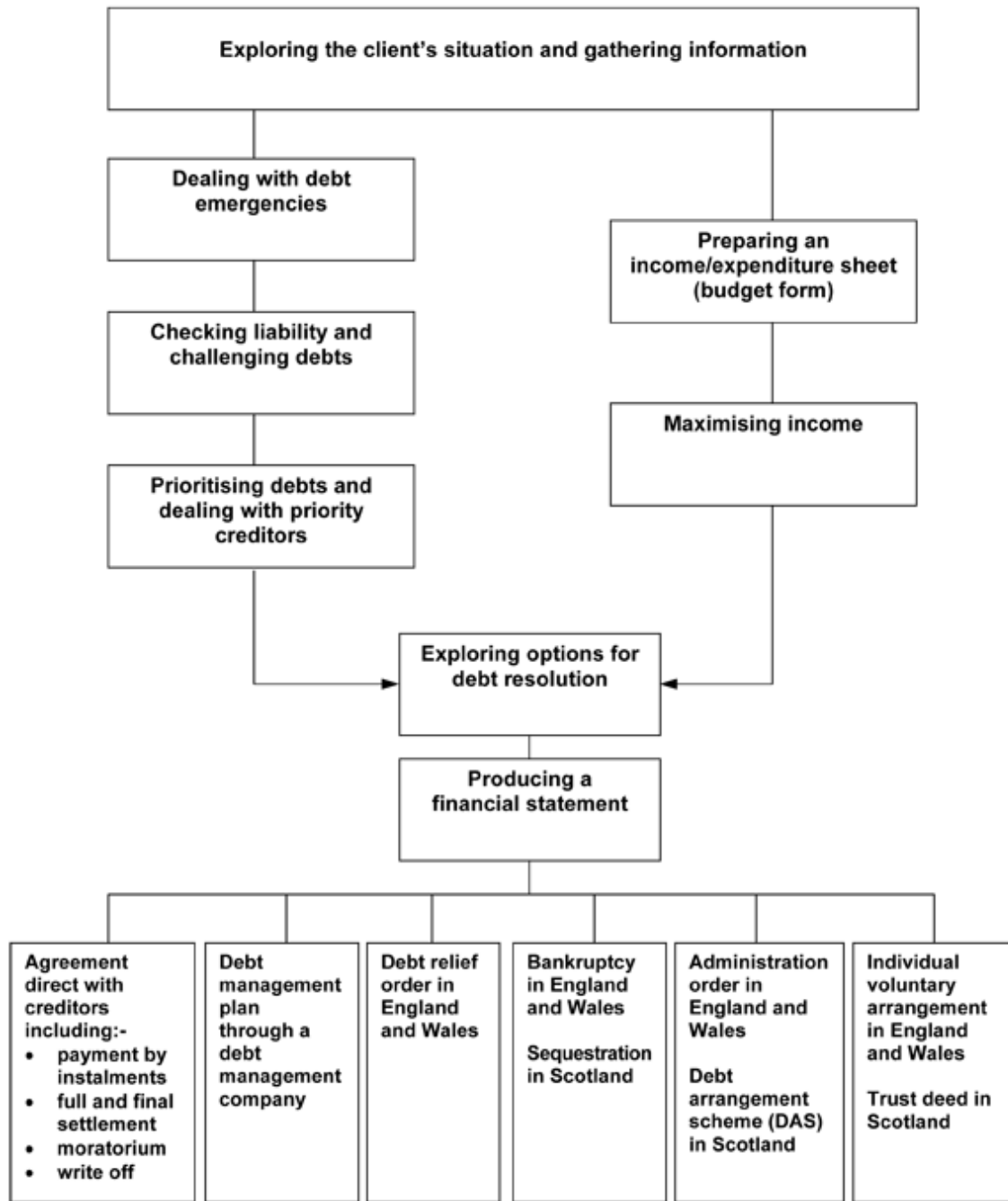
## FIP – Simplified Client Flow



Source: CAB FIP presentation slide

The CAB debt service led each client through identified steps towards achieving the financial statement that is the basis on which debt resolution and selected outcomes are achieved.

### Debt advice overview diagram



Source: CAB

### ***Project milestones, targets and deliverables***

3.2 The financial inclusion project (FIP) was reported quarterly within the overall LAA CAB funding report. The FIP's milestones, targets and deliverables (see section 1.11)

highlight the importance of project development, achieving high levels of outputs and providing evidence of effective practice to ensure the project's sustainability. Each of these aspects has been explored within the evaluation – evidence follows in later sections.

### ***Project management***

3.3 Following initial discussions between the neighbourhood manager, senior CAB and CCB stakeholders, the steering group met six times to oversee the development of the project. Each meeting included a review of progress with deliverables, the referral process and communication between partners. In June the issue of data sharing was discussed by the project partners and a new confidentiality form was produced that enabled the client, if they wished, to agree to data being shared and to include partners within the interviews. Other issues discussed included project reach (due to the lack of referrals from the main 4 estates during the early months of the project the steering group decided to include the neighbourhoods of St. Clare, Jack Stevens Estate and Pendarves as well as the four targeted areas) and the PHA's response to tenants whose rent arrears are included in a DRO. Latterly, the steering group's main concern was to maximise referrals so that targets could be met.

### ***Project progress and reporting***

3.4 Regular reporting by CAB staff to the project steering group included:

- Number of clients seen for either debt and/or benefits / budgeting advice;
- Source of inward referrals;
- Destination of outward referrals;
- Number of clients from each neighbourhood;
- Number of home visits / visits to bureau;
- Outcomes (DRO, bankruptcy or financial capability);
- Impact (% saving on contractual debts);
- Total debt managed and average debt / client;
- CCB data as provided.

3.5 Lack of referrals or take up in the early stages of the project led to particular pressure to deliver high returns during the final quarter to reach the targets set and the data summaries show a steep rise in clients in the later stages of the project. The interviews carried out for the evaluation suggest that the increasing effectiveness of interagency referrals and the impact of word of mouth reports about successful outcomes and the quality of advice were key factors in the significant rise in referrals.

3.6 One lesson for the future is to give greater priority at the start to partnership protocols, arrangements and pro forma for referrals. Later sections of the evaluation report comment in more detail on the relative success / failure of other aspects of partnership working and success criteria set out in the project initiation document.

### ***Achievement data provided by CAB***

#### **Recording progress and outcomes**

3.7 The debt case worker maintained communication with clients on progress made with their creditors – clients were given a copy of each letter sent on their behalf and could call the case worker directly. The key statistics reported to the FIP steering group on a monthly basis were drawn from data kept by the debt case worker. Feedback on client outcomes / follow through was added to the initial spreadsheet which was monitored weekly and included total debts recorded and reduced liability. PHA also kept track of arrears, amendments, number of DROs, and rent written off.

#### **Advice recipients**

3.8 Of the 183 clients advised through the CAB FIP (target was 175) 78 were from Treneere, 18 from Eastern Green, 19 from Gwavas, 23 from Roscadghill and 18 from other areas (St. Clare, Jack Stevens Estate and Pendarves). At least 2 clients had moved home during or as part of the resolution of their debt and housing but have counted, quite rightly, within their referral address. Taken overall, this means that 50% of clients were residents in Treneere as intended although the remaining 50% included 18 (12.5%) from the other areas represented early on amongst self referrals dealt with by the CAB FIP case worker.

## Referrals

3.9 Of the 190 referrals logged by CAB, 23 were reported as referred through CCB (including indirect referrals from PHA), 54 through other agencies (including direct referrals from PHA) and 113 were categorised as self referrals. Interviews with NTP and PHA staff and with CAB FIP clients indicate that some 'self referrals' were a direct result of signposting and encouragement from NTP or PHA staff or from other agencies such as Stonham (which deals primarily with housing related issues). The target for interagency referrals was 90 which (after a slow start) partners endeavoured to achieve.

## Cases of debt resolution and budgeting advice

3.10 Of the 183 clients seen by CAB, 148 received debt advice and 35 received other budgeting advice (data provided by CAB). Of the 148 debt advice clients, 34 were seen as home visits and 114 were seen at the bureau – and of these, 31 were referred to a specialist benefits advisor (to maximise benefits) and 13 were referred to the credit union outreach worker (for banking advice).

3.11 The support provided by the CCB to clients needing to set up standing orders (for minimum or rescheduled payments) or to save for a DRO is in addition to the debt resolution processes provided by CAB and followed through in the community. Between October 2009 and March 2010: 36 new savers joined CCB saving £4,432; 8 budget accounts set up to cover 38 direct debits a month; and (including existing savers) the Credit Union granted a total of 40 affordable loans.

Comment from project staff member / partner: This is completely different approach from the High Street banks – instead of a £4 overdraft leading to £100 in charges for non payment of direct debits, CCB monitors and stays in contact with clients rather than charging immediately for non payment.

## Financial capability

3.12 The CAB ran 2 training sessions in October and December 2009 that attracted 20 or so participants (although others had said they would attend but did not). Feedback was received from 14 of these participants (6 from staff / volunteers at NTP and 8 from residents). Questions were asked about whether the session was informative and easy

to understand – 13 out of the 14 participants responding said the session was very clear or were completely satisfied with the presentation and all would recommend the service.

3.13 Residents were also asked ‘do you feel you have greater knowledge of financial capability and budgeting now after the course?’ Of the 8 residents who provided feedback on this, 4 said they were completely satisfied, 1 was fairly satisfied, 1 neutral and 1 fairly dissatisfied. There weren’t any negative comments. Positive comments:

- Learnt a few more pointers and knowledge of our rights;
- Very informative, relaxed;
- Friendly and thought provoking getting the message across;
- It was very helpful.

3.14 5 of the clients who provided initial feedback (and said they were willing to be contacted again) were phoned by the advice worker at the end of the project (April 2010) to find out how the training had helped them. Their responses confirm the positive impact of what had been learned. However, given the relatively low take up, group training sessions have been discontinued.

**Longer term participant feedback on training sessions (4 months later April 2010)**

The budgeting training session made me realise the difference between priority and non-priority debts.

I was going through a Debt Relief Order prior to the budgeting course; I wished I had attended a similar course before I applied for the DRO.

I am much less worried now. I have more control over my money. I know what I am doing.

The training session and the help you gave us as clients, have made our life, as a family, hundred times better. We feel normal now and the stress and worry is not there anymore.

I would like further advice regarding my debts but my circumstances are changing, I will contact the CAB when I know more.

**Summary of achievements in relation to targets**

3.15 Using data provided by CAB, the chart below summarises the project’s achievements in relation to targets set out in the project outline. The project over

achieved its targets for numbers of debt cases (by 35%) and debt relief orders (by 57%) despite fewer direct referrals from PHA than expected.

<b>Measure</b>	<b>Target</b>	<b>Achievement</b>
<b>% of recipients to be from Treneere</b>	50% from Treneere 50% from other NTP areas	50% (78) from Treneere, 50% (78) from other NTP areas (as reported)
<b>debt cases</b>	110	148 (130 from initial target areas and 18 from additional / other areas)
<b>PHA referrals over life of the project</b>	90 (10 per month)	77 direct referrals overall from agencies including PHA
<b>budgeting advice sessions</b>	35	35 benefit / budgeting advice sessions
<b>debt relief orders</b>	30	47 plus 16 cases of bankruptcy
<b>residents trained in financial capability</b>	38	35 advice sessions + 15 people (at least 8 staff and 6 residents) attended one of three training sessions (14 feedback reports)
<b>front line staff trained in financial capability</b>	12	

### **Summary of income maximisation and debt rescheduled or written off**

3.16 The project data shows additional income through benefit review or take up amounted to a £5171.85 overall – an increase of 3.7% on previous take up. CAB also confirmed 46 DROs filed and 17 bankruptcies – with a total of £674,102.67 of debt written off during the course of the project or 61% of clients' total debts. For the remaining £560,701.00 of debts, repayments each month were reduced by 73%.

### **Case studies**

3.17 The CAB's debt worker for the FIP has compiled five case studies which provide insight into the way that the project has been able to address financial stress and through doing so alleviate distress and improve the family / household situations of their clients. Three out of the five residents were suffering from mental health problems and another was part way through treatment for cancer. Following advice, three have successfully applied for a DRO and two have received charity aid to pay for their bankruptcy petitions.

3.18 The project outline suggested that case studies should include input from agencies and participants. The five studies currently available have been written by the advice worker based on feedback and comments from the client – and may be useful within the service as a record of both typical and atypical casework. For publicity purposes, such case studies would require direct input / quotes (such as “you saved me from taking my own life - thank you”) and individual sign off by the participant. For mainstreaming purposes and / or securing future funding, each case study should also include insight into the service’s success factors (how and why the service was able to help). Chapter 5 ‘Evidence from interviews with clients’ includes typical comments suitable for thematic case studies.

## ***Financial summary***

### **Budget**

3.19 The overall budget for the FIP was £46,000 split between partners. Of this £28,535 was allocated to the CAB to cover 11 months money advice services (including 9 months salary and on costs for a debt specialist and a debt support worker both working part-time) and £11,531 to the CCB for budgeting and banking support (salary and ‘back office’ costs to support the final 6 months of the FIP). The project was funded on a ‘full cost recovery’ basis. The cost of evaluation was just over £4,700.

### **Unit costs**

3.20 With 183 clients supported through the money advice service, with access to CCB services as required, the CAB unit cost is:  $£28,535 / 183 = £156$  per client or case.

3.21 The overall cost to the, including 6 months funding to CCB to maintain service for banking advice and support, is  $£46,000 / 183 = £251$  per CAB client or case.

3.22 The output benefit to CAB from funding CCB neighbourhood outreach calculated as number of basic banking, saving and direct debit services products (44 new accounts set up between October and March) would be:  $£11,465 / 44 = £261$ . However CCB also provided affordable loans within its neighbourhood service. Unit cost calculated per financial product including number of affordable loans (40) would be  $£11,465 / 40 = £286.63$ .

## Reduced indebtedness

3.23 The key indicator for LAA STRONG 7 is reduced indebtedness. This can be calculated using a range of measures. CAB has been able to calculate the increase in individual and overall monthly income by the end of the project (resulting from known reductions in bills, reduced repayments and increases in benefits following reviewed entitlement) and for debt write offs. These are good measures for the project as evaluated.

- Monthly increase in income (total reported) = £5172
- Annual increase in income from April 2010 (projected) = £62,062
- Total debt write offs (as reported) = £674,103
- Total number of DROs and bankruptcy petitions (as reported) = 47
- Average write off / DRO or bankruptcy (calculated) = £10,700
- Total debt (as reported) = £1,113,402
- Proportion of debt written off (calculated) = 61%

3.24 In addition, CCB data for October 2009 to March 2010 has provided evidence of access to affordable loans and opportunities to save (6 months data)<sup>6</sup>:

- Number of affordable loans taken up = 40
- The value of the loans = £19,964
- How many of the loans have had missed payments = 20 (value £1830)
- Number of budgeting / debt management accounts = 8
- Number of new saving accounts = 36
- Value of new savings = £4,432

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<sup>6</sup> The CCB Evaluation report also includes data for 12 months October 2008 to October 2009.

### ***Business case for PHA***

3.25 Although PHA could confirm that there are residents with housing arrears and other debts that would benefit from FIP style support in all its estates, there is concern about the business case for PHA in relation to DROs and how to honour their existing commitment to write off rent arrears accounted for within DROs. For PHA, rent write offs as a result of the FIP have already reached about £20K and in a year when rents linked to the RPI have had to be reduced. Crucial evidence going forward will be the extent to which people with DROs in place start and continue paying their rent regularly.

### ***Sustainability***

3.26 The CAB was able to transfer some reserve funding to extend the Penzance FIP for a further month so that case work could be extended until the end of April to capture the full success of the project in the final months – addressing over a £1m of debts, of which some had attracted excessive interest rates and penalties. In the current economic climate, demand for debt advice is likely to continue and may rise.

3.27 CCB outreach work has meanwhile been re-organised and the outreach worker for the Neighbourhoods Together now has a wider role other than dedicated outreach to the four neighbourhoods, with access points increasing reliant on volunteers.

3.28 Additional funding is therefore urgently required so that quick response advice and casework for the NTP neighbourhoods, in line with FIP objectives, can be reinstated.

## 4 INTERVIEWS WITH PROJECT STAFF AND PARTNERS

### ***Key themes for reporting impact***

4.1 The data available from project management reports and summaries for the steering group focused attention on partnership / interagency working, outreach and publicity, client flow, advice provided and impact on clients. These features of the project also provided appropriate themes for reporting qualitative evidence from the 12 interviews with project delivery staff and strategic partners and 17 interviews with residents who participated in and benefited from the project (with appropriate quotes).

### ***Partnership / interagency working***

4.2 Evidence of need was identified through the Neighbourhoods Together Partnership (NTP) from its 'quality of life' surveys. PHA provided evidence based on housing arrears and what tenants were telling them about door step lending debts. CCB offered evidence from their outreach work. Data from CAB also showed low take up of finance advice in all 4 target neighbourhoods.

4.3 The FIP was designed as an inclusive approach to debt, finance and budgeting – the primary aim being to alleviate the impact of debt on the community and prevent debt in the future. One of the advantages of this project for the CAB case worker was in being able to provide holistic financial advice for any resident in the target neighbourhoods. With Treneere as the starting point, the project spread into Eastern Green, Gwavas, and Roscadghill with clients also in St. Clare, Jack Stevens and Pendarvis neighbourhoods.

4.4 The project offered an opportunity for the CAB to build up their neighbourhood presence and preventative approach. In particular the project aimed to engage clients who would not otherwise use drop in neighbourhood services or the CAB bureau. With door step lenders causing real problems for residents through spiralling debts, partners agreed that improving access to information about debt resolution and advice on budgeting was fundamental to reducing indebtedness and increasing financial inclusion.

4.5 The project was also seen as a good fit with PHA's anti-poverty strategy, updated in 2009 as a financial inclusion strategy. PHA has been keen to help tenants increase their financial knowledge, reduce outgoings and regain control of their finances and

priority debts. PHA's income recovery officer worked closely with the CAB and CCB to maximise referrals before the end of the project – with CCB enabling clients to access basic banking and standing order services as required.

Most of the income recovery staff (1 for each estate) have basic knowledge about prioritising debts and the consequences of not paying particular bills but to give detailed advice would be conflict of interests. We can give general budgeting advice and help with basic debts but more serious issues, complex debts, benefits and appeals we refer to CAB.

### ***Outreach and publicity***

4.6 Although the CAB debt worker was at the Col Coombe building alongside the credit union every Thursday from May through November, only 2 cases were picked up in this way. However the leafleting and involvement in neighbourhood festivals was seen as a valuable opportunity to engage with clients. Latterly the project used the Neighbourhoods Together newsletter for publicity to good effect.

We took debt packs and children's games to the neighbourhood festivals so we could talk to people while their children played (a reason for people to be at our stall) - but people preferred to come to the CAB office in town later. Word of mouth has had a big impact - the first few successes pulled in other family members friends and neighbours;

4.7 The FIP followed the same approach in all 4 neighbourhoods but the response was higher in Treneere where neighbourhood working was already well established.

### ***Client flow***

4.8 Subject to client approval, PHA committed to a target of referring 10 tenants a month to the FIP – targeting residents with housing arrears (seen as a good indicator of unmanaged debt) and refer then initially to CCB. As the project evolved it was agreed that PHA would refer urgent cases directly to the dedicated CAB case worker.

PHA deals with tenants directly, to pick up people who are struggling financially – they can be honest about their situation including other debts for example door step loans and council tax. Some clients self referred when told about the CAB service - some gave confidential information

to PHA about their debts and permission to pass this on to the CAB as part of the referral.

4.9 The housing support agency Stonham also provided feedback on the benefits of interagency referrals for their clients, many of whom suffer from depression and / or anxiety. Being able to transfer accurate and detailed information between agencies (using a form agreed with CAB, which the client had read and signed) meant that people could be fast tracked to relevant support and solutions – freeing up Stonham staff to concentrate on their main work which is on housing related issues.

For example, the financial mess for a client with memory loss, who can't remember letters, bills or appointments, was successfully resolved through Stonham, CAB and CCB CU working together. Quite a few of our clients are now involved in CU – the payments process is easy to follow and has made a huge difference.

4.10 The key benefit of partnership working for the client was quick access to debt resolution if identified as a priority during outreach work. Although CCB provides budgeting advice, savings and an alternative to door step lenders and high street banks, it does not provide the detailed debt advice to support clients needing to proceed with a DRO or bankruptcy. The main disappointment for CCB was the lower than expected level of clients choosing to use the CCB for debt management and budgeting support.

4.11 Despite differences in working culture between CCB (outreach and neighbourhood based) and CAB, the agencies worked successfully together to deliver neighbourhood based advice drop ins and publicity. In the later stages of the project, the CAB continued to offer home visits although the majority of clients preferred the confidentiality of an appointment at the Bureau.

4.12 As lead partner, CAB had a key role to play in ensuring that agreed and reciprocal roles were fully understood by all partners. With hindsight, a greater emphasis on this at the start might have averted some of the tension over client flow, data sharing, on-going community based support and confidentiality. Working through the required confidentiality and data protection protocols in relation to transfer of any data (client options and agreement) continued at the steering group until resolved.

### ***Advice provided***

4.13 The debt advice provided by the CAB's FIP case worker was based on the detailed financial statement constructed with the client. Background details included family circumstances and reasons for being in debt. The financial statement (benefits, pay, bills and other outgoings) was the basis for discussing and reviewing all relevant options before the client was ready to make their decisions. The first appointment took 60-90 minutes often with a 30 minute follow up. The case worker sent holding letters to creditors and, when the client was ready, proceeded to re-negotiate / write off debts. The aim was to stabilise each client's financial situation as quickly as possible, resolve priority debts such as rent and council tax and bring closure on door step loans and excessive penalties imposed by creditors.

4.14 The CAB service was embedded in the community, in the sense of being based on neighbourhood referrals and local publicity, and in offering a service to all residents within the target areas. The evaluation can confirm that 'word of mouth' recommendations within each community were common – and significantly so given the way that financial problems are generally 'kept behind closed doors'. However, CCB credit union outreach also found some in debt were still unwilling to take up a referral. Both partners noticed debt advice referrals or appointments made but not kept by some clients. Although CCB would have preferred to see more home visits, CAB reported many but not all clients preferred the privacy of an appointment at the bureau.

### ***Perceived impact on clients***

4.15 The impact on indebtedness has been calculated as debt written off / rescheduled. The relevant figures have been reported within the project management data. Over a £1m of debts were reported by 148 clients of which 60% have been written off through DROs or bankruptcy. Typically clients expressed huge relief when their debts were resolved having previously struggled to keep on top of rent arrears while paying more than £100 a week to door step lenders.

This is a lifesaver for tenants in arrears – provides support not just crisis support – not based on money making targets so advice is given on all aspects of need – also the CAB is free whereas there are on-line advisors who charge but look like the free national debt line!

4.16 Key aims for financial inclusion are access to financial services and sufficient income. For clients this could mean 'an increase in the £ in their hand at the end of the week'. In practice this meant priority debts re-negotiated, benefit income maximised and a weekly budget that both balanced and allowed for some family and social activities.

A small difference made around debt has a huge multiplier effect.

For many clients doing a financial statement and budgeting was a real eye opener.

4.17 By the close of the project, case work had resulted in an additional £5000 a month of additional income into the targeted communities. Some clients had been able reduce their outgoings for example through dual tariff deals and renegotiating loans with manageable repayments. Some were also using the CCB credit union to save, pay bills or take out low interest loans.

4.18 Word of mouth recommendations meant people were seeking help sooner. Impact was felt by the whole household – on health and mental health. Getting rid of the burden of debt also provided incentives and motivation to make longer term changes such as moving to more suitable accommodation, training or returning to work – a fresh start.

### ***Added value***

4.19 The project has provided the opportunity to train up two CAB staff, one from debt worker (first tier) to competent case worker (second tier). In particular this has provided the context for developing additional skills in outreach, interagency working, data sharing and evidence based reporting. The outreach and partnership aspects of the FIP also led to better understanding of the impact of debt on families and communities with inadequate access to the impartial, confidential advice and reputable financial services.

4.20 Learning from the FIP will also feed into a much bigger and strategic piece of work around debt management, financial capability, benefit advice and 'Total Place'.

## 5 EVIDENCE FROM INTERVIEWS WITH CLIENTS

### *Topics discussed*

5.1 The interview guide for residents who had participated in the FIP included questions about publicity and referrals, types of issues, whether the help received was useful and why, onward referrals and which parts of the finance and debt service was the most important / made the most difference. Responses are reported here under the key themes of client flow, advice received and impact – using direct quotes from residents who were interviewed to illustrate the points made.

### *Client flow*

5.2 All of those interviewed for the evaluation had accessed the CAB debt advice successfully.

I knew CAB gave advice. When I went there they explained about debt advice and I had an appointment the same day.

Always known about CAB, phoned up to get help, rang the regional number but got a local appointment in no time.

I rang the CAB helpline, put through straightaway to Penzance and they said come straight down.

5.3 Five had contacted the CAB directly following a word of mouth recommendation or because they had already known of the CAB as a source of advice – and 2 more had self referred after reading local publicity or ‘bumping into’ the case worker in their neighbourhood.

I went in to the TTP office to ask about something else – gave me the number for CAB and she called on me at home, which was good as I’d been depressed.

5.4 Altogether 3 had been signposted from the Treneere neighbourhood office, another from Stonham and 3 more from other agencies. A further 3 had been referred directly by PHA after they had responded to a letter telling them about help available and asking if they were interested.

PHA got in touch with me and then telephoned (caseworker) for a home visit.

I had a letter from PHA and they made the CAB appointment for me.

Wouldn't have known about it at all if PHA hadn't written to me.

5.5 Those interviewed confirmed the benefits of onward referral links.

(She) had plenty of time – talked to me about MIND and asked them to call me – I went to a coffee morning (someone collected me) – I may go again

She told me about Pathways\*, Stonham for help with housing and Friends United (they explain its like you can 'be a friend').

\* routes to employment / employment support

5.6 In all 6 out of the 17 (about a third) remembered being referred on to other agencies or specialists to complement the help they had received at the CAB – 1 to MIND, another for specialist benefits support in relation to DLA, and 4 had been introduced to CCB to ask about basic banking or savings.

I pay credit union (CCB) a monthly standing order and they handle all the creditors so I don't have to deal with them – a sensible thing to do and I'm very glad I did it.

### ***Advice received***

5.7 All but one of those interviewed confirmed that the advice they had received was very useful – and several added 'definitely' or 'absolutely brilliant'. The only one who gave a guarded 'useful' was still waiting for his DRO to come through.

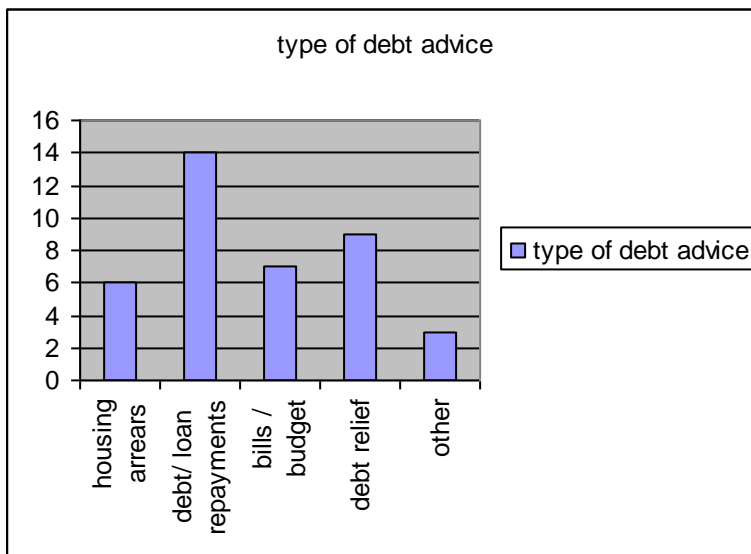
It's given me an option – an answer as to what to do – someone to listen who knew what to advise.

Got me out of debt – been brilliant.

She covered everything we wanted and we got exactly the advice we were looking for.

5.8 Each resident had received advice that was tailored to their own circumstances. Issues were mainly focused on housing arrears, debt / loan repayments, bills and budgeting and most had at least two areas to resolve.

**Figure 5.1 Types of debt advice received**



5.9 As reported by PHA, housing arrears were often an indicator of wider debt problems.

Not only rent arrears but other worrying debts – needed to sort myself out, sort my life out, get things moving – wanted to be debt free and start again - a load off my mind when it was done.

5.10 Debt and loan repayments, even when rescheduled could prove impossible to repay.

I had a long standing controlled debt (repaying £1 a month on a bank card and bank loan) – Sam told me about DRO and bankruptcy – I fitted all the criteria for DRO – she sent me information to read and then answered all my questions

My debt was almost all interest!

5.11 Of these 17 clients, 9 had opted for a DRO and another for bankruptcy. All were extremely pleased with the advice and relieved by the options put to them. Without

exception, they were very grateful to the CAB case worker for her clear and easy to understand help.

I had the form for bankruptcy but without the CAB I wouldn't have got it done. Went in because I wanted help to fill in the form but Sam did a proper balance sheet with debt and bills and checked it was the best option. They were brilliant, explained the whole procedure, made the appointment for the court, everything.

### ***Impact from achieving key financial outcomes***

5.12 The main financial impact on those who accessed support with money advice through the CAB FIP was on reduced debt – either written off or renegotiated – and there was unanimous relief at achieving this.

I worried before – but credit union has got the creditors we can pay paid.

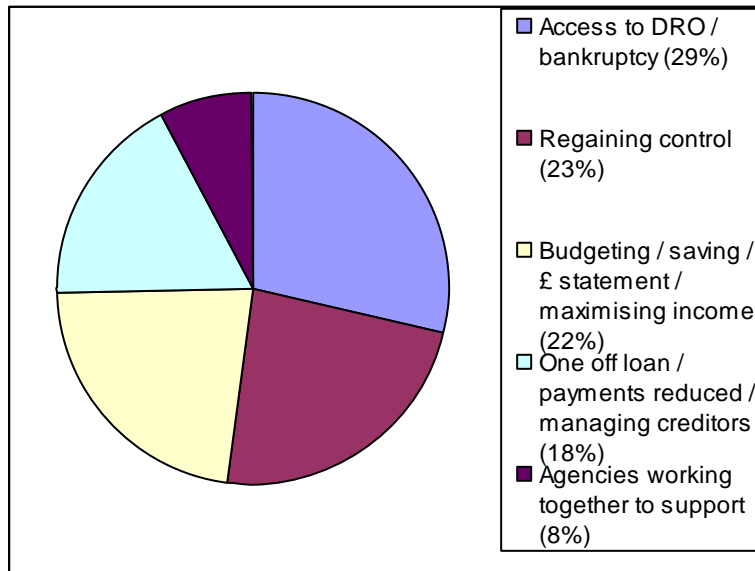
Some companies are more amenable than others – good to have CAB writing the necessary letters.

5.13 The views expressed also included very strong feelings of regained control over finances and increased confidence. Many of those helped had taken note of the outgoing and income element of their financial statement and acted on it – a clear indication of the impact of an approach that combined money and debt advice (provided by the CAB) and budgeting support (provided by CAB and CCB)

I was pregnant and stressed with high blood pressure – the person who helped me was kind, got the debt collectors off my back – they were hounding me that much I couldn't cope – the DRO means I can't have credit for 6 years but I'm not bothered anyway because now I can budget my money.

5.14 Asked which element of the finance and debt advice service made the most difference, and to score these on a 1-3 scale, the aspects making the most difference were 'access to a DRO' and 'regaining control' for which help with 'budgeting advice / financial statement' was a significant factor.

**Figure 5.2 Relative importance of different aspects of advice and support**



Important to me to make best efforts to clear my debt – huge weight of my mind to have what we owed broken down into manageable bits – useful to know about the DRO in case we need it.

My DLA had been cut – appealed in November but still no date for the hearing – (she) negotiated reduced payments with creditors to prevent me going into unmanaged debt – some creditors were so nasty – it was good to have someone else to mediate and for morale support – invaluable.

5.15 Feedback on impact also showed the importance of agencies working together to reduce debt payments and manage creditors.

Glad that PHA made the appointment - good to have everyone working in the same direction.

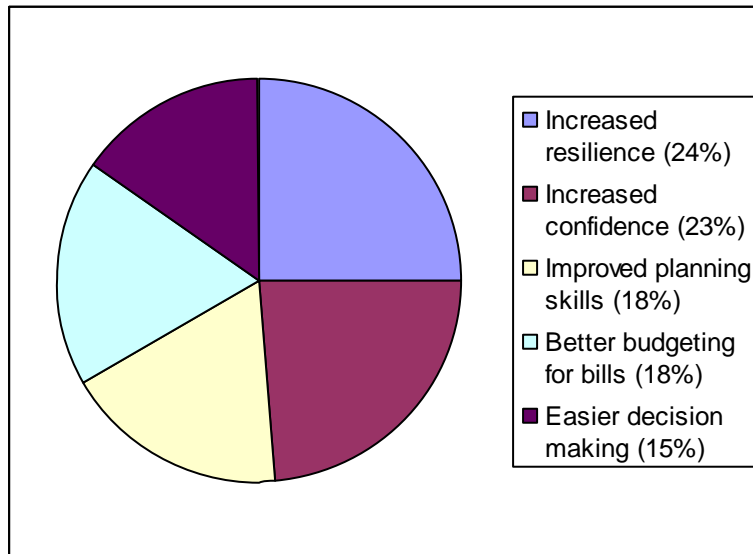
The benefits specialist dealt with DLA overpayment (got that written off) and got me a £2000 bereavement grant to cover funeral – the cost of the funeral had really worried me.

We were getting constant hassle over a utilities bill that wasn't ours – as soon as I said the CAB were dealing with a DRO it all went quiet.

### ***Impact on skills and confidence (personal achievements)***

5.16 For some, the support received significantly improved their budgeting skills and their confidence about money. In particular this included ‘increased resilience for example in saying no to door step lenders’.

**Figure 5.3 Relative impact on financial capability and personal skills**



I have the confidence to get on and do what I need to do to pay the rent and bills.

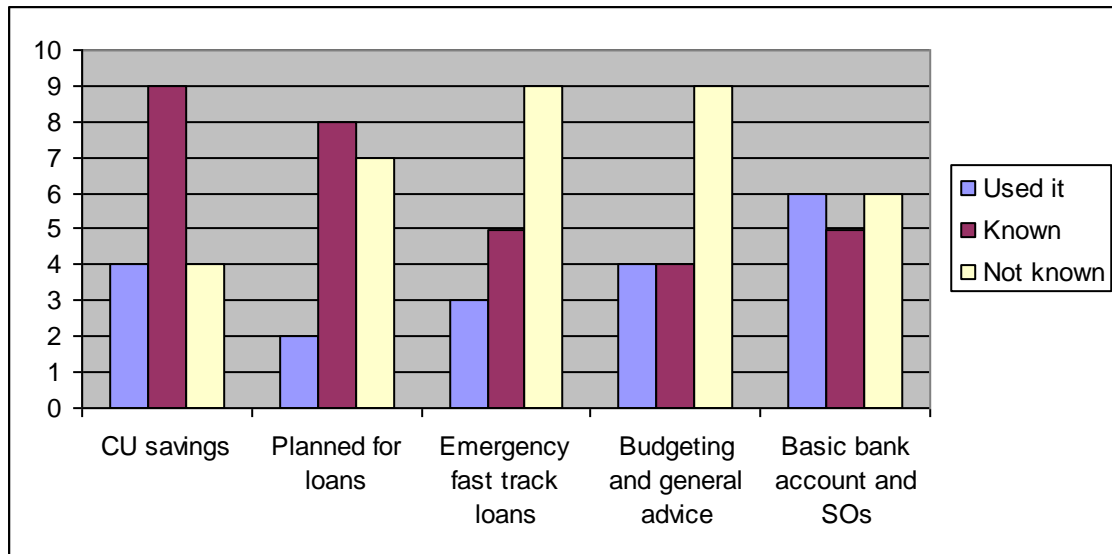
Much more confident in dealing with the bailiffs, can stand up to their bullying – they tried to charge me £400 for being a day late with payment because I wasn't at home but I phoned them myself next day and got that sorted.

5.17 The CCB credit union contribution to the FIP was fundamental to ensuring continuing neighbourhood support through savings, on-going budgeting advice and banking services. Indeed about a third of those interviewed (6 out of 17) had already taken up CCB help with a basic bank account and regular payment of bills / creditors and about a quarter (4 out of 17) had accessed further advice and / or savings options.

It was the whole package of morale support and helping me to control what was going out of my account and arranging reduced repayments.

5.18 However, responses from the CAB clients who were interviewed partly confirmed concern voiced by CCB that not all those benefiting from CAB advice understood what CCB and credit union can offer. A tailored leaflet in relation to on-going support available from CCB and CAB, as CAB casework is being completed, would be useful to clients – several clients did not know or had forgotten that the two services were partners in providing neighbourhood support.

**Figure 5.4 Extent to which CCB Credit Union was used / known by CAB clients**



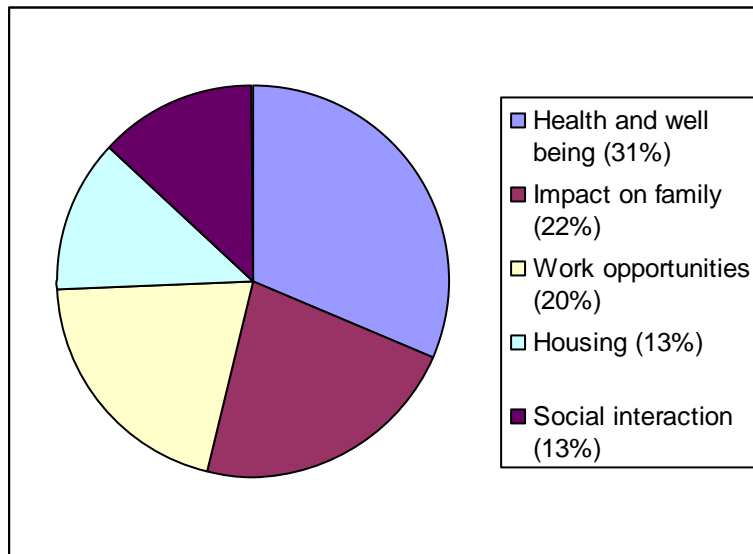
### ***Wider or longer term impacts***

5.19 Those interviewed were also aware of longer term impacts as a result either of getting rid of their debts and / or regaining control of their finances – particularly in relation to anxiety and depression.

No major anxiety attacks since getting (caseworker's) help to make repayments manageable, pay off housing arrears and move – previously felt trapped in doors – can now go out.

Help to work out how much to repay to keep that manageable while I save for the DRO has helped a lot – has taken the pressure off – eased my anxiety and depression.

**Figure 5.5 Relative impact of reducing indebtedness on health, self and family life**



5.20 For some, housing worries were also a key factor within worries also about the recession.

Can't read or write myself – took in an big carrier bag with all the letters – (caseworker) helped me sort out which ones I had to keep – worked out how much I could manage to repay each one - then wrote to all of them telling them how much – priority was paying off the rent arrears so I could move – moving was really important - now saving up to pay for a DRO.

We were in trouble with council tax arrears – had both had our hours reduced, offered a certain amount towards our arrears but were refused – our Provident loans were snowballing – the Rossendale bailiff\* was so rude I was afraid of him – his attitude was 'the CAB can't do nothing' – it's a huge relief knowing that the council tax is paid off through credit union and can be paid now each month.

\*council tax recovery agent

5.21 Knowing that debts were in hand or written off had also enabled 5 of the 17 to focus on opportunities for returning to work or training.

Now have a chance at least to get back to work – I'm recovering from cancer and hope to return to work part time and then full time in due course – I'm back in to the bigger picture.

Starting a job, casual now but with a proper contract coming up.

Supposed to be starting a temporary seasonal job and can do now.

I will contact Pathways that (she) told me about, as soon I can get around to it.

I am considering going back to college – maybe from September.

### ***‘Word of mouth’ recommendations from participants***

5.22 All of those interviewed would unhesitatingly recommend the CAB FIP money advice service. They offered a wealth of compliments for the service and reminders about why a quick response with agencies working together was so important.

Everything ‘made a big difference’ – DRO advice, regaining control, agencies working together, confidence, resilience (definitely), budgeting – and impact on my family because I’m me again.

A huge boost for the community – I’m sure it has certain door step lenders tearing their hair out!

## 6 SUMMARY OF RETURN ON INVESTMENT

### *Outputs achieved*

6.1 The project exceeded its intended outputs in relation to neighbourhood coverage, case work and debt relief orders despite interagency referrals being lower than expected. 2 training sessions were held for residents and one for partners although financial capability (upskilling) was achieved mainly through completing financial statements and through one to one budgeting advice.

**Table 6.1 Project measures achieved**

<b>Measure</b>	<b>Achieved</b>
50% recipients to be from Treneere	Achieved
110 debt cases	Overachieved (148 )
90 PHA referrals over life of the project (10 per month)	Underachieved (77 agency referrals overall)
35 budgeting advice sessions	Achieved
30 debt relief orders	Overachieved (47 DROs + 16 bankruptcies)
38 residents trained in financial capability	50 people assessed as upskilled either one to one / attending training session
12 front line staff trained in financial capability	

### *Qualitative evidence of impact*

Combined evidence from project management material and from interviews with partners and clients confirmed that the project has made a significant difference in the target neighbourhoods. Very few clients had previously used CAB services (although some had) but all those interviewed for the evaluation would unhesitatingly recommend the CAB money advice service to others.

6.2 The aspects of the finance and debt advice service that had made the most difference were 'access to a DRO' and 'regaining control' for which help with 'budgeting advice / financial statement' was a significant factor. Personal development in terms of confidence and resilience in dealing with money matters were recognised as crucial and valuable. All reported relief at getting debts resolved and many said that this had

resulted in improvements in their health (anxiety reduced and depression lifting) and home situations (housing issues resolved / quality time spent with children or family).

## ***Financial summary***

### **Budget**

6.3 The overall budget for the FIP was £46,000 split between partners. Of this £28,535 was allocated to the CAB to cover 11 months money advice services (including 9 months salary and on costs for a debt specialist and a debt support worker both working part-time) and £11,531 to the CCB for budgeting and banking support (salary and 'back office' costs to support the final 6 months of the FIP). The project was funded on a 'full cost recovery' basis. The cost of evaluation was just over £4,700.

### **Cost analysis**

6.4 Unit cost (average cost per client helped) is a simple measure of value which recognises the importance of how many clients have been helped. Based on CAB costs and payment, the unit cost for their service was £156 per client or case. Taking into account the cost of ensuring access also to the CCB services funded through this partnership project i.e. the full cost to the LAA the overall unit cost per debt case was £251.

6.5 The output benefit to CAB from funding CCB neighbourhood outreach calculated as number of basic banking, saving and direct debit services products (44 new accounts set up between October and March) would be £261. However CCB also provided affordable loans within its neighbourhood service. Unit cost calculated per financial product including number of affordable loans (40) is £136. About a third of applicants seeking loans were refused for one reason or another following financial assessment.

### **Reduced debt and increased access to affordable financial products**

6.6 The key indicator for LAA STRONG 7 is reduced indebtedness. This can be calculated using a range of measures. CAB has been able to calculate the increase in individual and overall monthly income by the end of the project (resulting from known reductions in bills, reduced repayments and increases in benefits following reviewed entitlement) and for debt write offs. CCB has provided evidence of increase access to

low cost financial products as further aspects of financial inclusion. These are good measures for the project as evaluated.

### ***Impact on key indicators***

6.7 £1,103,402 debt was reported by 148 CAB debt cases; average debt was £7002.

6.8 Reduced indebtedness can be expressed as:

- Total debt write offs (as reported) = £674,103
- Total number of DROs and bankruptcy petitions (as reported) = 47 + 16
- Average write off / DRO or bankruptcy (calculated) = £10,700

6.9 Increased income can be expressed as

- Monthly increase in income (total reported) = £5172
- Annual increase in income from April 2010 (projected) = £62,062

6.10 Financial viability can be expressed as:

- Proportion of debt written off (calculated) = 61%
- Proportion of debt rescheduled= 39%

6.11 CCB data for October 2009 to March 2010 contributes evidence of increased access to financial products through community banking, affordable loans and opportunities to save (6 months data)<sup>7</sup>:

- Number of loans, savings and community bank accounts = 40+36+8 = 84
- The value of the loans = £19,964
- Value of new savings = £4,432

### ***Social return***

6.12 Wider impact on participants and their families was measurable almost immediately in relation to reduced anxiety and depression as the worry and burden of

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<sup>7</sup> The CCB Evaluation report also includes data for 12 months October 2008 to October 2009.

## Evaluation of the Financial Inclusion Partnership Project

debt is removed – with potential public sector savings over time through reduced costs of mental health support and / or treatment. About a third of clients were also intending to return to work more quickly than had seemed possible before.

## 7 CONCLUSIONS

### ***Overall impact on financial inclusion objectives***

7.1 Within the targeted neighbourhoods, the project has reduced indebtedness (measured as the value of debt write offs, number of DROs and bankruptcy petition), increased income (measured as monthly increase in income and future annual projections) and improved financial viability (measured as the proportion of debts written off and rescheduled). Of over £1.1m of debts reported by 148 clients, 61% (£674,103) have been written off through DROs or bankruptcy. There has also been a 73% reduction in debt repayments each month (through renegotiation / rescheduling) and a 3.7% increase in benefit take up. Overall, this has resulted in a substantial change within the targeted neighbourhoods in terms of financial capability and confidence as well as 'cash in hand' alongside increased access to low cost financial products from CCB.

### ***Partnership delivery***

7.2 After a slow start in terms of referrals and new clients from across the 4 target neighbourhoods, the Citizens Advice Bureau Financial Inclusion Project in Penzance exceeded its final outputs overall. The project met its objectives in reducing indebtedness through helping clients to manage over £1m of debts of which at least 60% were written off through Debt Relief Orders or bankruptcy. By delivering budgeting advice, alongside debt advice and in partnership with Cornish Community Banking (CCB), the project has also improved financial capability giving clients a better chance of staying out of debt in the future and of managing their finances through appropriate low cost banking, loans and savings options.

7.3 The project advised 183 people (including 148 debt cases) of which a third were referred from other agencies including project partners Neighbourhoods Together Partnership (NTP) and Penwith Housing Association (PHA). PHA targeted tenants with housing arrears and / or other debts, identifying £46,000 of arrears of which at least £20,000 has already been included in DROs.

7.4 Despite differences in style and ways of working, the partners have managed to agree and improve communication, client flow and information sharing information as the project has developed. With hindsight more time and thought could have been given to

understanding and defining complementary roles and responsibilities at the start. However, despite pressure on the CAB case worker and CCB outreach worker during the final quarter to complete their targets, clients without exception praised the trustworthy, reliable and kind advice they received.

### ***Effective and replicable practice***

#### **Known locally as reliable, confidential and effective**

7.5 Most of the project partners were already neighbourhood based and had established trust within the community in relation to local issues and advice. Local publicity, getting involved in local events during the early stages of the project and 'word of mouth' between neighbours boosted take up considerably.

#### **Partnership protocols for interagency referrals and data sharing**

7.6 The protocols for client flow changed and evolved as the project developed and to address confidentiality and information transfer agreed with clients. Residents were happy that they could either 'self refer' or have an appointment made for them by PHA or Stonham. With CAB as the hub for debt advice, revised protocols in relation to client flows in and out were required to enable partners to deliver their commitment effectively.

#### **Nothing is too much trouble**

7.7 Residents were very appreciative of the kind, clear, straightforward help they received – in particular, non judgemental attention to detail, firmness in dealing with creditors and in explaining each stage of the process.

### ***Lessons learnt***

Recommendations from FIP delivery staff and partners:

- All stakeholders at delivery level should attend the steering group;
- Allow a run in period while referral systems / communication channels, monitoring and feedback processes are agreed;
- Agree data sharing for essential information to progress each stage quickly;

- Reassess the cost of 'backroom tasks' required of partners for example in setting up basis banking / direct debit arrangements to support clients in achieving their aims;
- Housing Association partners need to agree clear criteria to apply in relation to writing off rent arrears if required;
- Promote the project widely using targeted methods and all relevant media;
- Publicise outreach / drop ins as 'CAB advice on benefits, housing, employment, finance' as advertising finance help alone stigmatises / discourages take up;
- Full cycle support should include tailored leaflets or contact cards (hand held information) for clients to remind them what each partner organisation can offer as they move on at each stage;
- Provide a range of account types for paying in, budgeting, money management moving on from bankruptcy, preferential loans, saving and drawing out;
- Allocate some resources for following up outcomes and follow up support;
- Make sure the social return and evidence of impact are reported upwards and outwards to relevant action groups, local authority programmes and policy makers.

### ***Summary statement***

7.8 The FIP has proved its worth in resolving debt effectively for residents in targeted neighbourhoods, with 'fast track' referrals and response helping to prevent clients from slipping further into debt. However from known levels of housing arrears (a good indicator of unmanaged debt) there is significant unmet need within the targeted neighbourhoods and within 'debt hotspots' across Cornwall.

7.9 Of the £1,103,402 of debt reported by 148 debt cases, £674,103 (61%) was written off through DROs or bankruptcies (63 cases). By the end of March 2010, overall monthly income had been increased by £5172 (projected annual increase of £62,062 from April 2010).