



## **Scrutiny Committee**

**16:30 to 18:05**

**13 October 2022**

Present: Councillors Brociek-Coulton (vice chair in the chair), Carlo, Driver, Galvin, Kidman (substitute for Huntley) Osborn, Stutely, Thomas (Va), Thomas (Vi) and Young.

Apologies: Councillors Wright (chair), Fulton-McAlister (M), Huntley and Padda.

### **1. Declarations of interest**

There were no declarations of interest.

### **2. Minutes**

**RESOLVED**, to approve the accuracy of the minutes of the meeting held on 14 July 2022.

### **3. County Lines**

(This item was taken first)

The chair welcomed Chris Hancock, acting community safety manager (Norwich City Council) and Detective Inspector Matt Stuart (Norfolk Constabulary), Councillor Kendrick, cabinet member for resources and Councillor Jones, cabinet member safe, strong and inclusive neighbourhoods to the meeting.

Councillor Kendrick said that all councillors were concerned with the issue of county lines and the effect that it had on communities. It was a problem that had to be tackled with a multi-agency approach, including the police, health services and social services.

Councillor Jones added that she was keen to hear from members on the topic of county lines, as the council was in the process of formulating a Community Safety Strategy.

(Members had been asked to submit questions in advance and were invited to ask these first).

In response to Councillor Carlo's question the acting community safety manager confirmed the police and council worked very closely together. On an operational basis information was shared regarding county lines activities at council properties. Council officers attended morning briefings with the police daily, regularly picking up on intelligence where county lines activities were affecting residents. In terms of actions taken by the council these had to be proportionate and depended on the vulnerability of the individual involved and the effect it was having on the neighbourhood.

In terms of process the council acted under anti-social behaviour legislation including partial closure orders that could limit which individuals could access a property. This could be used where a vulnerable tenant had been cuckooed, (a term used to describe a property being taken over and used as a base for county lines activities). Injunctions could be used to ban individuals from accessing certain areas of a housing scheme.

Project Adder, a national programme coordinating law enforcement activity whilst diverting individuals away from offending, was currently operating in the Norwich area with plans to extend out to Norfolk next year. It incorporated weekly multidisciplinary meetings including representatives for the local drug and alcohol agency.

Councillor Carlo asked if there was a distinction between county lines and drug use in general. Matt Stuart emphasised that county lines was a distinct issue, it represented a particular methodology to move large amounts of drugs primarily from cities to rural areas. It used young people to move drugs and money via road and rail networks.

County lines emerged as an issue nationally in 2016/2017 and was noted in the area from 2018/2019 with a dedicated team established within the police in 2019 to tackle the issue locally. In terms of progress, in 2019 it was determined that there were between 70 and 80 County Lines operational in Norfolk and the number of known lines currently was in the mid 20s.

Councillor Kidman asked what roles had been created and filled within the anti-social behaviour (ASB) team. The acting community safety manager replied that he had been in post since February and after a recruitment drive, an ASB manager, two enforcement officers, four ASB response officers and two triage officers had been appointed. The team were being trained as well as undertaking BTEC qualifications in related matters whilst ensuring that regular one to ones were happening.

(Members were reminded that the scope of the meeting, as agreed by the committee, was a focus on county lines activity and not anti-social behaviour.)

Councillor Galvin said that there had been a useful briefing on the work of Project Adder and asked what progress had been made to help young people by meeting their needs in other ways. Matt Stuart noted that the multi-agency approach used to tackle county lines incorporating social services, education and health, was effective. Any young person linked to county lines underwent a joint agency screening process to identify if they were at risk of exploitation. Risk assessments were graded as high, medium and low risk; with high and medium risk cases allocated to a specialist team of police and social workers. There were currently 180 open cases such as this

where young people and their families were supported. The aim was to address areas of vulnerability which had drawn them into county lines and divert them from the criminal justice system where possible. The emphasis was on treating young people as victims and not to criminalise them if possible.

Councillor Osborn noted that in the last three to four months there had been a reduction in complaints to him about the council's ASB service. He considered that there did seem to be improved joint working with the police and council's housing teams. He queried how communication was managed; residents had relayed that their case had been closed but they were unsure what action had been taken.

The acting community safety manager explained his expectation would be that when the case was closed it was clearly communicated to a resident what action had been taken. He noted that there was a plan to conduct more in-depth surveys with residents after their cases were closed which aimed to reduce repeat incidents.

In response to Councillor Osborn's question Matt Stuart agreed with the sentiment that the police could not arrest their way out of drug problems. In Norfolk there was a multi-agency public health led approach to tackling county lines. The police's enforcement strategy was to target individuals higher up the chain responsible for exploiting vulnerable individuals.

Councillor Stutely asked how police intelligence was shared with local beat officers and if they were provided with trauma informed training. In response Matt Stuart explained the process of intelligence sharing within the police which included a daily briefing session to beat officers covering key issues. In terms of county lines there were chaired operational meetings with each command district represented by a sergeant or inspector who disseminated the information back to their teams. Trauma informed training was delivered across the police. This was a work in progress and conversations were still needed to understand the issue better, it was important to provide support to local beat officers as they were the front face of policing.

In response to Councillor Driver's question the acting community safety manager explained that community safety was everyone in the council's responsibility. Case reviews were held to tackle complex cases with members of different teams across the council represented. There was also coordination across a wider group of external agencies such as police, support agencies, mental health and drug and alcohol agencies.

Councillor Driver noted that ASB seemed to be entrenched in some areas and asked how this could be tackled. The acting community safety manager responded that if a neighbourhood had a history of particular problems then work was undertaken with the allocations team to ensure careful lets of void properties. He emphasised that local residents should continue to report issues.

In response to Councillor Thomas' (Va) question regarding the community safety fund, the acting community safety manager highlighted that the fund had purchased alley gates which had been installed resulting in a reduction in the number of burglaries in these areas.

Councillor Thomas (Vi) asked if the cuts to the adult social services supporting people budget were affecting people managing their tenancies successfully and

leading to more evictions. The acting community safety manager observed that it was difficult to tell, he noted that awareness of cuckooing had increased amongst council staff and there was information on the council's website. He emphasised that with diminishing resources it was more important for agencies to work together.

In response to Councillor Thomas' (Vi) supplementary question the acting community safety manager replied that in terms of the cost of living crisis, the council's specialist support team worked in a preventative way providing support to residents to manage their tenancies. The council was working on an early intervention model to identify problems early before they spiralled out of control.

Councillor Young noted that cannabis had medicinal properties that prescribed drugs could not match leaving patients to choose between expensive private prescriptions and street drugs. She asked if the committee would agree to ask the Clinical Commissioning Group to evaluate research on cannabis and allow G.Ps to prescribe it. The Executive Director of Community Services agreed to forward the question to the appropriate body.

In response to Councillor Kidman's question regarding staff wellbeing, the acting community safety manager agreed the complexity of cases were increasing and to ensure staff wellbeing regular one to ones were conducted and opportunities for reflective practice provided. Staff also attended trauma informed training sessions.

Councillor Osborn noted that there had been an increase in crime between the hours of 16:00 and 19:00 when young people were not at school and not yet at home. In response Matt Stuart highlighted that teams within the police such as the operational partnership team worked with other agencies to provide support to vulnerable individuals.

Councillor Galvin commented that county lines gangs were now operating out of Norfolk rather than London and asked what the drivers of this were and how it was being addressed. Matt Stuart emphasised that criminals would adapt to situations, and some types of crime would become embedded. Issues of poverty and deprivation were often the drivers and was why a multi-agency approach was so important. He emphasised again the strategic police approach was to target those responsible for the county line and most responsible for the risks and harms associated with it. He noted that county lines was a national issue and regular joint working with other police authorities especially the metropolitan police took place.

Councillor Carlo asked if the committee could receive an update on the following recommendations the scrutiny committee made at its meeting in September 2018.

- 1) liaise with contractors to provide front line staff with training on safeguarding and awareness of County Lines and that there is a process for reporting incidents to contribute to intelligence gathering;
- 2) provide Norwich City Council Councillors with training on safeguarding and awareness of County Lines and that there is a process for reporting incidents to contribute to intelligence gathering;
- 3) following consultation with the police, that the council explores the removal of tags which demarcate the territories of drug gangs;

- 4) review the licensing policy and procedures to ensure that County Lines' activity is captured particularly in relation to the fit and proper test in relation to licences for private hire drivers and hackney carriage drivers; and
- 5) review tenancy agreements and procedures for rapid response to County Lines' activities and treatment of vulnerable tenants "cuckooed" by criminals.

She considered that if she reported issues about drugs in relation to a particular tenant she was not briefed with an overview on the drug situation in her ward. In response the acting community safety manager referred to the councillor enquiry process and advised he was happy to respond to any question regarding concerns in a relation to a ward but could not divulge particular names or addresses. In response to a member question on how councillors could help he advised a County Lines Engagement Strategy was being developed which could address this. Further the council's Community Safety Strategy (CSS) was being developed which would include elements on anti-social behaviour, the night time economy and domestic abuse. The CSS would be consulted on later in the year and would include an opportunity for members to be engaged. Members could help by providing support to local beat officers and reporting any concerns they had through appropriate channels.

In response to Councillor Driver's question Matt Stuart reflected that how quickly the police responded to information depended on the information received. The police had a robust process for assessing intelligence, the credibility, providence and impact of acting on it was considered. He reassured members that the public could provide information in confidence and highlighted the difference between intelligence and evidence, intelligence information was anonymised.

**RESOLVED to:**

- 1) note the update on county lines; and
- 2) to ask the committee officer to circulate an update on the committee recommendations on county lines from the scrutiny committee meeting held in September 2018.

**4. Report from the Norfolk Health Overview and Scrutiny Committee (NHOSC)**

An update from the NHOSC meeting held on 14 July had been circulated to members and the update from the meeting held on the 8 September 2022 would be circulated before the next committee.

**RESOLVED to:**

- 1) note the update from the representative on the Norfolk Health Overview and Scrutiny Committee; and
- 2) ask the representative on NHOSC to circulate a written report to scrutiny committee members for the meeting held on 8 September 2022.

## **5. Scrutiny Committee work programme 2022-23**

Members discussed the work programme. The Head of Legal and Procurement advised that the committee officer had been unable to contact UK100 to confirm attendance at the committee scheduled for 10 November 2022 on Green Financing. She proposed that the meeting on 10 November be deferred until 17 November when officers were available to present the debt advice item which was unable to go ahead as scheduled due to the death of Her Majesty, Queen Elizabeth II.

The item on Levelling Up was scheduled for January 2023. The council had made two bids to the Levelling Up fund but the outcome of the bids was anticipated to be delayed. Similarly, the timetable on legalisation for the Levelling Up Act was also delayed. The direction of the scrutiny committee would be driven by these factors and it was suggested that the item be rescheduled as the first item for the new civic year, to be heard in June 2023. The committee in January could then be used for the item on Green Financing with the hope that UK100 could be contacted to attend the committee.

Regarding the work programme item in March 2023 on refugees, members were asked to consider the scope of this item ready to discuss at the next committee meeting.

Members discussed the Community Safety Strategy (CSS) and the possibility of scheduling an extra committee to consider the item. The Executive Director of Community Services advised the CSS would be ready to be considered by February 2023 and if committee endorsed the item an extra meeting could be scheduled.

### **RESOLVED to:**

- 1) note the suggestions on amending the work programme for consideration at the next committee meeting; and
- 2) agree deferring the 10 November committee to 17 November to hear the item on debt advice.

CHAIR



## **Scrutiny Committee**

**16:30 to 18:35**

**17 November 2022**

Present: Councillors Wright (chair), Brociek-Coulton (vice chair), Carlo, Champion (substitute for Osborn), Driver, Fulton-McAlister (M), Haynes (substitute for Galvin), Padda, Stutely, Thomas (Va), Thomas (Vi) and Young

Apologies: Councillors Galvin, Huntley and Osborn

(Also present Councillor Waters, leader of the council and Councillor Harris, deputy leader of the council and cabinet member for social housing).

### **1. Declarations of interest**

Councillor Thomas (Va) declared an other interest in relation to item 5 (below) in that he was employed by Norfolk Community Law Service.

### **2. Update from the NHOSC representative**

The chair referred to the update of the NHOSC meeting held on 8 November 2022 which had been circulated to members and asked if this could be included in the next agenda.

#### **RESOLVED to:**

- 1) note the update of the NHOSC meeting held on 8 September 2022; and
- 2) to ask the committee officer to include the update from the NHOSC meeting held on 10 November 2022 in the agenda for the next meeting of the scrutiny committee.

### **3. Resignation of the council's representative and substitute on NCCSPSSP**

The chair noted that this item had been amended in that it was only the current substitute for the committee Councillor Stutely who was resigning and sought nominations for the position.

**RESOLVED** to appoint Councillor Fulton-McAlister (M) as the council's substitute representative for the Norfolk Countywide Community Safety Partnership Scrutiny Sub Panel.

#### **4. Resignation of the substitute NHOSC representative**

The chair noted that Councillor Stutely was resigning and sought nominations for the position.

**RESOLVED** to appoint Councillor Fulton-McAlister (M) as the council's substitute representative for the Norfolk Health and Overview and Scrutiny Committee.

#### **5. Update on debt advice and support services**

(This item was taken first)

Councillor Waters, the leader of the council introduced the item. He noted that the focus of the report was on the actions the council took to prevent and alleviate debts for households. The report highlighted the circumstances of individuals in debt and the increasing complexity of the debt landscape. The report detailed how the council, working in conjunction with partner agencies, was responding to the situation.

Members received a presentation on debt and support services from the head of strategy, engagement and culture (appended to these minutes).

(Councillor Fulton-McAlister (M) joined the meeting at this point).

The head of revenues and benefits emphasised the importance of joint working across teams within the council. She noted that more people were falling into debt due to the increase in the cost of living. She had observed a change whereby individuals were increasingly open and honest and shared their difficulties such as mental health issues which meant they could be referred for appropriate support. She referred to the council's non-commercial debt policy and how it operated in practice. Complex case strategy meetings were called where internal council teams and external partners working with a household met to discuss how to progress a case. Ownership of actions were agreed and this prevented duplicate working and provided a more integrated approach for households.

The head of revenues and benefits provided two case studies. First, a case where an individual owed £6,000 in Council Tax arrears and £7,000 in rent arrears. A complex case strategy meeting was held with colleagues from council tax and housing and an interpreter. Housing were assisting the individual with gaining settled status. The customer's first language wasn't English which helped to explain why there had been a lack of contact with services. A council tax reduction form was completed and applied for with the individual referred to the council's money advice team for further support. An attachment to earning in relation to the debt could be secured if needed in future.

The second case study detailed a case whereby a person had fallen into debt due to an overpayment of £7,000 council tax reduction and £20,000 housing benefit. The individual had not declared their income which was over the capital threshold for these benefits. The service maintained regular contact with the individual and advised once his capital was below £16,000 he could reclaim benefits.

The head of revenues and benefits highlighted that the council worked closely with the Financial Inclusion Consortium (FIC). The FIC incorporated a number of social welfare agencies which provided advice on debt and other issues. This work had increased the understanding of council officers on the impact of debt on individuals especially the elderly and children. The council worked closely with the Department for Work and Pensions to share issues and ideas. She noted that the benefits and revenues department had provided support to many businesses as well as individuals.

She referred to the introduction of legislation which allowed those in debt to apply for a breathing space period of 60 days when no action to recover debt was taken. This had been successful but was sometimes not long enough for individuals to get the appropriate advice and support they needed. She highlighted that the revenues and benefits service were looking to go out to community settings such as foodbanks and cafes in the new year to conduct surgeries to offer support, maximise income and signpost to services.

She noted that during the Covid-19 pandemic the courts were closed and an extra 'soft' reminder had been introduced to the council's debt recovery process which gave longer for households to pay.

She highlighted that her team had been responsible for making energy rebate payments to customers and that the outcome of the detail of the autumn budget might include payments to those not on traditional forms of energy.

Internally a debt panel had been introduced which heads of service attended to share good practice and it was hoped that the commercial debt policy would be introduced in the New Year. The council were signed up to the Citizens Advice Protocol and were working to look at the layout and fonts of letters. They were seeking to amend bills so it was clearly shown what stage of debt process an individual was at and what would happen if no payment was made.

Finally, the department were looking to develop systems to enable residents to go online and make their own payment arrangements, this would be a useful mechanism for those who did not want to contact the council directly.

The interim tenancy services and income manager addressed committee, he advised he had two key roles, to ensure people were living in council stock well and were able to manage their tenancy and secondly maintaining rent income collection. He was mindful with housing debt of the circumstances of the individual and he noted that many were new to debt as a result of the current economic situation.

It was important to consider the council's approach to the individual but more widely, to contact as many people as possible, considerately and respectfully offering advice. He was keen to introduce new ways of engaging with people via technology, in that those who were able to could self-serve. He referred to the council's specialist team of budgeting and money advisors, budgeting advisors provided advice on how to manage income, reducing outgoings and how to prioritise debts. Money advisors could provide information on how to increase income through grants or benefit applications.

These teams had seen an increase of 20% in referrals this year and had increased the average weekly income of residents by £24 whilst decreasing their expenditure by £11 per week. In terms of the impact on individuals with rent arrears approximately £400 reduction per case had been achieved. This protected against the risk of potential eviction and reduced overall debt.

The income and rents manager referred to the impact of Covid-19 upon income collection rates, legislation to pause evictions due to rent arrears came into place. Income officers temporary became support workers, they quickly learned the detail of new support funds in place, kept up to date with the changing benefit situation and created a digital library resource. This resulted in the provision of useful advice to tenants. Many customers contacted in this period that were new to debt, they had been furloughed and had limited or no income.

The learning meant that when income officers returned to rent collection work they took the new skills with them and worked in a more holistic way. The team worked closely with other teams, holding complex case strategy meetings. The lessons learnt during Covid-19 would be helpful with the current cost of living crisis. There was a balance to achieve between helping customers and collecting rent.

The service had worked with the Department of Works and Pensions to create partnership support provision sessions similar to the idea of a jobs fair. This had proved a useful learning exercise for all partners on what is available and where customers could be signposted to. One question being looked at was more empowerment for customers to self serve using appropriate technology.

The income team were seeking to speak to more people and caseloads had doubled in the last year. A large part of this increase was from those new to debt and this cohort were keen to self serve but were unsure where to go. Income officers were having quicker conversations with these customers agreeing repayment plans which were then reviewed after three months.

She referred to two case studies, the first where an income officer was working with a tenant who had recently changed over to Universal Credit and was struggling to budget. The income officer helped them to access a Discretionary Housing Payment (DHP) and provided education about budgeting. Working with the income officer the customer reduced their rent arrears from £1,800 to £295. The tenant was confident that their budget was now under control and that they could manage going forward.

The team had adopted an early intervention approach, contacting those in debts earlier. The second case study detailed how a customer in £300 rent arrears was contacted by an income officer. It transpired during the conversation that the tenant was paying water rates directly to the council and to Anglia Water as well. This resulted in a £1,500 refund to the customer.

The chair shared members desire to thank the senior financial inclusion officer for the report and her work in the field.

In response to a member question the income and rents manager said she was working closely with the new DWP partnership manager and could raise the issue of

the 60 day breathing space not providing enough time for customers to engage with support.

In response to a member question the head of revenues and benefits confirmed that the non commercial debt policy was followed and there were a number of stages which had to occur before enforcement agents were used and other options could be considered such as attachments to earning or benefits. She emphasised that the number of cases passed to enforcement agents was minimal. However, it might be the first time a household engaged in any form of contact regarding their debt. If the enforcement agent discovered a household had a particular vulnerability the case was referred back to the council.

In response to a member question in relation to who got benefits in a particular household, the head of revenues and benefits confirmed it was the claimant. She referred to fraud cases where it transpired a claimant was funding their alcohol dependency and not paying bills. The head of strategy, engagement and culture noted that teams across the council spoke regularly, to share knowledge and issues were identified earlier.

In response to a member question the head of revenues and benefits noted that customers were not always willing to engage in face to face appointments but if possible they often proved more beneficial. In terms of people moving from debt advice to recovery it could be because of how a person viewed their debts and which debts they were prioritising. Council teams and partners more widely had adopted a no wrong door approach to strengthen the council's early intervention work and engage with debtors sooner. If debts were allowed to increase this was not ultimately helpful and there had to be equitable treatment of those who paid.

The chair noted that the energy rebate scheme was a challenge given to local authorities by central government. He was concerned about information he had received indicating that non direct debit Council Taxpayers had not been able to access these rebates. The head of revenues and benefits advised that if the council did not hold the bank details for the council tax holder the resident had to apply directly for the rebate.

The council had undertaken social media campaigns encouraging customers to apply but it was noted that some people were concerned about sharing their bank details. As the scheme was closing for those council tax account holders the team could not contact the rebate was placed on their council tax account. If a person was receiving full council tax support they could ask for a refund.

In response to a member question on the root causes of debt, the interim tenancy services and income manager noted there was a lag of impact on household finances from Covid-19, tied in with the removal of £20 uplift in benefits which had been paid out during the pandemic. The head of revenues and benefits suggested the Financial Inclusion Consortium had greater insight on why households fell into debt and anecdotally she suggested that those who were just about managing had been pushed into debt due to the increase in the cost of living.

Councillor Waters referred to the work of the resolution foundation and the assessment that if benefits had been maintained at 2010 levels then 2m less people would have been pushed into poverty or become highly vulnerable.

The income and rents manager advised that the team had begun to collect data in June on the reasons people were not paying their rent and the two biggest reasons given were higher electric bills and inappropriate budget. The latter was a term used when it was considered that there was an incorrect prioritisation of household income such as funding a car that was not needed to access work or education. Part of this work also revealed that whilst lump sums paid off debt for example from DHP were beneficial in reducing headline debt it did not change behaviour. A process of working with an advisor to create and maintain a budget often had better long-term impacts because the householder was educated on how to manage their finances.

In response to a member question the interim tenancy services and income manager noted there had been a 20% increase in debt cases. In order to be able to advise larger numbers of households self-serve options were being considered.

In response to a member question the income and rents manager said the income team's knowledge and skills were growing because of joint working through complex case strategy meetings. Coordinating work across teams in the council prevented more cases of evictions. The head of revenues and benefits emphasised the cross team working which was taking place. At a wider level the head of strategy, engagement and culture referred to work with the FIC sharing information which had resulted in improved processes.

In relation to a question on flags which were used on customers records to indicate a vulnerability the head of strategy, engagement and culture advised that flags were attached to the individual and not the debt to enable conversations across council teams.

In response to a member question the income and rents manager advised communication styles were varied as standard with customers, at the sign up for the tenancy a householder would be asked their preferred means of communication. She noted that the council were looking at smarter ways of communicating by example sending out bulk texts to phones. There was a caveat in that certain legal processes called for letters to be used but if the service were aware a customer struggled to read then attempts to hand deliver the letter would be made.

The head of revenues and benefits emphasised that her service area was constrained by legalisation, reminders had a specified letter format. However, as she had earlier alluded work to look at the accessibility of the letters was being explored.

In response to a member question the head of revenues and benefits suggested a 120 day breathing space period would be advantageous but it depended still on the ability of households to be access advice and the numbers that were in need.

In response to a member question the income and rents manager advised that since June 2022 income officers had been trialling a new way of working, this had resulted

in an increase to income recovery, more customers being spoken to and referrals to support services increasing.

In response to a member question the head of revenues and benefits emphasised that the team were looking to improve the accessibility of the letters it sent out. The head of strategy, engagement and culture noted that the council had a digital inclusion strategy and the use of digital technology could provide an innovative part of the solution.

**RESOLVED** to postpone considering recommendations in relation to an update on debt advice and support services to the next meeting of scrutiny committee.

#### **6. Scrutiny Committee work programme 2022-23**

**RESOLVED** to postpone consideration of the work programme to the next meeting of scrutiny committee.

CHAIR



# Debt Advice and Support Services

Scrutiny Committee

17 November 2022

# Scrutiny Request

To examine the extent to which debt advice and support services provided by the Council and its partners are helping to prevent people from falling into debt and becoming subject to debt recovery

# Corporate Plan 2022 - 26

## Aim 1

**People live independently and well in a diverse, and safe city.**

Through our policy on non-commercial debt, ensure we take a consistent approach across service areas in how we support people to manage their debt – ongoing

## Aim 4

**An inclusive economy in which residents have equal opportunity to flourish.**

Recommission social welfare advice and support for residents in financial hardship – April 2022

# Four Focus areas

- Non-Commercial Debt Policy
- Debt Respite Scheme
- Social welfare advice
- Council debt support and advice

# Non-commercial Debt Policy

- Agreed by Cabinet in October 2020 to ensure the council maximises the collection of debts and income and reduces the likelihood of financial hardship for customers by ensuring individuals' financial circumstances are considered on a case-by-case basis.
- Key aims include:
  - Improve income collection rates by treating debtors reasonably and fairly
  - Recognise the varying causes of debt and adjust recovery procedures accordingly
  - Reduce the likelihood of financial hardship for customers by ensuring individuals' financial circumstances are considered on a case-by-case basis
  - Enable the signposting of debtors to debt advice as appropriate

# Non-commercial Debt Policy cont'd

The policy includes:

- A separate section dedicated to the treatment of vulnerable customers
- Introduction of the Standard Financial Statement as approved by the money advice service detailing all income and expenditure
- Embedding Citizens Advice council tax protocol into the policy
- Implementing 60-day Debt Respite Scheme prior to the legislation coming into force (In May 2021)
- Highlighting the importance of advice agencies

# Non-commercial Debt Policy – in practice

- Introduction of a new debt management flag for when we know the person may need more support to manage their debt.
- Officers working together to look at individuals' needs around housing, council tax, health and vulnerabilities and identifying possible solutions.
- The standard financial statement (SFS) is now being used by all relevant service areas.
- Successful implementation of the Debt Respite scheme.
- Positive collaborative working across multiple teams.

## Non-commercial Debt Policy – impacts

- Our most vulnerable customers are beginning to experience a 'no wrong door approach'.
- Sharing knowledge has led to increased opportunities for improved outcomes.
- Total of 433 council tax accounts in the vulnerable recovery profile.
- Money and budget advice team was supporting 276 tenants in quarter 1 of 2022/23, of which 85 were new cases.

# Debt Respite scheme

- Introduced May 2021 – the council had been following its principles from October 2020
- It enables those struggling with debt to be placed into a 60 day “breathing space” during which all qualifying debts are placed on hold and no further action can take place.
- The debt advice provider has a period of 60 days to work with the debtor to find a sustainable solution to help them manage their debts. This could be a debt management plan, a debt relief order, or an individual voluntary arrangement.

# Debt Respite scheme - in practice

- Normally enacted by an advice provider making a request via the Insolvency Service portal but our money advisers can place people into breathing space.
- When a breathing space request is received all service areas are notified to hold recovery and a debt management flag is placed on the document management system
- Up until the 11 August 2022 we have had 97 breathing space cases - 19 resulted in a formal debt solution for the debtor but most cases have not resulted in sustainable solutions within the 60 days
- Concerns regarding lack of outcomes within 60 days have been raised with the Money and Pensions Service at local level but have not yet been resolved.

# Social Welfare Advice

- The council has recommissioned the provision of information, advice and advocacy services for residents for the next two years with the intention of a further one-year extension.
- Early intervention and advice is key to ensuring that people get the help and support that they need as soon as they need it.
- 2022-23 grant was £171,704.
- The current Financial inclusion consortium is made up of Norfolk community law service (the lead agency) Shelter Norfolk citizens advice . Age UK Norwich, Mancroft Advice Project Equal Lives The Bridge Plus

# Financial Inclusion Consortium purpose

The priority for the service provision is to ensure that poverty is reduced by delivering:

- a. Ongoing and increasing capacity to prevent or mitigate crises and increase financial resilience for a wide range of residents
- b. Visible, easy to access, free advice
- c. Services that are not restricted to specific cohorts, but which can respond quickly to changing situations and to the needs of individuals who may be newly financially vulnerable
- d. Advice services that can meet the needs of residents who are vulnerable, including those experiencing mental health issues, and EU citizens facing status issues

# Financial Inclusion Consortium purpose

- e. An increased awareness of available advice - Services that can inform people of eligibility at key trigger points and take information into communities achieving effective and creative engagement
- f. Holistic wraparound support with time to understand the full picture and level of need and able to recognise the advantages of a consortium model – shared support, collaborative approach, a no wrong door approach
- g. Quality and independent advice, which integrates multiple levels of information, advice and advocacy across debt, welfare benefits, housing, and wider financial capability with effective pathways into wider public and VCSE provision
- h. Effective data and insight that shows how needs are evolving and demonstrates the impact of the service

# Financial Inclusion Consortium impact

April 2018 to March 2021:

- improved the financial wellbeing of over 19,000 Norwich citizens by reducing debt (renegotiating/writing off) to the value of almost £7,000,000
- increased income (welfare benefit appeals/applications) by more than £8,000,000.

It has achieved this by providing easy access to a wide range of expert information, advice, advocacy, and representation through the Norfolk Community Advice Network (NCAN) partnership.

The FIC also works with the council to identify changes we can make, to ensure continuous improvement of our services

# Council Debt Support and Advice

- Multiple teams working with residents around debt, housing, welfare benefits, financial, or other types of support
- Revenues and Benefit team work closely with the financial inclusion officer
- Specialist support team support tenants to manage a healthy tenancy, for the long term
- Build rapport and safe working relationships with tenants
- Well established budgeting and money advice service for tenants

# Council Debt Support and Advice - in practice

- First Norfolk authority to start paying Energy Rebate Scheme to eligible households
- Specialist support team supports 225 tenants in a year, with 75% in financial hardship
- Post specialist support tenancies are monitored at 4 and 12 months
- Money and budget advisors work to find sustainable solutions
- Deficit budgets are becoming more common
- Continue to fund and use NCAN referral system

# Outcomes for Money and Budget Advice

**2021/22**

<b>Estimated total value of support to households</b>	<b>£559,563.89</b>
Estimated annual income increase	£372,730.80
Estimated annual outgoing decrease	£91,301.60
Estimated annual one-off financial support	£95,531.49

*This does not reflect all help allocated/awarded so estimated value of support will be much higher*

# Cost of Living

NIESR has projected that across UK there will be a:

- 31% increase in the number of households becoming classed as destitute because of the current cost of living crisis.
- estimated 14,600 households may be unable to buy basic necessities in Norfolk (2,290 households in Norwich) which includes approximately 11,140 households that may already be affected by destitution (1,750 households in Norwich).
- 13.2% of households in Norwich are fuel poor (Department for Businesses, Energy & Industrial Strategy (BEIS), 2022)

NCAN has set out their concerns relating to food, fuel, mental health and basic living standards with following examples from their caseload:

- 405% increase in average value of secured loans debt owed per person from £1,151 to £5,821
- Significant increase in those needing help with debt assessments and a similar increase in demand for charitable support and foodbank parcels
- Three times as many young people presenting to them as homeless
- 68% increase in direct referrals from this time last year