



BEAT 2 Project

MAS What Works Fund

Evaluation of
Project Extension
(April to June 2018)

On behalf of Changing Lives

Funded by



June 2018

Prepared for Changing Lives

Beat 2 Project: Evaluation of Project Extension (April-June 2018)

Final

June 2018



New Skills Consulting is a specialist regeneration and research consultancy. Combining expert knowledge with a practical hands-on approach, we help our clients develop and deliver successful projects.

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1. Introduction

New Skills Consulting was appointed by Changing Lives to undertake an independent evaluation of the 'Beat 2' Project, which was funded through the Money Advice Service (MAS) What Works Fund (WWF). Beat 2 was a 13 month pilot project, commencing in March 2018 and originally planned to end in March 2018. It was delivered by Changing Lives and Oasis Aquila Housing. The focus of the main evaluation was to address the following key research question:

'To what extent does the Beat 2 project help to improve the financial capability of clients most at risk of facing financial exclusion within both urban and rural settings across Tyne and Wear and Northumberland?'

A comprehensive evaluation report was prepared by New Skills Consulting, assessing the project's impact on the financial capability of clients, during the main delivery period up to March 2018. This report was published in April 2018.

The end date of the Beat 2 project was subsequently extended up to June 2018, making use of a small underspend. During the **project extension**, a significantly scaled-back version of the Beat 2 service was delivered, reflecting the limited resources available.

Two members of staff (Beat Team Advisors) continued to provide support during the project extension to vulnerable adults facing financial instability and crisis. This was a significant reduction in staff resources compared to the five Beat Team Advisors engaged in delivering the main project up to March 2018.

Whereas during the main project delivery period support was provided to adults facing a wide range of financial problems (e.g. benefits, debt, housing arrears), during the project extension the focus was much narrower.

The main evaluation highlighted that a common problem faced by the target audience of vulnerable adults was the financial hardship resulting from clients moving on to Universal Credit (either transferring from other benefit types, or making a new claim after getting a new job, or becoming unemployed). It was decided, therefore, that the project extension would focus solely on supporting vulnerable adults facing financial problems resulting from Universal Credit. The target was to support a total of 35 clients in this category, by the end of June 2018.

New Skills Consulting was asked to undertake an evaluation of the project extension period, although this was to be a very 'light-touch' exercise as the resources available for the work were limited. This further research was intended to supplement the main evaluation report.

2. Evaluation approach

The focus of the evaluation research during the project extension was:

'To explore the effects of Universal Credit as a driver of financial crises among vulnerable adults, and the impact of the Beat 2 project in addressing these crises.'

Alongside this, the evaluation would explore briefly any qualitative evidence of progress made by clients towards the main Beat 2 project-level outcomes, as follows:

- **Outcome 1:** Clients experience a reduction in benefit sanctions, rent arrears and debt.
- **Outcome 2:** Clients have an improved understanding and awareness of their own financial situation, in particular dealing positively with financial difficulties.
- **Outcome 3:** Clients feel less anxious about their financial situation.
- **Outcome 4:** Clients can keep track of income and spending, and create and stick to a viable budget.
- **Outcome 5:** Clients have improved knowledge of financial services and products.

The following research methods were used:

- **Feedback was gathered from a total of 10 clients** supported by the Beat Team during the project extension. This included a mix of in-depth, confidential telephone interviews, alongside the preparation of short client case studies. The following issues were explored:
 - The characteristics and circumstances of clients.
 - The reasons clients had become involved with Universal Credit and their experiences of it, how it impacted on their financial situation, and any problems or benefits they experienced.
 - The financial support needs of clients, the help provided by the Beat Team and how, if at all, it had helped clients deal with the consequences of Universal Credit.
 - The benefits and impacts of the support, including any changes in clients' financial capability as a result of working with the Beat Team.
- **Interviews were undertaken with two Beat Team Advisors** to understand their experiences of supporting vulnerable adults facing problems with Universal Credit.

The information gathered from these research activities has been analysed and triangulated, and the findings and key messages are presented briefly in this report.

3. Key findings

3.1 Client targeting, characteristics and circumstances

Between April and June 2018, the project's target was to support a total of 35 **vulnerable adults** facing **financial problems as a result of Universal Credit**. Vulnerable adults are defined as being homeless or exhibiting at least one of the characteristics placing them at risk of homelessness (e.g. rent arrears, debt, benefit sanctions, reduction in income, substance abuse, mental ill health, offending behaviour).

By the end of June 2018, the project had supported a total of 21 vulnerable adults, slightly short of the target for the project extension. There were two main reasons for the shortfall:

- **Time taken to develop new networks** - The project extension was delivered by two Beat Team Advisors who continued in their role beyond March 2018; the other team members left the project at the end of the initial pilot in March. One of the Beat Team Advisors had been working primarily in the Sunderland area, which was where their referral networks were strongest. However, there is only partial roll-out of Universal Credit in Sunderland currently, so the number of people affected and hence the numbers of referrals to the Beat Team were relatively low. In order to reach more Universal Credit clients in need, the Advisor worked hard to develop new referral relationships in other parts of the North East, outside Sunderland. However, the three month project extension period allowed very little time for these new relationships to be developed, so only a small number of referrals were generated through these new relationships outside Sunderland. The other Advisor continued to work mainly in Newcastle and Gateshead, and where there is fuller roll out of Universal Credit, so the number of clients supported in this area was higher.
- **Changing the Beat Team offer** - During the main pilot project, referral partners and organisations working with vulnerable adults across the North East became familiar with the Beat Team offer and understood clearly the types of financial problems and clients the project was able to support. However, during the project extension the service offer changed (as discussed previously) to focus only on clients receiving Universal Credit. It took time to educate referral partners about the new offer and how it had changed, resulting in an element of confusion among some organisations about the types of clients and financial problems that the project could now support. This had the effect of slowing down the numbers of referrals to the project during the extension period. As the targeting criteria during the extension period were much narrower than during the main Beat 2 pilot project, it was inevitable that referrals would be slower than they had been for the main pilot.

The evaluation evidence indicates that the **project was well targeted on the intended target client groups** during the project extension. All of the clients participating in the telephone interviews, as well as those providing short case studies, exhibited at least one of the characteristics of homelessness or at risk of homelessness. Some were homeless or living in temporary accommodation. All had experienced a reduction in income as a result of Universal Credit, and for most this had resulted in worsening rent arrears or debt. Many faced underlying personal barriers contributing to their financial vulnerability, including substance abuse, offending behaviour, and mental ill health. Many of the clients were single people receiving support from other Changing Lives' services and projects (e.g. Recovery Services, BASIS Project), in particular those recovering from drug or alcohol dependency, or homeless or at risk of homelessness. As a result of these underlying

problems, many clients already had debts (e.g. rent arrears or debts associated with drug and alcohol misuse) and were facing financial difficulties, before they encountered Universal Credit. A smaller number of clients were unemployed and looking for a job, and were referred to the Beat Team by employability services, such as the 'Moving On Tyne and Wear' project.

3.2 Clients' experiences of Universal Credit

Clients became involved with Universal Credit for a number of reasons.

- Clients had undergone a **Work Capability Assessment** (i.e. medical examination), following which they had been judged to be 'fit for work'. As a result, they were no longer eligible for ESA and therefore had to make a new claim for UC.
- Some clients had recently become **unemployed or lost their job** and, as a result, had to make a new benefit claim. As they lived in one of the Universal Credit roll-out areas, and / or were in one of the priority groups, they had to make a new claim for Universal Credit.
- Some clients had **got a job or become self-employed** and needed to make a new claim for Universal Credit to top-up their income, whereas previously they would have claimed tax credits.

All of the clients supported during the project extension had experienced problems as a result of Universal Credit. The main issues they faced were as follows:

- **Delays in processing new claims** - For most clients, it took several weeks (typically 5 to 7 weeks) to process a new Universal Credit claim, during which time some clients were receiving no benefit payments and had no income at all. In some cases, clients applied for and received advance payments to provide a minimum level of income while their claim was being considered. While this was helpful for some clients, for others the advance payments resulted in further problems in future weeks when they had to be repaid via deductions from Universal Credit payments.
- **Reduced income** - For most clients, the changeover to Universal Credit from a previous benefit type had resulted in a reduction in their weekly or monthly income. Most commonly, this resulted from a switch from ESA (which provided higher weekly payments) to Universal Credit, where the value of weekly / monthly payments is lower. For example, for many clients the value of the housing element of Universal Credit is lower than housing payments received under previous benefits, meaning some clients no longer have enough money to pay their rent. Some clients can apply for a Discretionary Housing Payment (a housing payment top-up) but awareness of this appears to be low among clients.
- **Deductions** - Some clients faced further reductions in their income as a result of deductions. In addition to receiving lower core benefit payments following the switch to Universal Credit, many were having additional amounts deducted from their Universal Credit payments, further squeezing their net income. For example, some clients owed money to DWP as a result of historic overpayments on previous benefits, Social Fund loan repayments, or historic court fees. It appears that the application of deductions is more stringent under Universal Credit, with amounts owed to DWP being deducted at a higher rate or over a shorter period of time than was the case under previous benefits. One example of this is court fees which, under previous benefit regimes could be deducted from benefits at the rate of £5 per week, but under Universal Credit this has increased to £100 per month. The approach to deduction is causing significant additional hardship for some clients.

- **Lack of familiarity and understanding** - The clients supported did not understand how Universal Credit works, including the eligibility rules, application process and payment arrangements. All clients had been accustomed to claiming other benefits (e.g. ESA, tax credits) so when they experienced problems and delays with a new claim for Universal Credit they didn't have sufficient knowledge of the new system to resolve these problems. The process of combining several previous benefits within Universal Credit is also creating problems for some clients. For example, many do not understand that their single Universal Credit payment now includes a housing payment, which previously was paid separately as housing benefit. Some of these clients do not understand that they need to keep part of their Universal Credit payment to one side to ensure they have enough money to pay their housing costs. On the other hand, some clients assumed that, once they transferred to Universal Credit, this would include a payment for Council Tax benefit. This is not the case, and a separate application for Council Tax benefit needs to be made, but many clients do not appear to understand this.
- **Lack of flexibility** - Most clients consulted reported a real lack of flexibility within the Universal Credit regime. Under previous benefits, it appears there was a greater degree of flexibility to manage benefit payments in a way that met clients' individual circumstances. For example, some clients reported that previously DWP would take a more flexible approach to making smaller deductions over a longer period to recover overpayments, where deductions were causing real hardship. This type of flexibility is now much more difficult to secure.

These issues have had an **adverse impact** on clients in a number of ways.

- As a result of the switch to Universal Credit, clients had generally experienced a **reduction in income**, and in some cases the reduction had been significant. As a result: some clients were **unable to pay their rent and were running up higher rent arrears**; some were **borrowing money and running up debts** (e.g. with utilities providers) just to cover basic living costs; and some had resorted to **using foodbanks** as their Universal Credit income was insufficient to buy the food they need to live. It is clear that, for some clients, Universal Credit is compounding **financial hardship** at a time when they are already facing financial problems. It is placing some clients at **greater risk of homelessness**.
- These financial problems had a range of negative consequences for some clients. For example, most clients reported **feeling more stressed and anxious** about their financial situation since transferring to Universal Credit, and many felt very **frustrated and powerless** because they didn't understand the system and DWP appeared (by and large) unable or unwilling to help resolve their problems. For very vulnerable adults, such as those recovering from drug and alcohol misuse, the additional stress and financial hardship was directly **undermining their efforts to make a successful recovery or to achieve a stable housing situation**.

3.3 Support needs and assistance from the Beat Project

Clients needed several types of support from the Beat Team to help them deal with issues arising from Universal Credit.

- **Help to improve understanding of Universal Credit** - The Beat Team Advisors spent a lot of time working with clients to improve their understanding of Universal Credit. This included explaining the eligibility rules, application and appeals processes, and payment types and amounts. Many clients wanted to understand how Universal Credit differs from previous benefits claimed, and how the changes affect them. There was a particular focus on explaining how the housing aspects of Universal Credit operate, including housing payments now being part of the main Universal Credit, the availability of Discretionary Housing Payments, and Council Tax benefit arrangements.
- **Support to maximise Universal Credit income** - The Advisors worked with clients to help increase the weekly / monthly income they receive from Universal Credit, so they had enough money to pay the rent and buy food. In most cases this involved the Advisors contacting DWP on behalf of clients to try to resolve problems with deductions. This included: clarifying what the deductions relate to; challenging or appealing against deductions where they are not justified; and negotiating to reduce weekly / monthly deduction amounts so that clients receive more Universal Credit income each month. DWP is very rigid and reluctant to negotiate changes, and most clients lack the knowledge, confidence and communication skills needed to do this effectively themselves. When a Beat Team Advisor contacts DWP on behalf of a client, this is much more likely to end in a positive result for the client.
- **Support to secure discretionary payments and other income** - Clients were supported to apply for discretionary payments to help increase their income and meet outgoings. The most common source of support was help to apply for Discretionary Housing Payments, which provide additional income to pay rent (and to help reduce rent arrears). Advisors helped clients to apply for other discretionary payments, such as the Civil Service Benevolent Fund. A smaller number of clients were helped to apply for other benefits, in addition to Universal Credit, such as Personal Independence Payments (PIP).
- **Help to apply for Universal Credit** - Some clients were supported by the Beat Team to submit a new application for Universal Credit, and to complete the online journal (a record of steps the client has taken to find work while claiming Universal Credit), which is unfamiliar to many clients.
- **Financial capability support** - Wherever possible, the Beat Team supported clients claiming Universal Credit to improve their financial wellbeing and capability. This included advising clients on ways to reduce their outgoings (e.g. reducing utilities bills, using a water meter), and helping clients to manage and reduce debts (e.g. applying for a debt relief order).

3.4 Benefits and outcomes

The support provided by the Beat Team has benefitted clients claiming Universal Credit in a number of ways. As a result, there is evidence that some progress has been made towards achieving some of the main Beat 2 project-level outcomes.

Outcome 1 - Clients experience a reduction in benefit sanctions, rent arrears, and debt

The project has had a positive impact on some clients in reducing benefit sanctions, rent arrears, and debt.

- **Benefits** - Some clients have been supported to maximise their benefits income, albeit for most clients their total income is lower now they are receiving Universal Credit than it was when they were receiving predecessor benefits. Prior to receiving support from the Beat Team, all clients had experienced a reduction in income following the switch to Universal Credit. With support from the Beat Team, some clients were able to reinstate some or all of their income, bringing it closer to their pre-Universal Credit income. This has been achieved in a number of ways, including: negotiating smaller weekly / monthly deductions from Universal Credit; securing Discretionary Housing Payments; and applying for Personal Independence Payments.
- **Rent arrears and debt** - Some clients have been able to take gradual steps towards reducing their rent arrears, using income from Discretionary Housing Payments, and small amounts of additional income resulting from lower deductions from Universal Credit payments. Other clients have been able to reduce debts in a number of ways, including: being supported to re-negotiate payments with utilities suppliers; securing a debt relief order; or using small amounts saved each month to make small debt repayments.
- However, not all clients have been impacted positively and some are still facing lower incomes, and higher rent arrears and debts, as a result of Universal Credit. This is because some clients have had their income reduced to such an extent under Universal Credit that they do not have enough money each month to pay just the basics of rent, bills and food.

Outcome 2 - Clients have an improved understanding and awareness of their own financial situation, in particular dealing positively with financial difficulties

The project has had some limited impact on the ability and willingness of clients to deal positively with financial difficulties.

With support from the Beat Team, some clients have been able to understand and accept the financial problems they face, and have taken positive steps to deal with them. This includes taking action to deal with debt (e.g. securing a debt relief order, saving small amounts each month to make small debt repayments), and to reduce rent arrears (e.g. using Discretionary Housing Payments to make gradual repayments of rent arrears).

Outcome 3 - Clients feel less anxious about their financial situation

The project has had a positive impact on helping clients feel less anxious about their financial situation.

The majority of clients consulted for the evaluation reported that they feel less stressed and anxious about their financial situation, following support from the Beat Team. This arose in a number of ways.

- Some felt less anxious because their income had been increased back to a level that was more realistic to live on, albeit it was still difficult to get by each month. By reducing deductions from Universal Credit payments, or by securing a Discretionary Housing Payment, some clients had more money to live on each month than would have been the case if the help from the Beat Team had not been available.
- Others were less anxious because they had been able to make some progress on reducing their rent arrears and felt they were less at risk of being evicted. Others were gradually paying down debts, which was helping them feel less stressed.
- Some clients felt that they had a better understanding about Universal Credit (e.g. why deductions were being taken to repay previous overpayments) and that they no longer felt 'in the dark' about their benefits situation. This improved understanding made them feel less anxious.
- However, many clients do still feel anxious about their financial situation. In some cases, this is because they have long standing financial problems. In others, while the Beat Team has helped them take steps towards improving their Universal Credit situation, the short number of weeks of support available was not long enough to fully resolve their situation. In some cases, the problems with Universal Credit are ongoing and could not be resolved by the end of June 2018.

Outcome 4 - Clients are able to keep track of income and spending, and create and stick to a viable budget

The project has had minimal impact on clients' budgeting skills, although some clients have improved their skills.

The short, three month duration of the project extension meant that Beat Team Advisors needed to prioritise resolving the immediate financial crisis for the client (e.g. increasing Universal Credit income by negotiating smaller deductions), and there was insufficient time and capacity to work with clients to improve their financial skills. A small number of clients reported that they had received help to create a monthly income and expenditure budget, and they had found this useful. However, the overall impact on budgeting skills was limited.

Outcome 5 - Clients have improved knowledge of financial services and products

The project has had an impact on improving clients' knowledge of Universal Credit.

In the context of the Beat 2 Project, improving knowledge of financial services and products refers more to a client's understanding of benefits, as opposed to understanding other financial products such as savings, pensions and investments. Several clients reported that their understanding of Universal Credit had improved as a result of the support from the Beat Team. This will leave some clients better placed to resolve themselves any problems that arise with Universal Credit in future.

Other benefits and outcomes

- Some clients reported that, because they are a little better off each month than they would have been without support from the Beat Team, they now have more money to buy food and no longer need to use food banks, or are using them less often.
- Some clients who are currently in recovery from drug and alcohol misuse reported that the help from the Beat Team has played an important role in keeping their recovery on track. These clients reported that, if the Universal Credit problems had not been resolved, it is very likely that the resulting stress and anxiety would have caused them to return to using drugs or alcohol.
- The majority of clients consulted for the evaluation reported that the Beat 2 project was their only source of financial advice and support, and that without the support they would not have achieved the same positive outcomes.

Impact on financial capability and longer-term benefits

- It is clear that the project has delivered some positive short-term benefits in terms of maximising clients' benefits income, enabling some to reduce rent arrears and debts, and helping some clients feel less anxious about their financial situation. However, the evaluation feedback indicates there has been little impact on developing the overall financial capability of clients (i.e. developing their financial knowledge, skills and confidence and building resilience to future financial crisis). This is because the short, three-month project extension period only allowed time for the Beat Team Advisors to attempt to resolve the immediate financial crisis facing the client, and there was insufficient time and capacity to work with clients to improve their long-term financial skills.

4. Learning and conclusions

The focus of the evaluation research during the project extension (April to June 2018) was:

'To explore the effects of Universal Credit as a driver of financial crises among vulnerable adults, and the impact of the Beat 2 project in addressing these crises.'

A review of the evaluation evidence highlights the following key learning points and conclusions.

4.1 Universal credit as a driver of financial crises

It is clear from the experience of the Beat 2 Project (during this project extension phase as well the main pilot project up to March 2018) that the roll out of Universal Credit has emerged as an important driver of financial crises among vulnerable adults in the North East. Vulnerable adults are defined as being homeless or exhibiting at least one of the characteristics placing them at risk of homelessness (e.g. rent arrears, debt, benefit sanctions, reduction in income, substance abuse, mental ill health, offending behaviour).

Many of these people were financially vulnerable before Universal Credit was introduced, often because of entrenched problems they have faced over many years. For example, many people with substance abuse problems can accumulate significant debts as a direct result of these problems, they are also more likely to be vulnerably housed and, importantly, more likely to be reliant on benefits as their main or only source of income. Therefore, any significant change in welfare benefits is likely to impact disproportionately on these vulnerable groups. The evaluation evidence indicates that the roll-out of Universal Credit is acting as a driver of financial crises in a number of ways.

- **Reducing income** - It appears that clients claiming Universal Credit typically receive a lower level of income than they did when claiming predecessor benefits (e.g. ESA). Therefore, as clients migrate over to Universal Credit, most appear to suffer a reduction in income. This is exacerbated in some cases where deductions are taken off Universal Credit (e.g. to repay historic overpayments) leaving clients with even less to live on each month. For people already struggling to meet the most basic of living costs (i.e. housing, bills and food) the reduction in income can push them past the tipping point, where the income they receive is simply insufficient to meet their most basic outgoings. The end result is that people begin to run up rent arrears and take on extra debts just to survive, quickly finding themselves in a financial crisis which it is very difficult to escape from.
- **Delays** - All of the clients consulted for the evaluation reported delays (typically of between 5 and 7 weeks) in the processing of new Universal Credit claims, during which time some received no benefit payments and had no income at all. While some received advance payments to provide a minimum level of income while their claim was being considered, others did not. There are examples of clients being pushed into financial crisis simply because of the extended time they had to wait to receive their first payment, following a new claim for Universal Credit.
- **Lack of understanding** - Some clients may be able to avoid a financial crisis if they had a better understanding of how Universal Credit works, the eligibility rules, and what support is available to them in addition to Universal Credit. For example, some clients qualify for Discretionary Housing Payments, which provide short-term help to meet housing costs. However, awareness of this benefit among clients appears low. If clients were better informed about the full range of financial support available, they may be better placed themselves to avoid financial crises.

- **Lack of flexibility** - Finally, most clients consulted reported a real lack of flexibility within the Universal Credit regime. It is very difficult to get DWP to agree to a change to benefit payments to reflect individual circumstances and needs (e.g. reducing the value of monthly deductions so they can be paid off over a longer period of time, leaving more income to live on each month). This lack of flexibility can also contribute to people receiving less benefits income than they are able to live on.

These financial crises are, in turn, driving vulnerable adults to seek financial advice and support from specialists with a deep understanding of the benefits system, able to help them navigate a way through what can be a very complex, confusing and frustrating system.

The evaluation findings are consistent with those from the recent review of Universal Credit, undertaken by the National Audit Office (NAO).¹

4.2 Impact of the Beat Project in addressing financial crises

The evaluation evidence demonstrates that the Beat Project is an effective approach to addressing financial crises among vulnerable adults. The intensive, one-to-one support provided by benefits experts enables clients to resolve Universal Credit problems and queries with DWP that they are not in a position to resolve themselves, because they lack the necessary skills and knowledge, and sometime the confidence and communication skills. This has resulted in a number of benefits and impacts.

- **Maximising income and reducing rent arrears and debt** - Clients have been supported to maximise their income from Universal Credit and other sources (e.g. Discretionary Housing Payments). This has enabled some clients to overcome an immediate financial crisis (e.g. paying rent or reducing rent arrears and avoiding eviction from their home; paying down debts and avoiding a court order).
- **Dealing positively with financial difficulties** - With support from the Beat Team, some clients have been able to understand and accept the financial problems they face, and have taken positive steps to deal with a financial crisis.
- **Feeling less anxious about their financial situation** - The majority of clients consulted reported that they feel less stressed and anxious because they have dealt with, or are in the process of dealing with, a financial crisis (e.g. resolving a dispute about Universal Credit income, paying off rent arrears).
- **Improving clients' knowledge of Universal Credit** - Several clients reported that their understanding of Universal Credit had improved as a result of the support from the Beat Team. This will leave some clients better placed to resolve themselves any crises with Universal Credit that may arise in future.

¹ Rolling out Universal Credit, NAO (June 2018)

4.3 Other lessons

- **Length of time to resolve financial crises** - Typically, it can take a number of months to fully resolve a problem with Universal Credit to the point where an individual is receiving the full and correct amount they are entitled to, and any problems with deductions and additional benefits (e.g. Council Tax benefit) have been resolved. The three months available for the Beat 2 project extension did not allow sufficient time to resolve the problems faced by some clients, meaning that at the end of the project some clients were left without the support they need.
- **Building financial capability** - Building the financial capability of vulnerable adults is a long-term process. It can take many months or years of intensive work to develop their financial knowledge, skills and confidence, and build their resilience to future financial crisis. This work is particularly difficult with adults that are homeless or at risk of homelessness, because of the range of other complex issues they are dealing with (e.g. substance misuse, mental ill health, offending behaviour). Therefore, it cannot be expected that a noticeable improvement in financial capability would be achieved within the three months available during the project extension period.
- **Need for financial support** - It is clear from the experience of the Beat 2 Project that there is a significant level of unmet need for financial support for vulnerable adults. This is particularly the case in relation to Universal Credit, which appears to be driving some of society's most vulnerable people towards even greater financial crisis and instability. The Beat 2 project has demonstrated the difference that can be made to the lives of vulnerable adults through a focused financial support programme, delivered by professionals that understand financial products and benefits, as well as the needs of this client group. The ending of the Beat Project will mean many vulnerable people facing very real hardship in future, without the support they need to overcome these problems. Many may fall back into dependency or homelessness, while facing higher rent arrears, debts and ongoing financial crisis and instability. It is important therefore that every effort is made to secure the resources needed to continue services of this type, so that the needs of vulnerable people do not continue to go unmet.

Annex 1 - Client Case Studies

Case study A

A description of the client and their needs

Client is 33 years old, single parent with a 12-year-old daughter living in a housing association rented property. Resides in Newcastle which is an urban area. Is unemployed and in receipt of Universal Credit (UC). Daughter suffers from Autism and Dyslexia, has a care plan provided by the school. Client obtained copies of Disability Living Allowance (DLA) claim form several months ago but has not had time to complete the forms.

Had problems regarding the housing costs element of UC. This is due to an error by DWP as they had identified her daughter as a joint tenant therefore housing costs were reduced as not correctly calculated. Rent is £498.64 per month. Has been assessed under UC housing costs at £450 per month. When she claimed UC in September, client was awarded £249.32 housing element for Sept, Oct and Nov which left a shortfall totalling £603.96. Following some intervention from a local housing advice centre, she was credited £226.99 housing element, still leaving a shortfall of £376.99. Client is also receiving a discretionary housing payment on her rent to cover the shortfall in weekly rent payments. The client was at risk of eviction because of the problems with housing benefit. The client needs advice and assistance dealing with rent arrears and claiming DLA for her daughter. She is struggling to manage to pay her bills, and she suffers from stress and anxiety. As a result of the reduction in housing benefit, the client had to move out of her rented accommodation and was staying temporarily with a friend. Unfortunately, she and her daughter witnessed an assault on her friend, and as a result, she is being intimidated by one of the people involved who lives close by.

About the BEAT 2 support

The BEAT team helped the client to challenge the housing benefit decision, getting the full amount reinstated and backdated. They helped her to complete DLA forms to secure financial support for her daughter who has learning difficulties. They also helped her to find new, secure accommodation. Once the client's immediate issues had been resolved, the BEAT team worked with her to review her finances and identify where she could make savings. The best aspect of the support was having someone to talk to, who listens and acts. There were so many problems happening at once, the client felt stuck, as she didn't know where to start or how to move forward. Having someone to talk to, who could help to identify what to do, and to work with her to challenge DWP decisions and improve her financial and housing situation was really important. On her own, the client felt that no-one was listening and others blamed her for her situation, when in reality she was a victim of circumstance and decisions made by others on flawed information (i.e. DWP not checking her daughter's age and expecting her to pay half the rent).

Impact of the support and if it is making a difference

The support has helped to reinstate and backdate the housing benefit. The client is also awaiting the outcome of a decision on DLA payments for her daughter. The support has also made life better and safer, helping her to move out of a high risk situation, into safer accommodation for her and her daughter. The support and advice has also helped to keep her motivated to make changes in her life, helping to identify a way forward to improve her financial and housing situation.

Without the support, it is likely that the client and her daughter would be homeless, living on reduced benefits and struggling to cope financially. The support has helped to keep a roof over their heads, and to improve their financial situation. The client said the support has been 'absolutely brilliant'.

Case study B

A description of the client and their needs

Client is in her forties, a single parent with two children age 17 and 6, living in a three bedroom housing association rented property in Newcastle. This is an urban area.

The client had been self-employed for several years, while claiming housing benefit and tax credits to top up her income. When Universal Credit was introduced, her housing benefit and tax credits stopped. When she re-applied the first time, she was told she was ineligible, so she re-applied. Having always worked, she did not realise that she needed to go to the Job Centre to register for Universal Credit. So she waited for a response to her claim and then found out it had been closed as she had not gone into the Job Centre. Re-applying for a third time, and providing all the required paperwork, she was told she had not paid enough tax, and therefore was not eligible to receive support. Feeling very worried and depressed, the client was initially advised to go to the Law Centre to seek legal advice. The Law Centre referred her to the BEAT project for additional advice and support.

The client also has debts, including rent arrears (£2,500), a car loan (£4,000), two credit cards (£1,000) and an outstanding bill for funeral costs (£850) for her mother who lived in the Czech Republic and passed away recently. The client was very stressed and anxious about her current financial situation, as well as trying to overcome the death of her mother. She also requires a house exchange as she feels that the current property is not suitable for her daughter as it is a split level house which makes it more difficult to keep an eye on her daughter and to make sure she is safe. As her income was variable, due to her self-employment, she has had to stop work and look for paid employment to ensure she can continue to access Universal Credit.

About the BEAT 2 support

The Beat Team helped the client with her claim for Universal Credit, helping her to secure a regular monthly payment. Everything is running more smoothly now, although there have been a lot of mistakes by DWP along the way. While she is now receiving a monthly payment, she does not believe that the amount is right. However, as the whole experience has been so difficult, she does not have the will to challenge this anymore.

The Beat Team also helped with other aspects of her finances, including:

- Securing a grant of £200 towards the outstanding bill for funeral expenses.
- Completing a benefit check, discussed claiming Disability Living Allowance (DLA) for her daughter, as well as Carers Allowance should her daughter be entitled to DLA.
- Advising on a debt management plan and encouraging her to work with her creditors to resolve her debts.

The team have also been helping her to look for work so she can find more stable, paid employment.

Impact of the support and if it is making a difference

The support has made a huge difference. Financially things are now more stable and she can meet her main outgoings. The client felt very isolated, depressed and even suicidal, as she didn't understand the changes to her benefits or what to do about it. Having someone to talk to, who listened to her, and could offer practical help and guidance has been invaluable. Having that personal contact made her feel cared about and important. The team kept in contact, and provided her with regular updates. She now feels much less stressed about her financial situation and can see 'light at the end of the tunnel'.

Case study C

A description of the client and their needs

Client is a single man, aged 37, living in his own flat in the West End of Newcastle. He has a long history of drug addiction and offending, and has been in and out of prison, as well as living on the streets. The client has been receiving support from Changing Lives for about three years. They have been helping him to deal with his drug dependency and turn his life around.

He had been claiming sickness benefit then ESA for more than 10 years, as he was unable to work because of a back injury sustained as a child. His ability to work is also affected by his drug addiction. In early 2018, he was told his benefits had to be re-assessed as part of the introduction of Universal Credit. He had a Work Capability Assessment and was told he was fit for work, so would have to make a new claim for Universal Credit. At this time, he also lost his Personal Independent Payments (PIP) which were a really important part of his income. Since that time, he has really been struggling to get by on his Universal Credit, and this has been undermining his efforts to stay off drugs. He has started to run up rent arrears and other debts (e.g. utilities bills) because his income is not enough to get by on.

The client was referred to the Beat Project by his Multiple Exclusion Worker at the Newcastle Recovery Centre. The client initially wanted help to apply to reinstate his PIP benefits, and wanted to be accompanied to his PIP assessment meeting.

About the BEAT 2 support

The Beat Team helped the client to re-apply for Personal Independence Payments (PIP) alongside his Universal Credit payments. They also attended his PIP assessment meeting to help explain to DWP the client's situation and needs. In addition, the Beat Team have provided budgeting advice and have helped the client to re-prioritise his spending based on his lower Universal Credit income, while he awaits the outcome of his PIP application. The client is also being supported to seek work, as he may shortly be referred to the Work Programme.

Impact of the support and if it is making a difference

As result of transferring to Universal Credit and losing his PIP, the client is significantly worse off each week. However, the budgeting advice from the Beat Team has enabled the client to get his finances back in control. He now knows he has £40 per week to live on after all his bills are paid, and is just about getting by on this.

At the time the Beat Project came to an end, the client was awaiting the outcome of his PIP application. The Beat Team Advisor has explained to the client and his Multiple Exclusion Worker what steps they should take if the application is turned down, as the Beat Project will no longer be available to support him. Without the help he's received from the Beat Team and his Multiple Exclusion Worker, the client feels he would be back using drugs and living on the streets, as he cannot cope without the support he is getting.

Case study D

A description of the client and their needs

Client is 32 years old, a single parent with two children aged 7 and 10, living in a three bedroomed housing association rented property in Newcastle.

The client is currently in recovery from alcohol and drug dependency. Her eldest child suffers from autism, and she has been in receipt of Disability Living Allowance and Carers Allowance, as she cares for her child full-time. She was aware that the area she lived in was due to transfer to Universal Credit, and she wanted to ensure the process ran as smoothly as possible, as her family is entirely reliant on benefits income. She was also unaware if the housing element of Universal Credit would be paid to her or direct to her landlord, and she wanted to be clear about this.

She had previously worked with the BEAT Team, when they helped her claim disability benefits for her son. So she decided to contact the Team again for advice about the transfer to Universal Credit.

About the BEAT 2 support

The Beat Team Advisor reviewed the client's circumstances, explained what was involved in the transfer to Universal Credit, and the impact it would have on her income. As a result, the transfer was quite straightforward, although there was a long delay which made things particularly difficult for a while. With help from the Beat Team, the client was able to plan in advance for the reduction in income. They helped her to re-prioritise her outgoings so she could manage on the lower income.

The Team also helped the client with a new application for DLA (which was due for renewal), and provided advice on housing benefit, helping to ensure the client's benefits income was secure. This included the Team identifying (via the Universal Credit Journal) that the housing element of Universal Credit was being paid direct to the client, so she was advised to set up a direct debit to ensure rent was paid regularly to the landlord. The Team also helped the client to secure exemption from the Bedroom Tax, helping to maximise her income.

The best thing about the support from the Beat Team was having someone with the knowledge to provide advice and go along with the client to meetings with JCP about benefit payments. These meetings can be quite intimidating, and it is really helpful to have someone with you that is on your side.

Impact of the support and if it is making a difference

The support helped the client ensure a fairly smooth transition to Universal Credit, and allowed her to plan in advance for what she knew would be a reduced income. Getting by on less money is very difficult, but it is manageable if you can plan for it, rather than it coming as a shock. The help in re-applying for DLA and securing exemption from the Bedroom Tax also helped the client to maximise her income as far as possible, which helped to cushion the blow of the reduction in Universal Credit income. Without the support from the Beat Team, the client feels she would be much worse off financially.

As a result of the support, the client now feels more knowledgeable about Universal Credit and other benefits, and how they all work together. She is now more confident to resolve independently any problems with benefits she may face in the future. The client said 'my Advisor is amazing: always available and friendly, and really knowledgeable'.

Case study E

A description of the client and their needs

Client is a 31-year-old single man, living alone in a one bedroom local authority flat. A few years ago, he started using drugs and fell out with his family, who asked him to leave home. As a result, he ended up homeless and then lived in a hostel. He currently suffers from severe anxiety, depression, diabetes and obesity. Following a career in the Civil Service, during the past few years he has been in and out of temporary, low paid employment, including labouring and call centres. He has been working recently with the Moving on Tyne and Wear project, who've been supporting him to look for work, at the same time as helping him manage his anxiety, and find more permanent accommodation.

The client has incurred a significant amount of debt on credit cards and loans, mainly as a result of being in and out of temporary work. He had previously been claiming JSA, but recently had to transfer to Universal Credit, as a result of which his income reduced significantly. This was compounded by deductions that were being taken off his Universal Credit payments (which he didn't understand) leaving him with even less income each month. He applied for a hardship payment, but this took 13 weeks to come through. In addition, when he first claimed Universal Credit, he wasn't aware that the housing element was paid directly to him and he spent the money that should have been used to pay rent. He incurred significant rent arrears and was at risk of being evicted. The client needed help to sort out his Universal Credit payments, resolve his rent arrears, and start to get on top of his debts.

About the BEAT 2 support

At the first meeting, the Beat Team Advisor identified that the client may be entitled to assistance from the Civil Service Benevolent Fund. The client subsequently received a small grant from the Fund, who also provided advice and support to help him apply for a Debt Relief Order (DRO). At this stage, the client had no money at all so the Beat Team issued him with a foodbank voucher. The Team also contacted DWP on behalf of the client to negotiate a change in the deductions being taken from his Universal Credit payments. This was successful and resulted in a small increase in the monthly Universal Credit payment. The Team also helped the client to plan a weekly budget, working out a plan for how he could manage on his reduced income.

Impact of the support and if it is making a difference

The support from the Beat Team had a number of benefits including helping the client to increase the value of his monthly Universal Credit payment. This allowed him to start saving small amounts of money each week, which he has started using to make small repayments off his rent arrears and debts.

The help he is getting with the Debt Relief Order (from the Civil Service Benevolent Fund) has really helped to lift the financial pressure, as he can now see a realistic solution to his debt problems, and feels this will enable him to make a fresh start financially. He is also receiving support to get back into work, and is feeling positive about being able to repay his rent arrears once he is earning a wage again.

Overall, the client is feeling less anxious and stressed about his financial situation, and more positive about the future.

Case study F

A description of the client and their needs

Client is a 33-year-old single man, living alone in rented accommodation in Sunderland. Following a family break up, he was using drugs heavily and had an addiction problem. He also has ADHD and learning disabilities, which make it difficult for him to find and keep employment. He suffers from stress and anxiety.

Following the roll-out of Universal Credit in his area, the client had a Work Capability Assessment and was found to be fit for work, at which point he had to make a new claim for Universal Credit. Following a long delay in processing his claim, he started to receive Universal Credit payments. However, he did not realise that his first payment included housing costs that should have been used for rent, and that his landlord had not been paid. As a result of his ADHD and learning disabilities the client finds it difficult to read and understand letters, and this contributed to the error. The problem with rent payments was discovered after a month or two and it was put right, but he had gone into rent arrears as a result and was threatened with eviction.

The client needed help to resolve problems with his Universal Credit. He also wanted to apply for a Discretionary Housing Payment to help repay his rent arrears, and for help to liaise with his housing provider to resolve the problem.

About the BEAT 2 support

The Beat Team helped the client to make an application for Discretionary Housing Payment, which was approved. In the meantime, the housing provider had issued an eviction letter and the client had to appear at court. The Beat Team Advisor contacted the housing company and agreed that the client would pay £100 off the rent arrears, in the hope that this would help his court case.

Impact of the support and if it is making a difference

The overall result of the support from the Beat Team was that the client was able to stay in his property. The client paid £100 off his rent arrears (using the Discretionary Housing Payment) and attended court to explain his situation. A payment plan of £3.49 per week to pay off the arrears was agreed, and the client is continuing to pay off the arrears.

The client said he was in a very bad place at the time, worried he would lose his home, which could have resulted in him being back on the streets and using drugs. He is now feeling much less anxious about his situation and more confident that he can maintain his recovery from drugs misuse.

Case study G

A description of the client and their needs

The client is a 60-year-old male who lives in a homeless hostel in Newcastle. He has a number of health problems, including recovering from alcohol dependency, and severe arthritis.

Up to 2017, he had been considered unfit for work and was claiming ESA. He was just about managing to get by with paying his rent and living costs. Then in April 2018, as part of the roll out of Universal Credit, he had to attend a Work Capability Assessment. Between this assessment and the previous one a year earlier, he had developed arthritis, so his health was much worse. Nevertheless, it was decided that he was fit for work, and he had to make a new claim for Universal Credit.

He was awarded significantly less in Universal Credit than he had been receiving in ESA. Things then got worse when DWP started to make deductions from his Universal Credit. He was told this related to overpayments on historic tax credits, but in previous years he always worked and didn't claim tax credits, so he had no idea why DWP said he owed them money. At this point, he needed help to try to resolve the situation with DWP, as his income was far too low to manage on and he was building up rent arrears. He is at risk of being evicted from the hostel, which is causing him a great deal of stress and anxiety.

About the BEAT 2 support

The Beat Team Advisor spent time with the client helping him to understand how Universal Credit works. The Advisor also spent time on the 'phone to DWP trying to get them to reverse the deductions from the Universal Credit payments, trying to understand what the historic overpayments relate to, and generally trying to help the client get the full Universal Credit he was entitled to. This process is currently ongoing. The Advisor is also helping the client to apply for a Discretionary Housing Payment, to help pay off his rent arrears. In addition, the Advisor is supporting the client in discussions with the hostel about the reasons for the rent arrears, and reassuring them that work is being done to resolve the situation.

Impact of the support and if it is making a difference

At the time of the evaluation, it was too early to judge the impact of the support because the Beat Team Advisor was still in discussions with DWP, trying to resolve the disputed deductions and to get the Universal Credit payments adjusted to a more realistic amount. However, the support is making a big difference to the client, just knowing that someone who understands the Universal Credit system is there trying to resolve the problem. This is making the client feel a bit less anxious, although he's still really concerned that he'll be evicted because of rent arrears.

The client said 'The Advisor really knows his stuff, which is a big help when you're dealing with DWP. Without his help, I wouldn't have known where to start in dealing with DWP. It's a very frustrating, demoralising experience.

Case study H

A description of the client and their needs

The client is a single man in his 30s, living alone in Washington. He is currently recovering from drug and alcohol misuse, with support from the Wear Recovery service.

The client was transferred to Universal Credit in January 2018 but, due to a long delay in processing his claim, he had to apply for an advance payment to meet living costs while he waited for his claim to be processed. By April 2018, his Universal Credit had been approved, but large amounts were being deducted each month to repay the advance payment. The client then received a letter informing him that additional deductions would be made, relating to the repayment of a Social Fund loan from previous years.

At this point, the client needed support to try to resolve the situation with DWP, because the amount he was receiving each month was a long way short of what he needed to pay his rent and meet the most basic living costs. At the time he first contacted the Beat Project, he could not afford to buy food.

About the BEAT 2 support

The Beat Team Advisor called the Universal Credit Debt Management Team at DWP, on behalf of the client, to request a change to the deductions. They told the Advisor to contact the Social Fund Team to see if they could help. The Social Fund Team were not aware of the other deductions relating to the advance payment, and they agreed that the total value of deductions was too high. They agreed to reduce the monthly deductions.

Impact of the support and if it is making a difference

DWP agreed to halve the rate at which the Social Fund loan would be repaid. At this point, the client had to make only one further repayment before the arrears on the advance payment were cleared. As a result of the intervention by the Beat Team, the client was significantly better off each month, and within a few months the Universal Credit payments will be back to the full amount. This eased the stress and anxiety that the client was facing. The Beat Team Advisor also helped the client to plan a budget which would allow him to meet essential outgoings until the full Universal Credit payments were restored.

Case study I

A description of the client and their needs

The client is a single male in his 30s, referred to the Beat Team by the Basis Project in Sunderland.

He had been living in a hostel in Jesmond (Newcastle) and had been evicted because his Universal Credit had been stopped and he had built up rent arrears. His Universal Credit had been stopped because HMRC had informed DWP that the client had got a job and would be receiving a wage of over £900 per month.

The client reported that he had never worked for the employer that HMRC claimed was paying him this wage. He had recently attended an interview at the Job Centre at which he produced bank statements and made a statement confirming that he had never worked for the employer and had not received any money from them.

At the time he first contacted the Beat Team the client had no money at all. He was relying on food banks and the generosity of friends.

About the BEAT 2 support

The Beat Team Advisor contacted DWP to discuss the client's case and was informed that they were aware of the situation and it was under investigation. They said it was likely to be a mistake by HMRC, but that the client could not be paid until the investigation had been completed.

Impact of the support and if it is making a difference

The outcome for this client is unknown. Following the initial support from the Beat Team, the client lost contact with the Project, and could not be reached again, despite several attempts.

Case study J

A description of the client and their needs

The client is a 25-year-old single female, living in local authority rented accommodation in Gateshead. She suffers from anxiety and depression.

Since transferring to Universal Credit she had been facing significant financial problems. Her monthly Universal Credit payments were very low because deductions were being taken off to cover an advance payment she received when she was waiting for her initial claim to be processed.

She had built up rent arrears when she was in employment, as she was moving between low paid, temporary jobs, so her income was unstable. She was also required to pay Council Tax at the full rate, alongside her rent, taking a significant amount out of her monthly income. As a result, she had combined rent and Council Tax arrears totalling £1,500. She also had a payday loan which needed to be repaid.

The client needed support to try to reduce her Council Tax liabilities.

About the BEAT 2 support

The Beat Team advised that, because the client was in receipt of Universal Credit, she should be eligible for Council Tax relief. The Beat Team Advisor helped the client to make a claim for Council Tax relief.

The client was also provided with some advice on debt management, although she said she felt confident with this and had already negotiated a repayment plan with the payday loan company.

Impact of the support and if it is making a difference

The impact of the support is currently unknown because, at the time of the evaluation, the client was still waiting to hear about the decision on the application for Council Tax relief. The client reported that she felt much less anxious now that she was taking steps to deal with the Council Tax problem, as this was the main financial issue she was concerned about.



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June 2018