

West Lothian money matters help service gets a boost

A new service providing one to one help for people struggling with mounting debt is to be set up in one of West Lothian's hardest hit communities.

The service, set up by the Advice Shop, is designed to offer practical advice and reassurance to those tackling cash problems in Blackburn – including those who are in work.

Staff hope to build resilience in a community where people feel overwhelmed by debts rising relentlessly with the cost of living.

Anti-Poverty Service manager Nahid Hanif outlined grim statistics at this month's meeting of the Whitburn and Blackburn Local Area Committee which showed that total debts in the ward had risen by 132% in a year for just one age group- those between 35 and 44.

And, as many pensioners now fear they will lose the winter fuel allowance, Ms Hanif said there was a 20% increase in total debt across all age groups in the ward, amounting to £754,615 in a population of around 20,000 people, during the last year.

In June West Lothian's Anti-Poverty Service successfully secured funding from Advice UK from their "Advice in Accessible Settings" funding stream. The aim of this funding is to improve access to advice in areas with high levels of

deprivation and debt through a place-based customer centred model.

The plan is to work with community partners already working in the town to offer face to face advice outreach in established venues.

Ms Hanif said: "The intention is that this project will employ one officer who will offer a 'good conversation' about money, income maximisation, help to identify the steps needed to work with the customer to break this down into manageable chunks whilst providing the tools, reassurance and help to build financial capability in tandem with the debt adviser working with the customer."

She added: "The Blackburn area is being considered as the key area to roll out this approach mainly because there is already community advice provision which can be scaled up and the keenness of community partners to be involved and support their residents."

Staff have already been working hard in Blackburn and across the county and have had success in helping maximise income and restructure payment.

The Anti-Poverty Service has supported 14,528 West Lothian residents with advice covering income maximisation, energy, debt and housing advice, leading to:

- £25,074,674 financial gains through entitlement to social security benefits

- £465,512 savings secured through energy efficiency advice and access to financial support with energy costs

- £6,772,952 problem debt handled by debt advisers leading to reduction in debt repayments of £3,759,499
- 191 potential evictions prevented following advice and court representation to ensure that tenants can remain in their homes.

In the summer the charity Step Change revealed that, nationally, a quarter of clients say their main reason for problem debt is due to cost-of-living pressures. One third are in a deficit budget, meaning that their spending on essentials is higher than their income can cover, and more than half are earning in full time jobs.

The council's debt advisers have already helped people in Blackburn, including a woman who runs her own business.

Council debt adviser Caroline Doyle is currently providing an outreach service to Blackburn on a temporary basis.

One woman contacted the service after she had received a bankruptcy petition and also had other debts that needed to be addressed.

She runs her own small business and being made bankrupt would likely have meant closing it down, and those she employed would lose their livelihoods.

Caroline worked with the woman to assess her finances and found she generated enough regular income to allow her to make a contribution towards her debts.

The Debt Arrangement Scheme (DAS) was used, which is a statutory debt management scheme introduced by the Scottish Government to help people repay their debt over an agreed period of time without the threat of court action from creditors. It can also stop a bankruptcy petition from being awarded.

A proposal was made to all her creditors which would allow her to pay all her debts back in just under six years, which they all accepted, and the bankruptcy petition was dismissed.

Feedback from other service users also shows that what can seem insurmountable problems can be tackled with help. Recent comments from service users include:

“It was very helpful – even went beyond the bounds of what I had initially asked.”

- “The advisor took time to explain until I understood how to rectify my situation, they explained it in the simple terms I needed.”
- “Glad I came in and spoke to the advisor, I feel confident to make my next move towards work.”
- “Very helpful and understanding. Told me everything that I could claim for, which I had no idea was available to myself.”
- “Advisor reassured me of valuable support in this difficult financial moment of time which has eased my anxiety and given me confidence and financial ability to launch my business and increase my household income to the benefit of my family when much hope was lost due to barriers and financial impact of benefit cap as a single parent.”

Ms Hanif told the meeting: “The Anti-Poverty Service are keen to engage with the services within Blackburn to explore this further to maximise engagement.

“The service is also keen to work with local partners in

creating 'Debt Advice Champions' who will be proactive in having conversations about debt/budgeting with their own service users and partners increasing their understanding of debt and available support options with the aim of increasing referrals to local debt advice services.

"The team are keen to work with local organisations to extend the provision of advice and support within the local area using this Advice in Accessible Settings funding. Evidence suggests that bringing services closer to people helps with the take-up of advice."

For help to manage debts, please visit www.westlothian.gov.uk/advice-shop, call 01506 283 000 or visit www.westlothian.gov.uk/advice-shop-appt

By Stuart Sommerville, Local Democracy Reporter