

# Financial Action & Advice Derbyshire

“Making sure that everyone in Derbyshire has enough to live on”

Partnership Strategic Action Plan 2014

## Newsletter

Welcome to the first of what I hope will be regular news updates.

I'd like to introduce myself. My name is Bev Parker and I am the Policy and Partnerships Manager for the Financial Action and Advice Derbyshire Partnership. This is a merger of two networks; Advice Derbyshire and Financial Inclusion Derbyshire. I am based at the Rural Action Derbyshire offices in Wirksworth.

## Strategic Action Plan

At its meeting on 4 March the Steering Group considered the feedback received to our consultation on the new Strategic Action Plan. The responses were very positive and there was universal support for the objectives and actions proposed. The steering group took account of the comments received and agreed to adopt the Plan subject to a few minor changes. The final version can be found here:

[FAAD Strategic Action Plan](#)

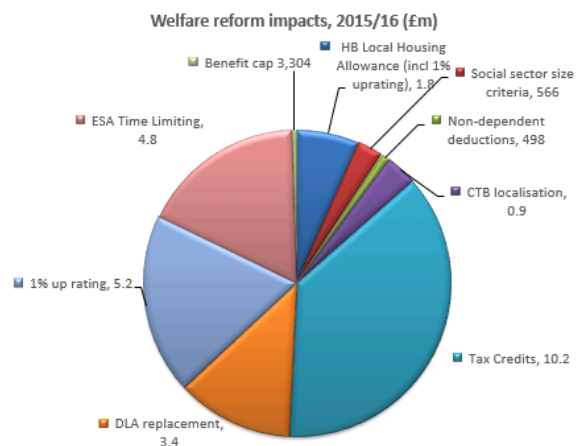
## Project Assistant appointed

I am pleased to announce that we have appointed Claire Thornber as Project Assistant. Claire starts on 28 April. Some of you will already know Claire as she has been working for Rural Action Derbyshire administering the Oil Buying Scheme. Claire's main tasks will be to administer the Big Lottery Fund and Money Saving Expert projects which will deliver financial capability training across all 8 districts.

## Dealing with the Impact of Welfare Reform, 2 April, London

Speakers included Tony Wilson, Policy Director of the Centre for Economic and Social Inclusion who recently produced a report for the Local Government Inclusion assessing the cumulative impacts of welfare reform. This research includes a useful tool which enables local modelling of the estimated cash impact in 2015/16 of government welfare reforms.

<http://tinyurl.com/impactmodel>



The chart above is drawn from the data and shows, for example, that around a third of Chesterfield residents will be affected by changes to working tax credits contributing to the overall national estimated saving of £10.2m to the Treasury..

Sam Royston from The Child Poverty Action Group highlighted the impact of changes to the amount of support for disabled children and young carers in particular. For example, families of children with a disability will be around £1400 per year worse off under Universal Credit. Severe Disability Premium is to be abolished and this can affect young carers looking after a disabled parent (ONS estimates that there are 244,000 under 19 carers). This could mean a reduction in income for that household of over £2800 per year.

My over-riding feeling from the conference was that whilst there was some skepticism from delegates and speakers about the shape of any future rollout of Universal Credit, the real victims of these changes are likely to be the most vulnerable; disabled people, mental health service users, some elderly people and people with long term limiting illnesses.

## No joke ....

1<sup>st</sup> April heralded a wide number of changes which have hit the press – here's a digest of those likely to have an impact on families on low incomes.

### Payday and doorstep lenders.

The Financial Conduct Authority took over the regulation of credit providers and debt management firms from the Office of Fair Trading on 1 April 2014. It promised to crack down on payday lenders, in particular focusing on extortionate charges and the dangers of borrowers being pushed into a cycle of debt. However, it hit the headlines for the wrong reasons when details of a forthcoming investigation into the insurance industry was leaked to the press causing a crash in share prices.

### Council Tax



In April 2013 the government devolved the administration of council tax benefit to local councils – along with a cut in funding of 10%. For the first year the impact was

lessened with transitional relief. But as Council Tax bills drop onto doormats this year, some people will

be paying a small amount of Council Tax for the first time. Most Derbyshire districts are discounting bills for those people who previously would have qualified for 100% relief by 91.5% – in other words residents only pay 8.5% of the bill. The one exception is High Peak Borough Council who have continued to apply 100% relief to anyone who previously qualified. Most residents receiving support will pay around £2 per week towards their council tax bills as a result of these changes.

**Prescription Charges** go up by 20p to £8.05 for each medicine.

**Water bills** go up by 2% on average.

### Pensions

The state pension goes up by 2.7% on 1<sup>st</sup> April. This is based on the CPI rate in September 2013. The government has promised to continue to increase pensions by the highest measure of either inflation, wages or 2.5% until 2020

## Partnership Round up

This is where I hope to be able to highlight the work of partners – and perhaps include some diary dates for forthcoming events.

### Contacts

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