

# Changing the face of debt recovery in Gateshead

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# Context

- Around **200,000** residents
- **94,938** households
  - 49% owner occupied
  - 21% managed by Gateshead Council
  - 25% private landlord
  - 5% registered social landlord
- Deprivation – **21 areas** fall within the 10% most deprived areas (32,700 people or 16% of population)
- Low income - nearly **22%** households on an income less than £15,000 p.a.
- Levels of debt – **over 9%** in council tax debt (2021)
- Children in poverty – **almost 29%** of children under 16 in low income families (2020/21)
- Fuel poverty – **over 14%** considered to be in fuel poverty(2020)
- Carers and poverty rates – **28% unpaid carers providing over 100 hours** per week. (Census 2011)
- Universal Credit – **over 21,700** recipients
- Housing Benefit – **over 10,000** households
- Impact of pandemic
- Cost of Living

# What we're seeing

- People who are anxious and concerned
- People with multiple debts
- People with multiple issues
- People who have never contacted the Council before
- People not contacting the Council until crisis point
- People not contacting the Council at all

# Making Gateshead a Place where everyone thrives

## Our pledges

- Put people and families at the heart of everything we do
- Tackle inequality so people have a fair chance
- Support our communities to support themselves and each other
- Invest in our economy to provide sustainable opportunities for employment, innovation and growth across the borough
- Work together and fight for a better future for Gateshead



# Making Gateshead a place where everyone thrives

Health and wellbeing strategy

- Inequality and poverty

Customer Experience and Digital

- Customer contact/ journey /service design

Locality based working

- Services/multi agency/agile working

Public Service Reform

- Supporting services and multi-agency and cross sector partnerships to learn through experimentation and innovation

Advice, Information and Guidance

- Debt advice/information and support

Collaboration with partners

- Citizens Advice Gateshead

# Making Gateshead a place where everyone thrives

## **Recovery noun:**

- The process of being successful or normal again after problems
- The process of getting something back

Different approaches for those that :

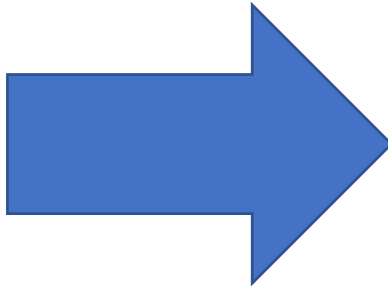
- Can't Pay
- Won't Pay



# Changing our debt management approach

## From:

- Universal
- Single issue
- Transactional
- Scripts
- Front office / Backoffice
- Silo working



## To:

- Targeted
- Holistic view
- More supportive
- Empowerment
- Beginning to end
- Teamwork

# Some of the changes we have made

- Communication
  - Simpler
  - Signposting support
- Contact
  - Triggers and Signals
  - Time taken on calls
  - Proactive
- The team
  - Roles and responsibilities
  - Empowerment
  - Empathetic
- New ways of working
  - Lessons learned from Public Service Reform
    - Can't pay
    - Won't pay
  - Tailoring collection activity
  - Identifying financial vulnerability
  - Connections with other services
  - Joint working with Housing and Adult Social Care
  - Direct Access to Citizens Advice



**We want to:**

**Understand the Resident**

**Understand the Debt (s)**

**Understand the Circumstances**

# Our project with National Innovation Centre for Data

- Discovery work
- Project working title – Maximise recovery of the right debt
- Multiple debts associated with many departments
- Project to support :
  - Better use of data
  - A whole system approach – identifying the right support at the right time to avoid escalation
  - Revised Debt Management Policy

# Lessons learned so far

- Additional support and advice needed – more than financial struggles
- Residents needing support but too embarrassed/proud to take up the offer
- Cross council approach works well
- Strong relationship and partnership with CAG
- Experience of team (s) invaluable
- Employee welfare needs close attention
- Data rich but not always joined up
- Communication around expectation
- Digitally excluded need support - dedicated phone lines helped
- Relationship and communication with residents strengthened through implementation of grants. Building trust.
- Strong motivation of the teams to make a difference

# Case studies - Council tax debt

## Case Study 1 - X contacted Council Tax Team

- Estimated debt £25k and impacting upon mental health.
- Prescribed anti-depressants but not taking them.
- Debt advisor pulled in for help and support.
- Working with CAG
- Hold applied to Council Tax account breathing space
- Counselling Service pulled in for help with X.
- Bankruptcy deemed best way forward by debt advisor but payment of fee a major obstacle.
- X works in the travel industry, application to ABTA Lifeline. Debt Advisor made application.
- ABTA Lifeline agreed to pay bankruptcy fee. Bankruptcy approved.
- Thank you card - “you quite literally rescued me”.

## Case Study 2 - Y visited Council to discuss her council tax arrears.

- Single parent with 3 children each with their own unique needs
- Application made to Greggs Hardship Fund to help secure a bed for the family.
- Northumbria Water to help sort out water bill.
- School uniform for youngest child.
- Donation of 2 laptops to a family in need to help with home learning
- Bike sourced for youngest child via Big Bike Revival and Amnesty.
- Targeted Family Support secured a transfer of schools for youngest child.
- Income maximised with all entitled benefits now being claimed.
- Y advised that the day she came to discuss her council tax she had no idea how this would change the direction of her and family’s life for the better

# Citizens Advice Gateshead and Gateshead Council

Long background

Welfare Support/ Benefit maximisation

Joint post

Response to the pandemic

HSF implementation

Direct Access



**Benefits  
claims and  
appeals**



**Money,  
finance and  
debt issues**



**Housing  
and  
tenancies**



**Crisis  
support and  
help in need**



**Employee  
and  
employer  
rights**



**Discrimination  
and unfair  
treatment**



**Relationship  
issues**



**Support for  
people with  
dementia**



**Consumer  
rights**

## If you are struggling to make your council tax payments, help is available:

Speak to member of  
the **Council Tax** team on:

**0191 433 3600**

They can transfer you to a trained advisor at  
**Citizens Advice Gateshead** for advice on a range of issues:

### Advice & support for you

**Citizens Advice Gateshead** are an independent charity who provide free, confidential and impartial advice around:



**Maximising  
income and  
entitlement  
checks**



**Crisis support  
and help in need**



**Benefits  
claims and  
appeals**



**Housing  
and tenancies**

The charity also provides advice and support for the following issues:



**Employee &  
employer  
rights**



**Support for  
people with  
dementia**



**Consumer  
rights**



**Discrimination  
and unfair  
treatment**



**Relationship  
issues**

# Questions ?

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