



Transforming lives through money advice and education



Annual Report 2017-2018

Year ended 30 April 2018



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Foreword



Greg Ashby

Director of Operations



Jerry During

Director of Services

Money A+E continues to learn, grow and evolve. We would like to give a special thanks to our passionate and committed team, which includes staff, volunteers, the Advisory Board members, the Steering Committee and stakeholders.

Our Vision is to transform lives through the provision and access to Money Advice and Education services to Black, Asian, Minority Ethnic (BAME) and disadvantaged communities. Even though the majority of beneficiaries we support are from these communities, our doors are open to all people who need our help. Our ambition is to extend our reach and increase our social impact across communities in London.

We enable people from the most affected communities who are trapped in the well of financial crisis, to climb their way out into a world of financial stability. As the people connected to us grow in confidence, we grow as an organisation.

We educate, train and recruit our beneficiaries so that people with lived experience help us leverage our social impact. We partner with public, private and voluntary organisations and tailor our services to the needs of the communities and organisations we serve.

We hope you enjoy reading about our successes as much as we have enjoyed seeing the outcomes of our social impact in the community.

“We are passionate and determined to reach and help communities that are being left behind”

Since Money A+E was founded in 2011 we have been able to advise, educate and directly support over 5000 people in local communities across London.

- ✓ We have delivered Money Education workshops to local community groups.
- ✓ We have provided specialist benefit and debt advice to people experiencing financial challenges.
- ✓ We have trained London residents to become Money Champions and ASDAN accredited Money Mentors that provide tips, signposting information and mentoring to their peers in the community.
- ✓ We have worked with a diverse range of partner organisations in delivering these services.



5000

People
supported

At a Glance

Mission, Values and Strategy



Our Vision is to transform lives through the provision and access to Money Advice and Education services. Our mission is to empower individuals by providing simple, accessible, independent & effective money advice & education.

- We reach **BAME and disadvantaged** people in local communities
 - We **train** and **recruit** our **beneficiaries** to give people work experience, new skills and employment opportunities
 - We **tailor** our services to the **needs** of the communities and partners we work with
-
- We believe the following values underpin our work:
 - ❖ **Expertise**
 - ❖ **Lived Experience**
 - ❖ **Community**
 - ❖ **Empowerment**
 - ❖ **Accessibility**
 - ❖ **Innovation**

Through a process of research and analysis we have determined what makes Money A+E unique:

(Who) Money A+E delivers money advice and education to BAME & disadvantaged communities.

(What) We provide compassionate and holistic money advice and education services. Our workshops, mentors, champions and coaches equip individuals to make better money choices and share their knowledge with peers, increasing wellbeing, confidence and resilience.

(Where) Our current focus is to continue working within Newham, Hackney, Lambeth and Southwark. We wish to expand our reach to cover several inner-London boroughs next year.

(Why) There is increased customer demand for the money advice and education services we provide within the communities we serve and in other deprived London boroughs. Our aim is to address poverty and help people build their financial confidence by training them to become Money Mentors, Financial Confidence Trainers and Money Coaches. They will then be able to support others in their communities, address money challenges that they face and help to strengthen financial resilience. Money A+E are redesigning debt advice services to incorporate money advice and education as a holistic service. It is integral that we work with partner institutions and community groups to address this issue.

Strategy is reviewed by the Directors on a monthly basis. Progress is reported to the Advisory Board (AB) at AB meetings.



Our Achievements

Over the last year (12 months ended 30 April 2018) we have helped 600 people from BAME and disadvantaged communities.

600
PEOPLE
REACHED



Over 600 people in local communities reached through our services.

25
PARTNER
ORGANISATIONS



We have partnered with over 25 organisations through pro bono support, grant and paid services.

£80k
Turnover



66% Restricted income and 43% Unrestricted income.



We achieved The AQS, which is the quality mark for organisations that provide advice to the public on social welfare law.

6 / 13
STAFF / BOARD



Our staff increased from 4 to 6 employees.
Our Advisory Board increased from 10 to 13 members.

**MONEY A+E
EVALUATION**



With the support of Dr Valerie Emblen we produced our 1st organisational Evaluation Report. A beneficiary Steering Committee has now been formed.

£2,500

AVERAGE GAIN PER CLIENT

Great financial gains for residents supported by our money coaches for benefit or debt advice issues. £2500 on average per case.



300 **MONEY EDUCATION**

Adults and young people increased Financial confidence and Money Managing life-long skills.



Through workshops and mentoring

J got a £2500 Tax Credit backdated after the Money Coach made a complaint to the Tax Credit department. J had been waiting since she did the initial Tax Credit application in November 2017. J's Housing Benefit has been reinstated to pay for her temporary accommodation and J was awarded a £2000 backdated payment as the Housing Benefit department had calculated the entitlement incorrectly, J now has a £200 credit on their rent account. An overpayment of £500 has also been written off after our Money Coach wrote a challenging overpayment letter and consequently prevented J being evicted. J is now receiving contribution based benefits and our Money Coach is in the process of appealing a DWP decision to decline J an application for Income Support due to a Habitual Resident Test. This is despite J working in this



Energy Campaign

We supported Citizens UK with their 'Energy Champions Campaign' In East London.

Fighting to reduce fuel Costs on pre pay meters



1000 **Subscribers**



Sent the latest money news via online newsletter.

How we help

Our expert **Money Coaches** provided one to one debt, benefits and money guidance advice sessions to 200 people from East and South London experiencing financial challenges.



Case Study

Therese is in her 50's, and living in a private rented property. Therese was unemployed and receiving Universal Credit.

Previously Therese had been employed in a job that paid well, and she was able to use several credit cards without any difficulty, as she could pay the minimum payments each month. However, when this employment came to an end and she moved onto Universal Credit (UC), Therese found that she could no longer manage the minimum payments on her debts. It was in this period that Therese first sought help from Money A + E.

Since engaging with Money A+E Therese was supported to:

- ✓ Make an arrangement with her landlord to pay her rent arrears at an affordable rate.
- ✓ Apply for and successfully receive a Debt Relief Order, to deal with the rest of her debts in an affordable way (while this is arranged, her creditors have been contacted and many have agreed to stop interest and charges, and to give her time to put together a solution to her debt problem).
- ✓ Volunteer with Money A+E as a project support administrative Worker.
- ✓ Secure full time employment with a reputable company.

Our qualified **Trainers** delivered Money Education (financial capability and money management) workshops to 300 adults and students, improving their financial skills and confidence.

Case Study

Tanzila is a Mum with an eight year old son. When she first came to Money A+E she had little knowledge about money management.

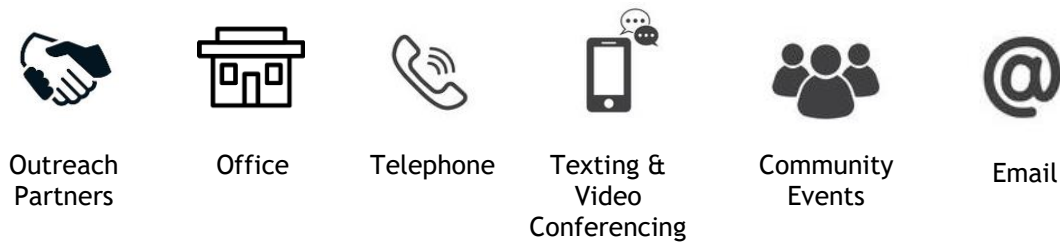
Since engaging with Money A + E Tanzila was supported to:

- ✓ Attend a 'Money Know How' financial capabilities workshop.
- ✓ Train to become a 'Money Mentor' and is due to receive an ASDAN Accreditation.

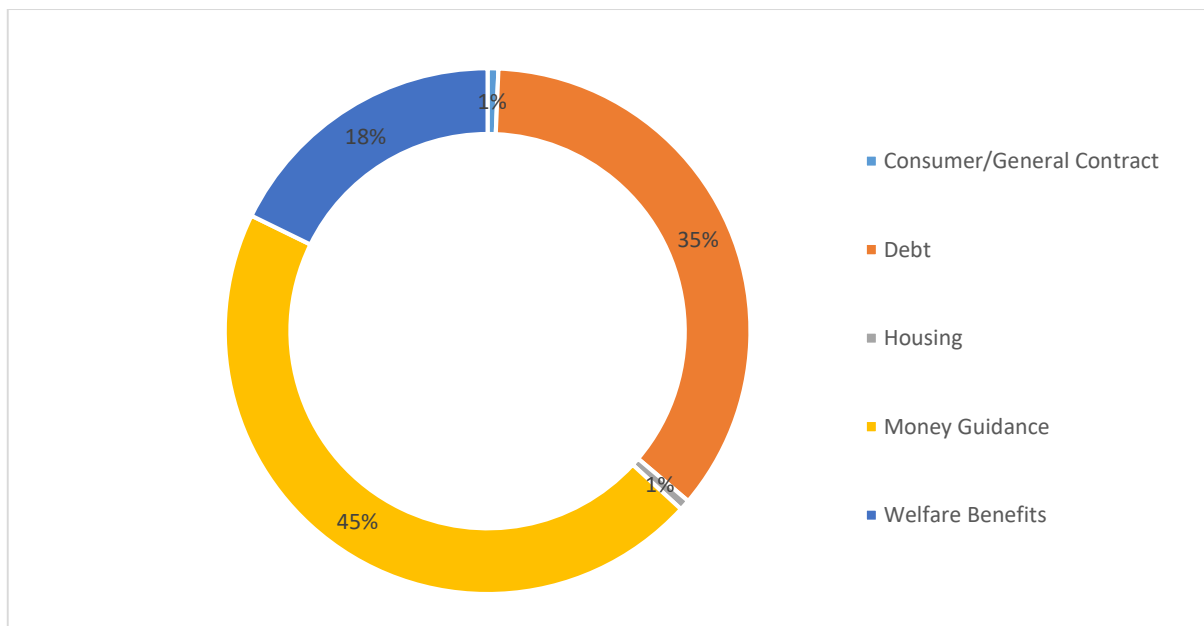
"As we always think that when there is no money, it is a big problem. But through the WORKSHOP I have educated myself that having money is also a problem if it's not managed properly. Also, I have learned how prioritise money goals.



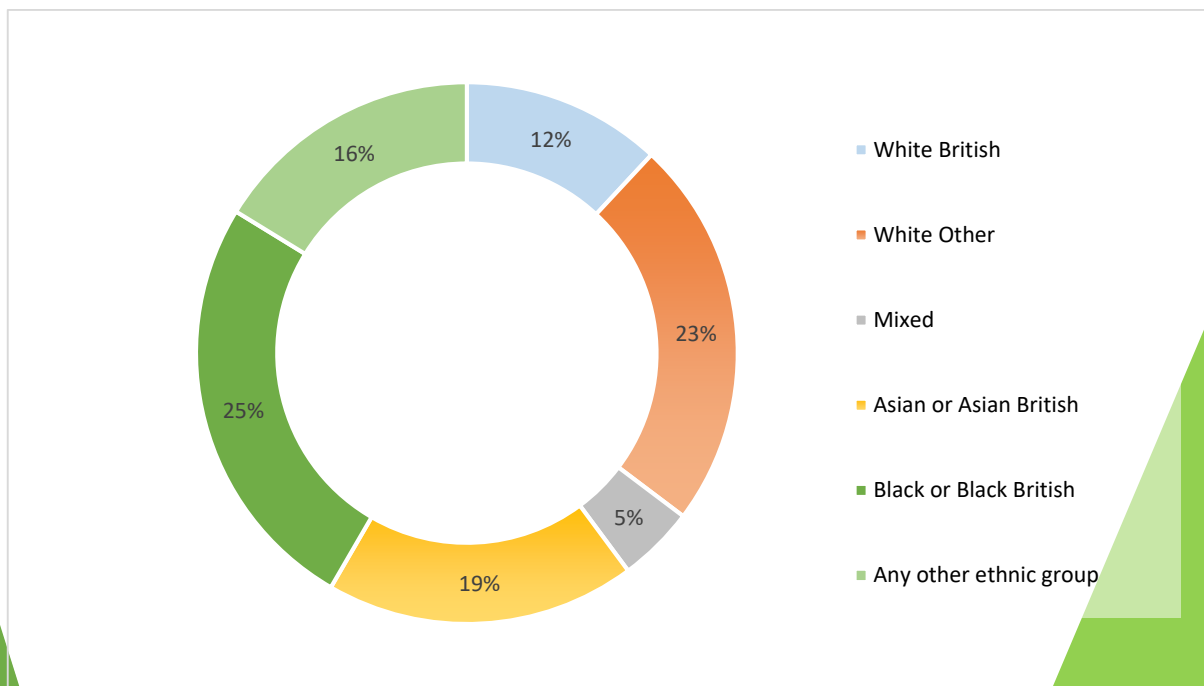
How beneficiaries hear about and use our services



Advice Issues supported



Advice and Education Ethnicity Profiles supported



Partnership Working



We pride ourselves on working with other organisations to improve the number of holistic services that can be offered to people and to widen our reach to the people most in need across local communities. We have worked with a range of organisations during the last year including: Latin American Women's Rights Service (LAWRS); The Refugee and Migrant Project (RAMP); and the Independent Newham User Forum for Mental Health (INUF).

Our Challenges

As a not-for-profit community organisation with aspirations to grow and extend its reach, there are a number of ongoing challenges. Below are some of the challenges we have faced during the last financial year.

- Increasing levels of our unrestricted income from the public and private sector.
Local councils and state educational institutions have experienced large cuts in their funding, therefore securing contracted work to deliver our services to their residents and students has become more challenging.
- Securing organisational core costs from charitable trust funding grants.
Many charitable trusts place restrictions on the amount of funding they give towards organisations running costs as part of a project grant.
- Measuring our services longer term impact on beneficiaries due to limited resources.
Setting up monitoring and evaluation frameworks to evidence long term impact requires increased human capacity and resources. As a small non-profit organisation this is difficult to achieve.
- Securing larger office space due to high commercial rents and reduced community available space.
As a consequence of Local Council's having their budgets cut, one way in which they are recovering income is through renting Council owned properties at commercial 'market' rates. This makes many empty office spaces unaffordable for small non-profit organisations.
- Recruiting and maintaining skilled volunteers to support digital marketing, operational and service delivery.
Committed skilled volunteers are very hard to find and just as hard to keep for long periods of time.

External Environment

Below are some of the main external factors that we believe will have an impact on the people that we help and therefore a higher demand for our services.

Universal Credit

Universal Credit is a benefit designed to replace several means-tested benefits (Jobseekers Allowance, Employment and Support Allowance, Income Support) as well as Working and Child Tax Credits. Its rationale is to improve work incentives by removing overlapping deductions in benefits, make the system simpler through the reduction in the number of benefits, and drive 'cultural change' through changes such as monthly rather than fortnightly payment of benefits, and largely ending direct payment of housing elements to landlords. The benefit has been heavily criticised for the lengthy six-week waits to receive money (falling to five weeks from February 2018) and its high rates of sanctioning (a benefit sanction is penalty imposed on a claimant meaning a loss of income when someone does not meet conditions like attending jobcentre appointments).

Even aside from these substantial problems, its design created a set of winners and losers relative to the old set of benefits. London's demography, including its benefit and tax credit recipients, makes it look different from the rest of the country in ways that have implications for how it will be affected by UC.

The UC story so far in London

As of November 2017, there were around 110,000 people receiving Universal Credit (UC) in London. This is still a figure dwarfed by the legacy benefits that UC is to replace, for example, the 780,000 people still receiving legacy housing benefits in August 2017. But Universal Credit is growing quickly, up from only 12,000 in January 2016, and will be fully rolled out across the country in the next five or so years.

The new benefit is still at a reasonably early stage in London and the country as a whole, due to it being rolled out to only the simplest of new claims at first (single adults with no dependents). 'Full service' areas take claims from almost any type of claimant, and won't be fully rolled out until 2018. As a result, 72% of households receiving UC by June 2017 in London were single adults without dependents, compared to 81% for Great Britain as a whole, with the difference explained by the higher number of lone parent claimants in London. More households in London were also receiving housing support (45% to 41%), though the uneven nature of the rollout makes meaningful comparison difficult.

Self-employment

One area that has implications for London is self-employment. Under Universal Credit, in an effort to deter non-viable self-employment, those claimants who are self-employed are assumed to have an income equivalent to 35 hours at the National Minimum Wage (after a grace period of a year for newly created self-employed businesses). This was £262.50 (as of April 2017). If a claimant has an income below this, they are still assessed as this was their income. In the year to September 2016, there were 800,000 working-age self-employed adults in London, the highest of any region of the UK. This is 18% of all of those in work, four percentage points higher than the average for Great Britain. Changes for the self-employed therefore have the potential to disproportionately affect Londoners. Recent work from the SMF estimates that 190,000 families in GB will be adversely affected by this minimum income floor. Given that a higher share of London's self-employment is in 'low pay' sectors such as construction and retail, it is plausible that there will be a disproportionate impact on the city.

Cutting of the work allowances

One of UC's main objectives was improving work incentives. Instead of multiple overlapping deduction rates for benefits with multiple cliff edges (such as having tax credits and housing benefit removed simultaneously as earnings increased), these would become one benefit removed at a constant rate of 65% (currently 63%). To facilitate people's engagement with the labour market, there were also generous work allowances to encourage people to take on 'mini jobs' with only a few hours a week so people keep close to the labour market. These have now been reduced substantially, including to zero for families without either dependent children or a limited capability to work. This means that many families in work will be worse off, both relative to the legacy system of benefits, but also to what had been planned for UC. For work incentives, the marginal reduction rate has been reduced (from 65% to 63%), but the range over which people lose money now starts at a low level of earnings or immediately. A mitigating measure is that people moving onto UC from existing benefits will receive "transitional protection", which means no cash losses until there are a change in circumstances.

London tax credit claimants are less likely to be in work (65% of families have a working adult, compared to 71% in GB as a whole), though housing benefit claimants are more likely to be a working family (36% compared to 20%).

Policy in Practice calculated that in 2018 the reduction in work allowances meant 2.5 million UK households would lose an average of £14 per week. In London, there were 275,000 families in-work receiving housing benefit who would be potential losers under UC, in addition to 380,000 in-work tax credit claimants, though these two groups are likely to overlap considerably.

Housing

With its high housing costs and large private rented sector, it is unsurprising that a higher proportion of Londoners receive support for their housing costs than those in the rest of GB, at around 17% compared to 14%. UC improves some of the marginal work incentives for those receiving housing support relative to the legacy system, as there is now only one taper of 65%, rather than a 65% housing benefit taper, plus the tapers for tax credits and taxes.

The difficulty for London is of a slightly different nature, and stems from the city's large private rented sector. Landlords are generally reluctant to rent properties to those receiving housing benefit for a variety of reasons including concerns around the administration and payments to tenants instead of landlords. The introduction of UC sweeps claimants of other benefits in with housing benefit claimants. If landlords then treat all UC claimants the same, as the Residential Landlords Association suggests, then this will further restrict housing choice for those on benefits. Housing choice is already very limited given the range of local caps placed on housing benefit, particularly in London.

(ADAM TINSON - NEW POLICY INSTITUTE - TRUST FOR LONDON WEBSITE (2018))

Brexit

Poverty rates are not predicted to be greatly affected by Brexit; but this depends on future governments protecting low-income families from the effects of rising inflation by uprating benefits and tax credits to cover rising costs.

Two years on from the vote to leave the EU, it is only right we unlock opportunities so more families are not left behind. The UK Government must deliver more affordable housing, better jobs and an improved social security system to meet the expectations of those who voted to leave the EU. The time and energy being spent on Brexit must not reduce our capacity to deliver a country that works for everyone after Brexit.

(HELEN BARNARD, LAURIE HEYKOOP AND ASHWIN KUMAR JRF ANALYSIS UNIT (2018))

B.A.M.E, Debt and Poverty

Approximately 40% of Londoners are black and minority ethnic compared to an average of 10% in the rest of England. People of Black Caribbean ethnicity in London have a poverty rate of 32%, above the London average of 27% but significantly lower than the poverty rate for people of Black African ethnicity at 49%. People of Black ethnicity have the highest unemployment rates. In 2014, Londoners of Black ethnicity had the highest proportion of working-age people who were unemployed at 11%. Black Londoners claiming Job Seekers' Allowance were also most likely to be sanctioned by Job Centre Plus. Over 30% of Black Caribbean/African Londoners are low paid.

- ❖ The average level of debt for those in London was £12,402 (2018).
- ❖ In several London boroughs 40-50% of the ethnic origin of debt clients came from Black and Minority Ethnic (BME) groups.
- ❖ Findings from Ipsos-MORI (2018) strongly suggest poorer financial awareness for all BME people. Black Caribbean and African communities are 31% and 45% lower in financial awareness than White British communities.
- ❖ Londoners from BME backgrounds are more likely to be in poverty, communities are experiencing a disproportionate level of poverty and the related issues that surround poverty.
- ❖ The Black, Asian, Minority Ethnic (all ethnic groups except the White groups) population of Greater London is projected to increase from 3.7 million in 2016 to 4.9 million in 2041, an increase of 1.2 million (33 per cent). By 2041 47 per cent of London's population will be BAME.

(LONDON POVERTY PROFILE / LONDON IN THE RED REPORT / GLA LONDON DATASTORE (2018))

Digital Inclusion

“This issue is particularly prevalent among families who do not use the internet. According to recent government estimates, predominantly offline households spend an average of £560 more per year on shopping and utility bills, compared to families which use the internet to shop around for better deals.

“Digital skills training is imperative in tackling the poverty premium. For many offline families, the cost of essential goods and services can be astronomical, and, without the resources necessary to ‘shop around’ for better deals, many households can be left paying inordinately costly tariffs. (MATTHEW ADAM, CEO OF WE ARE DIGITAL (2018))

In adult life, being digitally excluded decreases a person's opportunities in employment and beyond. Around 72 per cent of employers say they would not interview an entry level candidate without basic ICT skills. People with good ICT skills earn between 3 per cent and 10 per cent more than people without such skills. Unemployed people who get online could increase their chances of getting employment with an estimated lifetime benefit of over £12,000 for every person moving into employment.

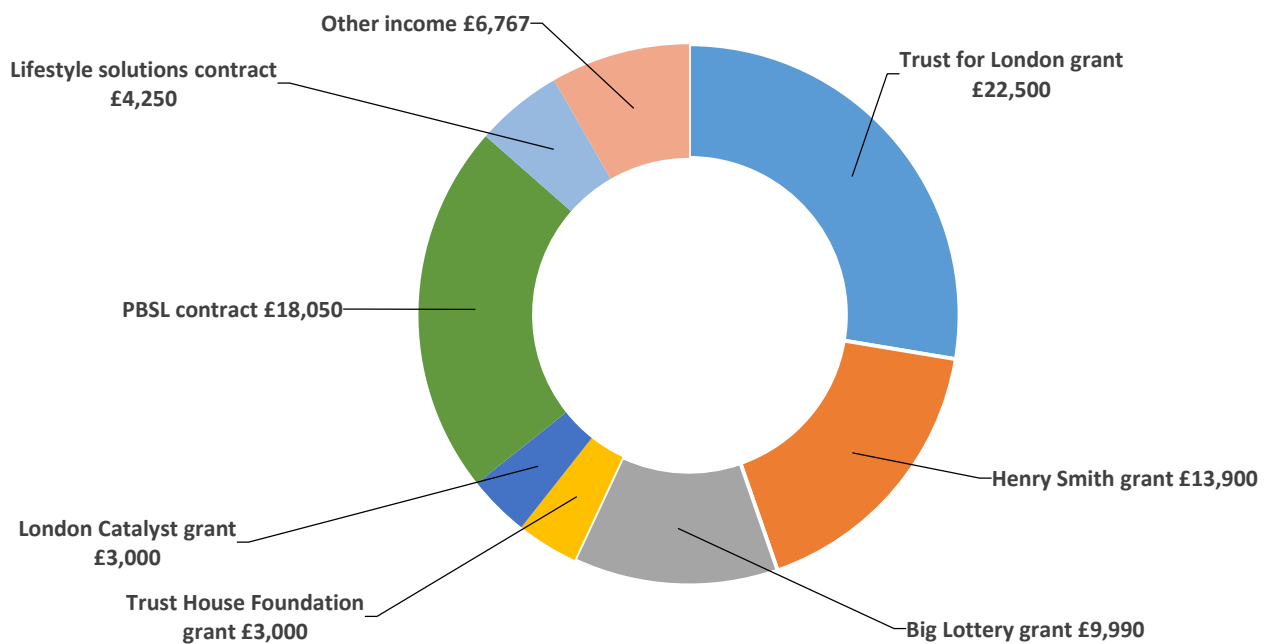
In February 2018 the energy watchdog Ofgem announced that it would be raising its price cap by 5.5%. The proposals, which could come into force as early as next year, is likely to be worrying news for some of Britain's most vulnerable families. Indeed, it is estimated that five million low-income households across the UK could see their energy bills increase by £57 per annum - a worrying spike for an already costly necessity.

Age UK London have reported¹⁷ that there is growing concern that older people are being left behind from the advances in digital technology and are at risk of being “excluded from mainstream society”. The “digital by default” agenda will mean that many Government services will be online which will impact older people disproportionately as they are more likely to be disabled and suffer ill-health. (MAYOR OF LONDON - A DIGITAL INCLUSION STRATEGY FOR LONDON)

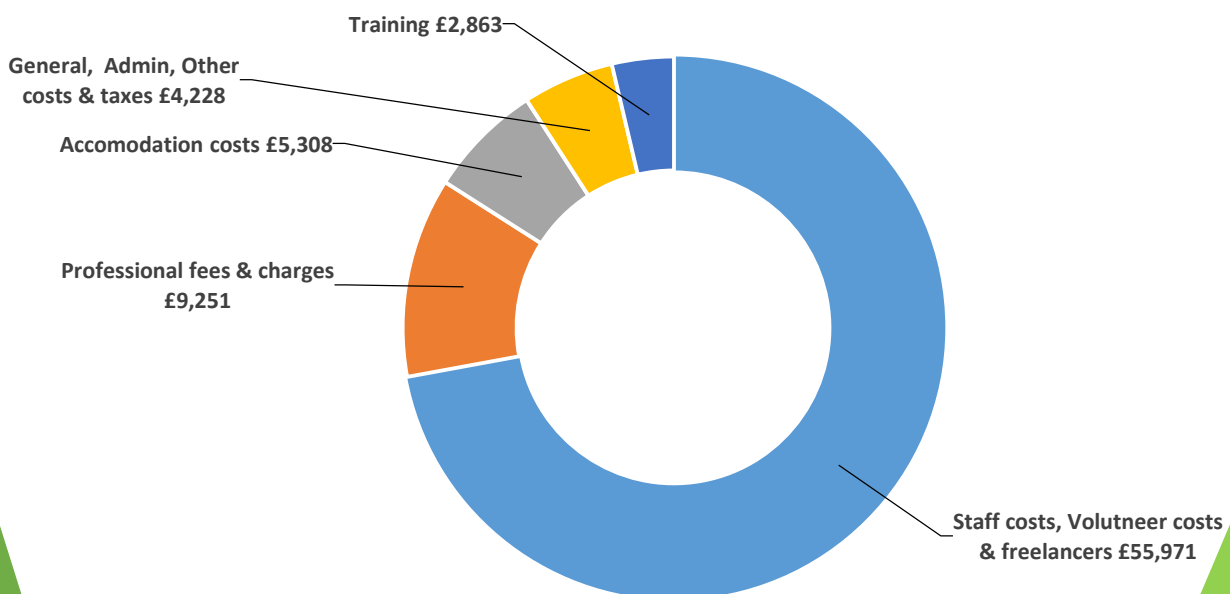
Financial Review

Over the last year, Money A+E received significant grants from Big Lottery, Henry Smith, Trust House Foundation, London Catalyst and Trust for London. Together with contract income from Plaistow South Big Local and Lifestyle Solutions. The income was sufficient to provide two money coaches, two project coordinators / trainers and several volunteers, as well as covering overheads.

Revenue 2017/2018 - £81,457



Expenses 2017/2018 - £77,621



Looking Forward

Over the next year Money A+E aims to generate greater revenues and to have a greater impact tackling some of the issues discussed under the External Environment analysis. A flexible approach will be taken to ensure our marketing strategy adapts and remains in-line with our income generation targets.

Income Generation

During the financial year 2018-19 our forecast income is £250,000. This comprises 38% restricted income (£95,000) and 62% unrestricted income (£155,000).

Primary Targets

To generate £20,000 unrestricted income via 5 Voluntary Community Organisations

This will be achieved through our existing partnership with 'Plaistow South Big Local' and by approaching Chief Executives, Managers and Project leads within other targeted voluntary organisations.

Targeted examples include: Homeless. Migrant, BAME, Mental Health and other organisations supporting vulnerable people.

To generate £30,000 unrestricted income via 1 Local Authority

This will be achieved through our developing relationships with Lambeth and Hackney Council. We are currently involved in the initial phase of a Money Advice scoping pilot with Hackney Council and aim to be part of their future commissioning plans.

This will be achieved through our local authority social housing marketing campaign with the consultancy firm 'Ingenium'.

Our strategy has and will involve approaching Mayors, Councillors and Commissioning Managers of the targeted councils, and to also work with borough's CVS (Community voluntary service) to build networks and become part of potential Consortium bids.

To generate £30,000 unrestricted income via 2 Housing associations

This will be achieved through developing relationships with housing associations and voluntary sector partners and through existing relationships with housing providers to help enhance their offers for contracts and commissions. We are currently in talks with 'We are Digital' and 'Settle' to enhance commissioning offers and contracts provider to Housing providers.

This will be achieved through our local authority and social housing marketing campaign with the consultancy firm 'Ingenium' and also speaking with other providers

Our strategy has and will involve approaching CEO's, Board members, heads of community engagement, Inclusion, Revenue Income recovery teams and National Housing federations and targeted communications. Also involvement in CVS (Community voluntary service) to build networks and become part of potential Consortium bids.

To generate £95,000 restricted income via 5 Charitable Trusts

This will be achieved through our existing partnership with Trust for London and our developing relationships with Henry Smith and The Big Lottery fund.

We will also continue to approach and apply to target Charitable Trusts with themes that synergise with our own aims & objectives.

Secondary Targets

To generate £20,000 unrestricted CSR grant income via 1 Corporate

This will be achieved through our developing relationships with Grant Thornton, PWC and others.

We will also continue to approach Corporate Social Responsibility managers at corporate companies with schemes that synergise with our own aims & objectives.

To generate £50,000 unrestricted income via 1 Central government department

This will be achieved through our developing relationship with the Money Advice Service with the aim of becoming part of their re-commissioning cycle early 2019.

We will also continue to approach Government departments for funding.

To generate £5000 unrestricted income via 2 Schools / Colleges

This will be achieved through our education institutions marketing campaign with the consultancy firm 'Ingenium'.

We will also continue to approach Head Teachers and Heads of departments at targeted educational institutions.

We also aspire to:

- increase our newsletter subscribers to 1500
- get involved with two money issue social campaigns
- increase our borough visibility from three to six London boroughs
- Highlight local issues through two press releases by improve our relationship with media contacts

Governance

Money A+E are Financial Conduct Authority (FCA) regulated (ref. no.618560), a member of AdviceUK (ref. no.2000082), The National Council of Voluntary Organisations, Citizens UK & AQS accredited (ref. no.17/0378). We are insured by AdviceUK and CASE. We provide OCN and ASDAN Accreditation training and we are fellows of the School of Social Entrepreneurs and UnLtd.

Our monitoring & evaluation uses the 'outcome and impact measurement' framework designed by the Charities Evaluation Services. All our services and projects are monitored and evaluated.

- Advisory Board

We have a non-executive advisory board consisting of experts and professionals that meet three times a year to provide advice, guidance and support to the strategic planning of Money A+E. Board members serve for a minimum of one year, with no current maximum term.



Andy Coasby



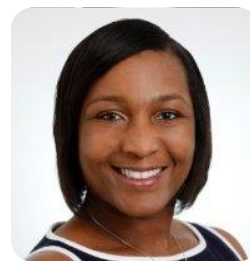
Anna Campopiano



Bertram Leslie



Emmanuel Gatora



Jasmine Campbell



Lin Vong



Nadine
Crawford-Piper



RT Hon Stephen
Timms MP



Steve Johnson



Tim Hall



John Williams



Ola Coker



Sarah Johns



Steve Wilcox



Osemeke
Mosindi

Advisory board members who served during period 1 May 2017 to 30 April 2018

• Management Committee

We have 3 members of our Management Committee. The Management Committee meet four times a year to discuss the operational and strategic planning of Money A+E.



Emmanuel Gatora



Gregory Ashby



Jerry During

• Our Team

We have a dedicated team of staff and volunteers that make our work possible.

- ❖ Nadine Tchaho - Project Coordinator / Trainer
- ❖ Frederick Limbaya - Project Coordinator / Trainer
- ❖ Montserrat Garcia - Money Coach
- ❖ Rose Hood - Money Coach
- ❖ Ryan Spears - I.T. & Evaluation Volunteer
- ❖ Alina Lapadatu - HR Volunteer
- ❖ Isaac Oke - Book Keeping Volunteer
- ❖ Duncan McIntosh - Volunteer Coordinator
- ❖ Jeredine Thomas - Trainee Money Coach Volunteer
- ❖ Ksenia Ponomarenko - Digital Marketing Volunteer
- ❖ Therese Williams - Project Support Volunteer
- ❖ Valerie Emblen - Research & Evaluation Volunteer
- ❖ Claudia Boff - Digital Marketing Volunteer



2124

Volunteering
Hours



£21,665

Volunteering Value at
London Living Wage
equivalent

• Steering Committee

We successfully formed a steering committee consisting of beneficiaries, staff and volunteers. This committee will meet to provide feedback and guidance to how best Money A+E can improve their services.

Money A+E would like to thank all our partners, funders, membership bodies and Pro-bono for their support



We are accountable to our funders by way of our obligation to produce Evaluation reports for funded services. We are accountable to our contractors by way of meeting targets associated with any given contract.

Recognition and Awards

Money A+E strive to achieve a level of professionalism and excellence in the work they deliver. We are grateful that this work has been recognised and will continue to deliver effective and innovative solutions to help reduce poverty and strengthen the financial resilience of local communities.

PWC Social Entrepreneurs Club Award 2016

For Social Impact in the community

UnLtd Star People Award

For increasing the financial resilience of residents from Economically deprived wards

Times Higher Award Shortlist For Community Engaging

