



The Life Changing Fund Process Evaluation

Public Policy and Research

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Contents

Executive Summary	4
Applicants	4
Application and award process	5
Financial aspects of the LCF	5
The future of the LCF and policy implications	6
1.0 Introduction	9
1.1 Aims and objectives of the evaluation	9
1.2 Methodology	9
1.3 How the Life Changing Fund works	9
2.0 LCF Applicants	11
2.1 Demographic characteristics	11
3.0 Life changing goals	15
3.1 Applicants life changing goals	15
3.2 Interviews with successful LCF recipients	17
4.0 Application process	19
4.1 Finding out about the LCF	19
4.2 Application rates	20
4.3 The application form	20
5.0 Assessing applications	21
5.1 Processing the applications	21
5.2 How the LCF panel worked	22
5.3 Suggestions about the panel	22
6.0 Other elements of the LCF	24
6.1 Financial aspects of the LCF	24
6.2 Cost of the LCF	25
6.3 Loan costs	26
6.4 The LCF and other Council services	26
7.0 Conclusions and policy implications	28

Executive Summary

This report presents the findings of a process evaluation of the Life Changing Fund (LCF). The LCF was developed following a commitment in Quid Pro Quo to help build personal and economic resilience for residents of Newham. The fund ran as two pilots from May to October 2013 and provided residents who met the eligibility criteria the opportunity of an interest free loan of up to £1500 (some loans of up to £2000 were awarded in special circumstances). In total 306 residents applied to the fund and 110 were awarded the loan.

This evaluation focuses on the processes that took place during the LCF, for example the application process, use of the panel, the financial process and identifies any positive and negatives with these processes. It also looks at the cost of the LCF and the payment process. As stated this is a process evaluation. A full impact evaluation of the LCF for recipients has not been undertaken including loan repayments.

A range of different methods were used in the evaluation:

- Analysis of all application form data from pilot 1 and 2 and analysis of all items applied for;
- Analysis of financial data for the LCF;
- Semi structured in-depth interviews with the two members of the LCF staff;
- Semi structured in-depth interviews with all three LCF panel members; and
- Telephone interviews with eight successful recipients from pilot 1.

1. Applicants

There were a number of demographic differences between the two pilots and people who applied and were awarded the loan. Comparing those who applied and who were awarded the loan 43% (n=132) of males and 57% (n=174) of females applied for the loan but 56% males (n=62) and 44% (n=48) of females were awarded the loan, showing a gender imbalance. A higher percentage of applicants from both pilots were from a black ethnic group and in total 47% (n=52) of all residents awarded the loans were from a black ethnic group. In the first pilot 53% (n=36) of people who applied were unemployed but this dropped to 33% in the second pilot (n=79), of those who were awarded the loan 44% (n=48) were unemployed.

When applicants were asked about their life changing goals, there were clear themes people wanted help with:

- Training and qualifications to help people get back into employment or improve employment prospects;
- Driving lessons for employment reasons or to improve circumstances;
- Equipment for work or education; and
- Housing and furniture to improve their living conditions.

It is too early to gauge LCF impact on recipients as many are still in the process of spending the money (choosing a car or equipment) or are still in the process of working towards their goal (e.g. attending a training course or having driving lessons).

2. Application and award process

Feedback on the application process from staff and applicants were very positive. Three quarters of the applicants rated the application form as easy to fill in and the bespoke IT system helped staff to quickly process applications, though inputting paper forms did take time. Missing supporting documents for applications did cause some problems as staff had to chase applicants. Once applications had been assessed by LCF staff a panel of Council officers discussed each application and decided whether to award a loan. The panel worked well in providing subject specific guidance and advice on applications especially around the Council's policies and advice on work related applications. However, the value of the panel was questioned as often the application had arisen from a referral from a panel member's service area (e.g. Workplace, Newham Council's employment service). The panel also provided a layer of scrutiny on applications that had prevented problems (e.g. loans being made for housing support to individuals who had turned down a final homelessness offer from the borough) and this was important to maintain. A few questions were raised about the difficult judgements staff had to make about what classified as life changing especially with only a small amount of information. Panel members also found it hard to balance between their personal views and the views of the Council. Some panel members also thought applicant's reason for the loan were under too much scrutiny for a loan they would pay back to the Council.

LCF staff reported that a key element of their job alongside processing applications was providing general advice or signposting to residents, often this was to residents who could be described as needy or vulnerable. LCF staff raised concern around the loss of this service when the pilots ended and a gap in how these people are able to get help.

3. Financial aspects of the LCF

The total cost of setting up and running the LCF was £192,848; a high proportion (65%) of this cost was for the loans awarded to successful applicants. Staff costing made up next highest cost at 31% of the total costs of the project (one staff member worked a year on setting up and running of project and another staff member worked around 9 months helping with the running of the LCF). It is not possible from within the data held to identify what were one off design and set up costs although it is felt likely that these represented a significant proportion of the staff costs. The admin, advertising and printing costs for the project was quite low making up only 4% of the total cost of the project and the set up costs of the LCF only was only 1%. It is worth noting the total cost does not include cost of the panel's time although these were estimated at around £2,000 across the two waves and are therefore quite low.

In total £125,675 was spent on LCF loans, of this 52% (n=57) was spent on loans to achieve new skills or qualifications. The majority of these loans were for employment related training or courses (e.g. NVQ plumbing courses, security training or construction related courses). Just over a quarter (26%, n=29) was spent on driving related loans, mainly for driving lessons that would lead to employment though 25% (n=7) or these were for driving lessons or a car to improve the well-being/circumstances of residents. In total 9% (n=10) was spent on equipment (mainly for work tools, study materials or computers). Housing related loans made up 7% (n=8) and these were to be used for a mix of housing deposits, rent, bills and furnishing (deposits for housing were not available to resident who had already been declared homeless by the Council). Travel and identification only made up 2% (n=2) each of the total cost spent of LCF loans and childcare and other made up 1% (n=1) each. In total 83% (n=91) of loans were for employment related training, resources or services and the remaining 17% (n=19) of loans were to help improve resident's well-being circumstances.

Administering the financial aspect of the LCF did raise a few issues as it was time consuming for LCF staff to set up recipients on the financial system used in the Council. There were only a few problems in recipients receiving the money due to not have the correct type of bank accounts. Due to the volume of applications for driving lessons in pilot 1 it was decided the Council would buy driving

lessons in bulk from one provider to make savings on the cost of driving lessons, this meant recipients of driving lessons were not paid the loan directly.

In November 2013, 11 people had started paying back their loans, 28 people started in February 2014 with the remaining recipients paying back their loans in either May or August 2014. LCF staff did raise questions about the amount of time given to some recipients until their repayments started, for 25 recipients there is approximately a one year gap from receiving the loan and making the first repayment. This is a long time and recipients may not have thought about how they will manage to pay it back. There are also questions over following up recipients to ensure they have spent the money on what it was intended to be used for and providing support if needed to those people who default on their payment.

4. The future of the LCF and policy implications

This process evaluation has provided an overall picture of who applied for the LCF, the themes of what was applied for, how well the processes of the fund have worked and the financial aspects of the LCF. The evaluation has not been able to identify the impact the fund has made for recipients as it is too early to measure. The rates of repayment and default of the loan is not yet known as only a small proportion have started repaying with most recipients due to start repayments in May or August 2014. It will not be until later this year that it could be possible to evaluate the impact of the fund.

This process evaluation and subsequent conversations have highlighted a number of issues to consider in determining the future of the LCF. There are number of possible options in taking the working of the LCF forward within the Council, these are:

1. Mainstreaming themes of LCF

After pilot 1, it was agreed by Sir Robin and the Executive Director for Operations to develop ways to mainstream two themes into the Council, these were:

- Requests for employment related loans to be mainstreamed into Workplace.
- Requests for options of how housing deposits could be mainstreamed into the housing service through the development of rent deposit scheme.

An options paper is currently being developed by housing to explore if and how a rent deposit scheme could be mainstreamed into the Council. Workplace is currently developing a LCF type loan that would cover a number of themes to help recipients improve their employment prospects, these are:

- Training for work which can't be funded through core Workplace provision;
- Equipment and tools; and
- Transport (i.e. season ticket / bike).

Workplace may also provide loans for other work related things like childcare but these loans will only be granted in exceptional circumstances. Workplace will also provide grants rather than loans for ID needed for work. This is in the form of a grant as it is not cost effective to administer and set up repayments for the small cost of ID (roughly £80 for a British passport). This grant scheme is now operational in Workplace.

The loan system to be administered by Workplace is currently being established, this is likely to be smaller than the LCF scheme due to Workplace having no additional resources to fund a loan scheme and not having a guide of what the likely rates of repayments will be. It is likely this loan scheme will be in operation in the next few months. It is hoped in the long term this loan scheme could be integrated into the new offer that is being developed to help residents needing access to fair credit

(see more details in section 2 below) especially as it will help Workplace with issues round the cost and administration of these loans.

The type of loans to be administered through Workplace will account for around 61% (n=67) of all loans awarded during the LCF. There is still 39% (n=43) of loans that will not be administered with a high proportion of these loans being driving related (26%, n=29). A large proportion of driving loans were work related and Workplace may be the best place to administer driving related loans, however some were to improve resident's circumstances, for example, a car to making transporting a disabled son easier. The remaining 13% (n=14) of loans were also given to residents to improve their circumstances or well-being. For example a bike to improve the fitness and mental health of someone or a course to learn a new hobby to improve someone's mental health and meet new people. Workplace would not be the best place to deliver this support. A significant policy question exists over whether it is desirable to maintain a standalone Life Changing Fund brand for these hard to predict residual elements of the LCF. In a number of cases these seemed to genuinely meet the objectives of the programme (for example a loan for an iPad to support the emotional wellbeing and resilience of a young man with both a physical disability and mental health problems). However, the high volume of applications for driving lessons (and the drop in quality of these after this opportunity was advertised in pilot 2) suggest that the fund will receive applications in line with the way it is marketed. With appropriate publicity and referral mechanisms it would be possible for the fair credit offer to make loans to residents.

2. Incorporating LCF into the new financial support service

An economic resilience commissioning plan is being developed and discussed with Sir Robin. This has resulted in a possible request to combine LCF with the development of a combined service to support residents needing financial support with other products including fairly priced payday loans, hire purchase offers, potentially a debt write off service and advice and support services such as the Social Fund successor scheme (this work will be taken forward alongside the small business programme). Incorporating the LCF type loan currently being developed by Workplace would need to be discussed regarding this new financial support service to see if this could be transferred to the new service in the long term. Having one financial offer for residents would be more effective and it is possible Workplace could refer candidates to the financial support service for work related loans. This system of referral was in place during the LCF as employment applications were often supported and referred to the LCF by Workplace.

If the LCF is to be delivered with the other economic resilience initiatives then whether to continue to provide the level of advice and support for applicants considering taking out a loan that the LCF staff provided is an important issue. As mentioned above another issue that would need to be discussed would be the ability for services to refer residents for loans for things that the LCF has provided that are well-being related loans.

3. Administrative issues

Whether the LCF is mainstreamed into the fair credit offer or continues as a standalone as in the pilot model this evaluation has identified a number of administrative issues for consideration:

- **Cost:** administrative costs were quite high at around 1:2 for money lent (although there is reason to believe that this would reduce in a regular service as opposed to a pilot).
- **Marketing and eligibility:** it proved difficult to define what should/should not be eligible and there was some evidence that items that were advertised were applied for suggesting residents were uncertain about the nature of the scheme. Equally it would not be possible to fully prescribe all possible 'life changing' possibilities.
- **Staffing support:** there was evidence that applicants found the level of support offered by LCF staff in developing their applications helpful and that this may have improved the quality of applications. This 'relational' way of working was an important principle that Newham aimed to test through the pilot. In instances where applicants were referred by a case worker e.g. Workplace then there is reason to believe that this more relational way of working could be

continued but in other areas additional work to link in care staff etc to the referral process may be needed.

- **Role of the panel:** there are a number of issues around the process of running the LCF, these are the added value of the panel and whether they are best placed to make the final decisions on awarding the loans or if it would work better in an advisory/scrutiny capacity.
- **Budget and cost of loans:** in theory the revenue budget going forward could be largely cost neutral if risk and administrative cost was priced into the interest rate. The interest rates being considered for the Fair Credit project are not so high as to be prohibitive over and above the cost of repaying an interest free loan. However, this would be a change in model from the pilot and would also be likely to require significantly reduced administrative costs in assessing applications if loans were to be affordable. At present, we do not know the delinquency rate on the debt on the old model.

4. Pilot mop up

- The Central Income team are monitoring default payments and chasing recipients if necessary. Measuring rates of payments and default levels are important as they help to evaluate the success of the fund. At present, no further evaluation is planned although it would be possible to carry out a further evaluation of repayment, whether LCF goals were met (e.g. driving lessons completed) and the outcome impact.

1.0 Introduction

This report presents the findings of a process evaluation of the Life Changing Fund (LCF) it does not discuss impact. The LCF was developed following a commitment in Quid Pro Quo to help build personal and economic resilience for residents of Newham. It aims to make residents active participants in solving the problems they face and is part of the London Borough of Newham's goal to help build the resilience of people, the community and economy in Newham.

1.1 Aims and objectives of the evaluation

This is a process evaluation which focuses on the process that took place during the LCF, for example the application process, use of the panel and the financial process. It also examines the costs and loan payments of the LCF. It is too early to gauge what impact the fund has made to LCF recipients and the success of repayments. It identifies any positive and negatives with this process. The evaluation also looks at the people who applied for the LCF, type of areas/items was applied for. The evaluation focuses on:

- LCF applicants: demographics of applicants, themes of applications, differences between successful and unsuccessful applicants and difference of applicants from pilot 1 and pilot 2.
- Life changing goals; a breakdown of items/areas applied for, similarities and differences between pilot 1 and pilot 2 and of successful and unsuccessful applicants. Findings from interviews with successful applicants regarding their life changing goals and any impact of the fund for applicants.
- How residents found out about the LCF, application rates and the application form.
- The assessment process; processing applications, how the panel worked, how decision were made and issues around the panel.
- The financial side of the LCF; the cost of the LCF, processing payments of the loans and the repayment process.
- Links with other services in the Council.
- Conclusions and implications of the LCF; key findings of the LCF, mainstreaming findings and how these could be taken forward in the Council.

1.2 Methodology

A range of different methods were used in this evaluation:

- Analysis of all application form data from pilot 1 and 2 and an analysis of all items applied for;
- Analysis of financial data for the LCF;
- Semi structured in-depth interviews with the two members of the LCF staff;
- Semi structured in-depth interviews with all three LCF panel members; and
- Telephone interviews with eight successful recipients from pilot 1.

1.3 How the Life Changing Fund works

In May 2013 a pilot for the LCF was set up followed by a second pilot in August 2013. The main focus of the fund was to help resident's access training, services or resources that would make a significant difference to their life. Residents could apply for a range of things from training courses to develop new skills to equipment needed for employment or studies. There was no definitive list of what could be applied for though there was number of areas that could not be funded like household bills, business start up and other goods or services that could be provided by other funding or departments within the Council.

The LCF worked as an interest free loan of up to £1,500 (though some people were awarded up to £2000 in exceptional circumstances) to be repaid in instalments over an agreed timeframe. The LCF was given a budget of £150,000 to provide loans to residents. To apply for the LCF residents had to meet a number of criteria:

- Be 18 years old or over;
- Have been a resident in Newham for the last 12 months;
- Have a gross personal income of no more than £60,000/pa (including benefits); and
- Live in the wards of Forest Gate South or West Ham for pilot 1 and the wards of Plaistow North, Little Ilford, East Ham South or Canning Town South for pilot 2. They could also be referred by Councillors and Workplace regardless of which ward they live in.

The fund was advertised by leafleting to all housing in the pilot wards and posters in local community and service centres. Local organisations and departments in the Council were also briefed about the fund so they could refer suitable residents. A paper or online application form had to be completed for residents who wanted to apply for the fund. The application period for the first pilot ran from the 1 May 2013 to 26 June 2013 and for the second pilot ran from 27 August 2013 to 11 October 2013. In total 306 applications were made from both pilots. When applications forms were received they were assessed by a member of the LCF staff and if all criteria were fulfilled applicants then met with staff to discuss their circumstances and life changing goal in further detail. After this applications were presented to a panel of Newham staff where a decision was made on awarding the loan. Newham councillors were present at the panels to oversee the process.

2.0 LCF Applicants

2.1 Demographic characteristics

In pilot 1 the gender of applicants was not evenly split, 65% (n=44) were male and 35% (n=23) female but when comparing the gender of successful applicants the split is more even with 56% (n=20) of males awarded the loan and 44% (n=15) of females. In pilot 2 the gender of applicants was quite different to pilot 1 where 43% (n=103) were male and 57% female (n=136), in terms of those awarded the loan the split was quite similar to those who applied (46%, n= 51 males and 54%, n=59 females).

The table below provides a breakdown of age groups of those in pilot 1 and pilot 2:

Age group	Pilot 1		Pilot 2	
	(%)	(Freq)	(%)	(Freq)
18-24	11	7	14	33
25-34	30	20	34	81
35-44	21	14	31	74
45-54	18	12	17	41
55-64	6	4	4	10
65-74	1	1	1	2
Prefer not to say	12	8	0	0

The above table shows the biggest difference is between those people aged 35-44 as 21% (n=14) applied for pilot 1 and 31% (n=74) applied for pilot 2. When comparing the age of all those that applied and those who were awarded the loan residents aged 18-24 make up 15% (n=46) of the total group applying for the LCF and only 9% (n=10) of those awarded the loan and a higher proportion of 35-44 were awarded the loan than applied (33%, n=36 vs 26%, n=80).

Comparing pilot 1 and 2, the percentage of different Asian ethnicity applying were very similar but there are some differences in black ethnic groups with more black Africans applying in pilot 1 and more residents who are black other applying in pilot 2. The table below provides a breakdown of the ethnic groups of those who applied, were awarded the loan and the population in Newham:

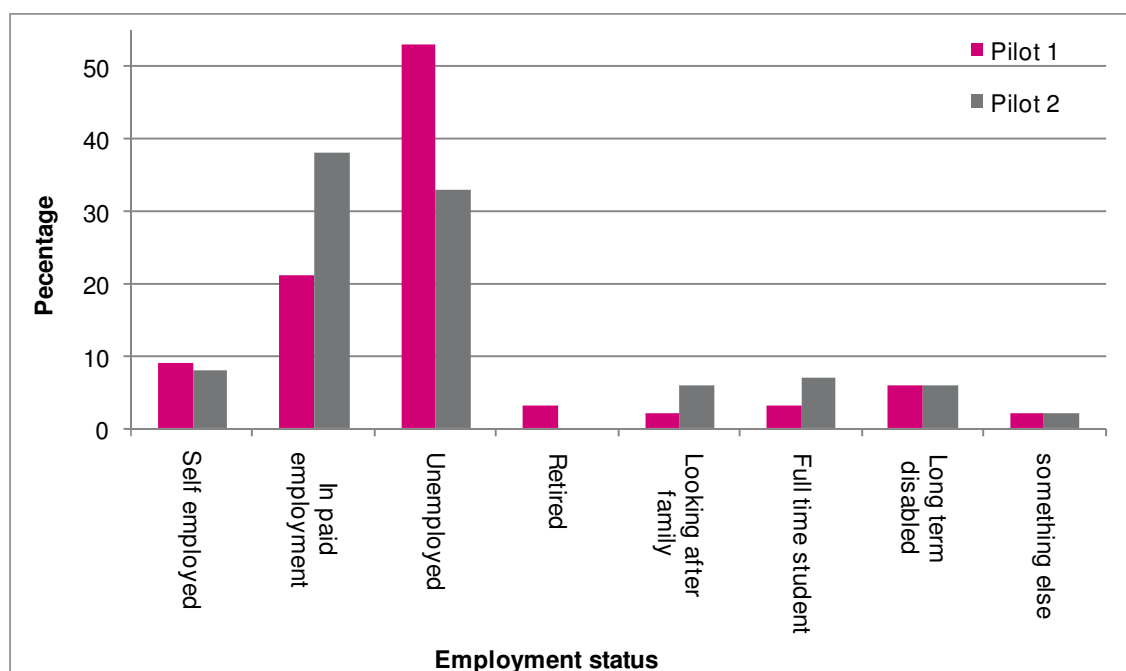
Ethnicity	Awarded		Applied		Newham
	(%)	(Freq)	(%)	(Freq)	(%)
White- Total	28	31	26	80	29
White British	20	22	16	49	17
White-Other	8	9	10	31	12
Asian- Total	20	22	24	73	44
Asian-Indian	6	7	5	15	14
Asian- Pakistani	1	1	5	15	10
Asian- Bangladeshi	8	9	6	18	12
Asian-Other	5	5	8	24	8
Black- Total	47	52	46	141	20
Black- Caribbean	17	19	14	43	12
Black- African	15	17	12	37	5
Black- Other	15	17	20	61	3
Other, inc Mixed	5	5	4	12	8
Don't know/refused	-	-	-	-	-

Source: Census 2011

The table above shows there are some differences more white British were awarded the loan and black Caribbean. Slightly more black other and Asian Pakistani applied. When comparing the figures to the population of Newham a lot less Asian residents applied especially those who are Asian Indian and a much higher proportion of black residents applied. This could be down to socio-economic status as data from NHPS shows those of a black ethnicity have the lowest median net equivalised income before housing costs (£13895) and higher levels of relative poverty compared to Newham overall (45% vs 41%). There could also be some difference due to the geographical spread of these ethnic groups in Newham. Using data from Liveability 2013 a high proportion of black African and black Caribbean residents live in Canning Town which was one of the wards in the pilot.

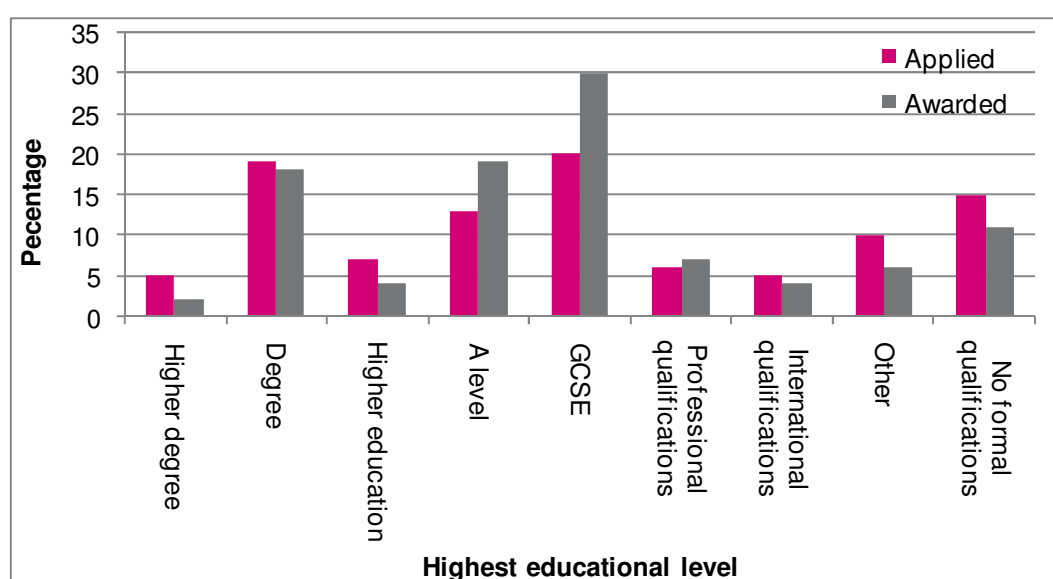
Regarding disability one in ten applicants (10%, n=31) classified themselves as having a disability, this rate was the same for pilot 1 and pilot 2 and between those who applied and were awarded the loan. The most common disabilities were mobility impairments and mental health issues.

The graph below shows the employment rate of those residents who applied to the LCF in pilot 1 and pilot 2:



As the graph shows there are some differences between the pilots with much more people being employed in pilot 2 (21%, n=14 vs 38%, n=91) and a much higher proportion in pilot 1 classified as unemployed (53%, n=35 vs 33%, n=79). The proportion of the unemployed in both pilots is much higher compared to the overall figures of unemployment in Newham reported as 7% (NHPS, Wave 7, 2013). When comparing residents who applied and were awarded the loan there were some differences with more of those who were successful in receiving the loan being unemployed (44%, n=135 vs 33%, n=36) and more full time students applying, 8% (n=25) and only 2% (n=2) receiving the loan.

There are a few differences in the qualification levels of applicants in pilot 1 and pilot 2, with more residents in pilot 1 having a professional qualification (12%, n=8 vs 5%, n=12) and more residents in pilot 2 having no qualifications (16%, n=38 vs 6 %, n=7). The graph below shows the different educational levels of residents who applied for the LCF and those awarded the loan:



The graph shows a slightly higher amount of residents that applied for the loan had a higher degree or degree than those who were awarded the loan. Those awarded the loan were more likely to have A levels and GCSE's as their highest level of qualification. Interestingly when comparing figures with the

population in Newham those who applied and were awarded the loan had higher levels of qualifications as 36% of population of Newham have no qualifications (NHPS, Wave 7, 2013) compared to just 14% (n=43) of those who applied.

Of those who applied 60% (n=184) have English as their first language and of those who were awarded the loan 62% (n=68) have English as their first language, showing there was no bias toward those who do not have English as a first language. There was a slight difference between pilot 1 and 2 with 64% (n=43) having English as their first language in pilot 1 and 60% (n=143) in pilot 2. Though compared to the overall population of Newham these figures are both a lot higher as only 40% of residents in Newham have English as their first language (NHPS, Wave 7, 2013).

Unsurprisingly those who applied for the loan were on a low income, 29% (n=89) stated their gross net income was less than £5000 and 29% (n=89) of applicant's income was between £5001 and £10000. These figures were slightly more for those who received the loan with 30% (n=33) of applicants had incomes being less than £5000 and 31% (n=34) had an income of £5001 to £10000. This means around 60% of those who applied and were awarded the loan have an income of £10000 or less. Comparing pilot 1 and pilot 2 roughly the same amount (59%) earns less than £10000.

Looking at housing tenure, there was some differences between those in pilot 1 and pilot 2, in pilot 2 more people had a mortgage (12%,n=27 vs 5%,n=3) and in pilot 1 there was a higher number of other (9%, n=6 vs 5%,n=12). There were some differences when comparing those who applied and those who received the loan, as the table below shows:

Tenure	Applicants (%)	Awarded (%)	Newham (%)
Owned outright	1	0	13
Buying on mortgage	11	10	20
Rented from council	29	34	18
Rented from housing association	20	17	11
Rented from private landlord	34	30	32
Other	6	9	6

A higher number of those who were awarded the loan rent from the Council, this is much higher than the figures for Newham overall. More residents who applied for the loan rented from a private landlord. No residents who were awarded loan own their home compared to 13% of the overall population of Newham.

3.0 Life changing goals

3.1 Applicants life changing goals

All applicants were asked to specify the area of their life changing goal as the table below shows (the categories for pilot 1 and pilot 2 changed slightly meaning some categories are not populated):

Area	Pilot 1		Pilot 2	
	(%)	Freq	(%)	Freq
New skills and qualification	45	30	39	93
Childcare	1	1	3	7
Equipment	13	9	14	33
Travel	9	22	3	7
Driving	-	-	26	62
Housing	10	7	-	-
Identification	-	-	8	19
Other	21		11	26

The table shows there are some differences between the pilots but some of these differences may come from some of the categories like driving and identification not being available in pilot 1. To present a better picture of what residents applied for a breakdown of all items can be analysed. In the first pilot 181 different items were applied for and in the second pilot 568 different items were applied for. The table below presents a more detailed breakdown of items applied for in pilot 1 and pilot 2:

Area	Pilot 1		Pilot 2	
	(%)	(Freq)	(%)	(Freq)
New skills and qualifications	27	49	29	165
Childcare	1	2	1	6
Equipment	11	20	17	97
Computers/tablets	3	5	6	34
Work/study materials	2	4	2	11
Other equipment	6	11	9	51
Travel	4	7	3	17
Driving	25	45	36	205
(including licence, lessons, tests and car)				
Housing	16	29	4	23
Furnishing	7	13	3	17
Rent/bills	9	16	1	6
Identification	6	11	4	23
Other	10	18	6	34
Clothing	4	7	0	0

As the table shows there are some notable differences in what people applied. In pilot 2 much more people applied for items classified as driving, this may be due to driving lessons being mentioned on the leaflet for pilot 2. The increase in applications for driving lessons in pilot 2 was mentioned by all staff and panel members as notable difference between the pilots.

'once we had put something in the leaflets that was quite precise that seemed to be something people hooked on to.' (LCF panel member)

Quality of applications for driving lessons was poorer in the second pilot with many people not providing a link to how the lessons would help to change their life.

'many of them said they wanted driving lessons that was in their application but there was no link with getting any work or using it to do anything to make a substantial difference in their lives.' (LCF staff)

More people in pilot 2 applied for equipment especially computers and tablets for work and study. In pilot 1 more people applied for housing related items like furniture and deposits for housing and more people applied for clothing (this was mainly clothing for interviews and work) but this is something no one applied for in pilot 2.

The table below compares those items/areas that were awarded the loans in pilot 1 and pilot 2:

Area	Pilot 1		Pilot 2	
	(%)	(Freq)	(%)	(Freq)
New skills and qualifications	27	13	42	38
Childcare	2	1	-	-
Equipment	15	7	20	18
Computers/tablets	3	1	2	2
Work/study materials	2	1	2	2
Other equipment	10	5	16	14
Travel	6	3	2	2
Driving (including licence, lessons, tests and car)	20	10	30	27
Housing	6	3	4	5
Furnishing	3	1	3	3
Rent/bills	3	1	1	1
Identification	8	4	1	1
Other	16	8	2	2
Clothing	3	1	-	-

Comparing what was awarded in pilot 1 and pilot 2 there are some notable differences, a much higher percentage (15%, n=7) of new skills and qualifications were awarded in pilot 2 even though slightly similar numbers applied for this area in pilot 1 and pilot 2. More equipment was awarded in pilot 2 which matches an increase in applications for this area in pilot 2. Also there was an increase in awards for the driving related applications in pilot 2 which again matches an increase in applications. Interestingly there were similar levels of housing related loans being awarded even though the applications for this area dropped by 12% in pilot 2. In pilot 1 and 2 there were similar levels of applications for identification but only 1% (n=1) were awarded compared to 8% (n=4) in pilot 1. There are also notable differences in applications awarded classified as other with a lot more being accepted in pilot 1, this was down to more clothing applications being accepted and applications for things like bikes.

Those who were successful in applying to the LCF had a range of goals they wanted to achieve; these can be grouped into the following themes:

- Getting back into employment (either by getting the equipment, resources, skills or qualifications to do this);
- Improve employment prospects (either by getting the equipment, resources, skills or qualifications to do this);
- Improve personal well-being (either by getting the equipment or resources to improve well-being e.g. a bike); and
- Improve living conditions/housing (by being able to move to better/more suitable housing).

In total 83% (n=91) of loans awarded were for employment related training, services or resources and 17% (n=19) were to improve resident's circumstances or well-being. Examples of how loans were used to help improve well-being/circumstances are:

- Attending courses (hobby related courses) to improve self esteem and mental health and have a chance to meet new people;
- A car to make family life easier (transporting children to different schools, shopping etc);
- A computer to access the internet to improve computer skills, be connected and help improve general mental health; and
- Transform garden so it is suitable for children to play in.

3.2 Interviews with successful LCF recipients

From the first pilot eight successful applicants were interviewed about their experience of the LCF, their life changing goals and the impact of the loan so far. These interviews were conducted over the telephone in November 2013. Most of the interviewees had lived in the borough for the medium to long term and 3 out of the 8 were unemployed with the rest being in employment. When asked why they had applied for the loan most applicants responded that it was a way for them to get help when not many other options were available:

'I needed something to help me out of my situation at the moment.' (LCF recipient)

'It was an option for me to get help and I just thought why not.' (LCF recipient)

All eight interviewees had never applied to any similar things before like other funds or trusts and had no apprehensions or problems when applying. All the interviewees had different goals they wanted to achieve, this ranged from:

'to pay for a deposit and my first month rent on a flat for me, my partner and my six month old baby.'
(LCF recipient)

'my goal is to attend a telescopic course to improve my job prospects and get a more stable job.' (LCF recipient)

'to expand on my tool collection, I already own some but there are a few tools that would just make jobs that I do easier and faster.' (LCF recipient)

'I want driving lessons to secure work.' (LCF recipient)

The goals of 7 out of the 8 people interviewed were work related, either to get back into work or improve their job prospects. When interviewed recipients had received their money about 2 months ago due to this short time period little impact had yet been felt from receiving the loan. Some had not used the money yet. Others were in the middle of using the money for example waiting to go on a training course or currently doing driving lessons.

'I am booked on to the course to start in January [2014].' (LCF recipient)

'I have passed my theory part and have the driving part to do.' (LCF recipient)

'I am actually looking for a property now to rent.' (LCF recipient)

There was one interviewee who has seen some impact already due to the fund, this was a recipient who had been able to buy some more tools for their carpentry business.

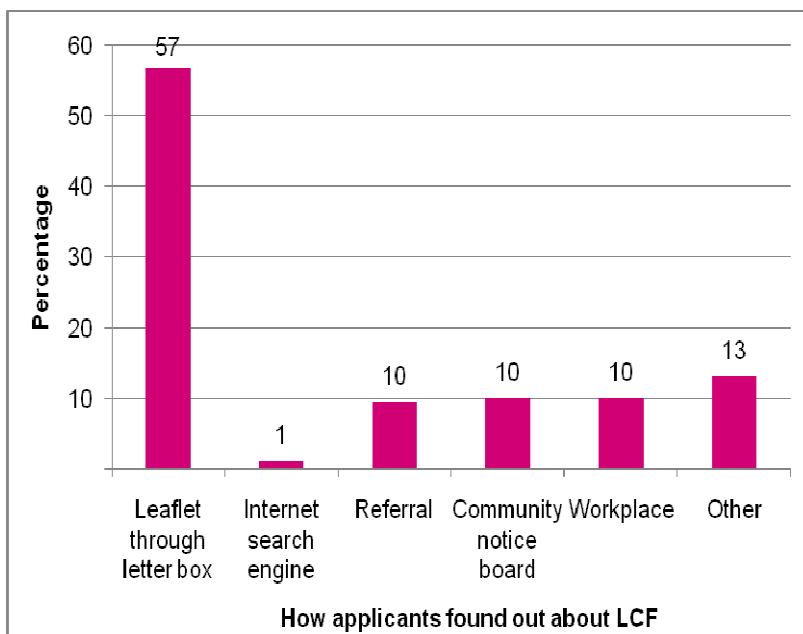
'It has definitely improved my situation because I've been able to buy tools that has enabled me to do more work....it's all contributing and without the fund I wouldn't have been able to go ahead and buy them'. (LCF recipient)

Overall it is still too early to measure the impact of the fund and how it has been able to change resident's lives this is something that does need to be measured at a later date for a robust evaluation to be undertaken.

4.0 Application process

4.1 Finding out about the LCF

All applicants from both pilots were asked on the application form how they found out about the LCF:



The graph shows 57% (n=174) of applicants found out about the LCF by receiving a leaflet through their letter box. 10% (n=31) found out from posters on community notice boards, 10% (n=31) of applicants were referred by other services and 10% (n=31) were referred by Newham Council's employment service, Workplace. Some of the other ways residents found out about the LCF were from libraries, local service centres, a few were referred by councillors and word of mouth. The use of Workplace to refer possible applicants to the LCF was something that was only decided during pilot 1. This was to help increase the number of applications and because of a link between Workplace and people applying for work related things like training, qualifications and ID. Those people referred by Workplace did not need to live in the wards specified in the criteria to receive the loan.

As the graph shows the leaflet was an important way for applicants to find out about the loan. Comparing pilot 1 and pilot 2, slightly more people stated they found out the LCF through a leaflet in pilot 2 (55%, n=37 vs 58%, n=139) and there were some differences in the leaflets for each pilot. For the second pilot the leaflet contained more information about the LCF, especially around how people could check which ward they lived in as this was a popular enquiry from pilot 1 which caused a lot of problems.

'Lots of people have argued about their eligibility, about where they live.' (LCF staff)

The leaflet for pilot 2 also specified a number of things that people could apply for including driving lessons which was not specified in the leaflet for pilot 1 and could be reason why more people applied for driving in pilot 2 compared to pilot 1.

4.2 Application rates

Staff at the LCF had predicted a higher number of applications for the first pilot and that all money assigned for the LCF would be used within this first pilot but only 67 applications were received and 35 loans awarded.

'I think we did expect a lot more.' (LCF staff)

'I was surprised even though we were very accessible [to contact]....that we still had a low volume.'
(LCF staff)

Possible reasons discussed for the low rate was the time of the pilot as it took place over the summer holidays and that the LCF was a loan that needs to be paid back. When discussing this with panel members most were not surprised by the low rates due to experiences of being involved in similar funds or did not have any expectations of what applications rates would be. The second pilot had a much higher application rate especially as the application window was nearly a week and half shorter. In total 239 residents applied for pilot 2 and 75 were awarded loan, a possible reason suggested could be down to four wards being included in the second pilot rather than just two which was the case in the first pilot and maybe the demographic makeup of the wards in the second pilot.

4.3 The application form

In pilot 1 anyone who wanted to apply to the LCF could apply online or call the LCF team to receive an application form. A lot more people called to receive a form and there were some issues in sending the forms as they took around 7 days for people to receive when sent through Newham Council's postal system. People calling and requesting forms also took up a lot of admin time due to having to send the forms out and processing the paper forms. For the second pilot this was something that was addressed as forms were made available at local libraries and people calling for a form were advised to collect one from their local library rather than one being sent in the post.

Staff stated there was a notable difference in how people filled out the form between the two pilots as many people filled out a paper form in the first pilot and for the second pilot most filled in the form online. The exact number is not known as this was not captured when processing the application. Of those people who did fill in the form online staff reported that the forms in pilot 1 were completed to a better standard as many of the online forms from pilot 2 had information missing or documents not attached (these documents were to proof of address, personal identification and proof of residency in the borough). This meant staff had to call applicants to get this information which was a time consuming task:

'Although they were using it [online form] in the second pilot there were more proportionally that didn't attach documents. So although we saved on admin time because we didn't have to input them we then had to still chase them for their additional documents.' (LCF staff)

On the application forms applicants were asked on a ten point scale (1= easy and 10= difficult) to rate the difficulty of filling in the application form. Over half of applicant (53%, n=162) rated the form as 1 and further 21% (n=64) rated it 2-3, meaning in total 74% (n=226) of applicants found the form relatively easy to fill in. There were no differences in scores between pilot 1 and pilot 2. Speaking to applicants also confirmed this with all stating the form was very easy and straight forward to complete.

'It was easy.' (LCF applicant)

'It was a pretty straightforward application form, it was a user friendly form.' (LCF applicant)

In contrast 16% (n=49) of applicants rated the form difficult to fill in (score of 7-10). Reasons given why people found it difficult were mainly around uploading and attaching documents needed for their application.

5.0 Assessing applications

5.1 Processing the applications

From pilot 1 no major issues were reported in the processing of application forms, only a minor few changes were made to the application form for pilot 2. The changes were to collect extra information for example date of birth so credit checks could be conducted and changing of the categories of what applicants could use the money for based on findings from pilot 1 (for example driving lessons or identification).

To assess the applications a scoring system was developed to rate each application. Applicants were given scores based on how essential the support was, if they were likely to achieve their aim without support, if there would be sustainable improvement in their life due to the loan and their ability to pay the loan back. There was also a more detailed financial assessment undertaken to check if they owed any money to the Council and a credit check with Experian was undertaken especially to check if applicants had any CCJ's (County Court Judgements). This helped to judge the risk of the loan which is something the finance department in the Council wanted to measure.

There were some changes after pilot 1 in terms of assessing the forms. In the second pilot it was agreed that any application forms that highlighted a vulnerability e.g. mental health issues would need to provide two letters of support for their application from someone who knows them professionally like a social worker, support worker or health visitor. This was to make sure they understood what they were applying for and would be able to cope with the whole process including receiving, using and paying back the loan. Also in the second pilot it was agreed that anyone who owed money to the Council would not receive a loan this was due to volume of applications and a conflict of interest of the Council loaning resident's money who already owe money to the Council.

The creation of a bespoke application system for the LCF proved very successful. This was the first time the Council had used 'achievers' software to link up a number of elements of the application process. Usually this software is just used within the Council to create applications forms but this time a unique reference number was created for each applicant that linked all the stages of the application process together in one package. Staff reported it was a very good system which made the whole application process very smooth and saved on admin time. Staff had time to help develop the system and make sure it met their needs which has helped in the success of the system.

'It was linking the whole process really. It would link the application to assessment stages going through to the panel and link them up with their agreement....it's been very good.' (LCF staff)

Overall feedback from staff, panel member and applicants was generally very positive about the application process. Applicants who were interviewed could find no ways to improve the application process and were very complementary of staff and the process.

'The whole process was fine and staff were all lovely. There were no problems.' (LCF recipient)

'Staff were really helpful, organised and made it really easy for me it was a straight forward process.'
(LCF recipient)

5.2 How the LCF panel worked

The panel was the decision making body for the LCF, all applications that met the criteria were assessed by the panel. The panel was made up of three Council officers who had a diverse range of responsibilities in the council. The panel was:

- Anthony Jobling, Service Manager - Learning Disability Improvement
- Derek Barrett, Workplace Manager
- Jemima Olchawski, Public Policy Manager

They were chosen because of their experience, relevance to the fund and knowledge of related areas:

'they all come with a very different outlook on residents and the policies of the council and their own expertise.' (LCF staff)

The panel ran very much in the same way for pilot 1 and pilot 2, where a summary sheet was made for each applicant these were sent to the panellists before they met. Applicants were then discussed at the meeting. During pilot 1 the summary sheets were made anonymous and information that might be described as loaded with certain connotations for example being a single mother was excluded. This was to ensure the decision making process was as fair as possible. Decisions were made on a majority vote (2:1).

LCF staff and two councillors, Councillor Baikie and Councillor Wilson also attended panel meetings. LCF staff attended to provide any further information need on applicants and councillors oversaw the process, they did not have any decision making roles in the panel. Councillors also provided a way to feedback any issues or findings to the Mayor and other relevant parts of the council.

5.3 Suggestions about the panel

On the whole both staff and panellist thought the panel worked well. The three panellists from different services in the council provided a wide range of views and helped to create a rounded panel.

'I think they work very well as a panel because we have got one from each section.' (LCF staff)

'I think we've had a good balance of backgrounds on the panel and each contributes in a different way to each uniformed decision.' (LCF panellist)

Even though the panel worked well together there was some issues raised around the decision making power of the panel and the assessment process:

- Having to make judgements about people with only a relatively small amount of information.
- Deciding what is classified as life changing is a difficult judgement that can conflict between personal views and representing the views of the Council.
- Applicants are put under a lot of scrutiny about their lives and the reasons they wanted a loan. This was more scrutiny then people usually receive when applying for a loan which they intend to payback.
- Pressure from other panellists or LCF staff to agree to award the loan to an applicant.

These points provide some questions about the LCF panel. A number of possible suggestions were provided about ways to get round these issues:

- More information could be provided to the panel, possibly interviews where applicants are recorded.
- Having a defined list of what is and is not funded through the LCF to give the panel more guidance on what the funds should be used for. Though this may mean some residents may

miss out funding for items/resources that cannot be predicted, especially residents who applied for loans to improve their well-being or circumstances.

- For the panel to just be a body that oversees and advises the LCF. This would mean LCF staff would make the actual decisions on whether to award the money as they have developed relationships with applicants and know the applications in more detail than panel members.

The panel was useful in providing subject specific expertise and guidance and highlighting issues that could affect whether or not to award the loan, but what value they added in making the decisions to award rather than LCF staff is not clear as often the application had arisen from a referral from a panel member's service area (e.g. Workplace). The panel also provided a layer of scrutiny on applications that had prevented problems (e.g. loans being made for housing support to individuals who had turned down a final homelessness offer from the borough) and this is important to maintain.

6.0 Other elements of the LCF

6.1 Financial aspects of the LCF

The LCF was an interest free loan that successful applicants pay back this meant LCF staff had to learn and use the financial systems in place at the Council. This had some problems as staff reported that an Executive Director had to sign each payment for successful applicants which was a time consuming task. There was also a large admin trail to get a payment approved and then adding successful applicants to the finance system the Council uses (called AIMS). This again was a long process that was very time consuming.

'There is a huge administrative trail to raise someone one on the systems of AIMS and then raise a document that has to be signed by an Executive Director.' (LCF Staff)

Successful applicants were given a printed copy of their loan agreement and a two week cooling off period. After this they attended a meeting at the LCF office where the agreement was signed and witnessed by a third party (usually a friend or family member), the money was then transferred in the following three to four weeks. From pilot 1 there was only one incident regarding setting up the payment as one person did not have the type of bank account to make the payment. To resolve this a cheque was sent instead.

The payback period of the loan changed between pilot 1 and pilot 2. In pilot 1 successful applicants had two options of when to start paying the loan back, either October 2013 or August 2014. In total 29% (n=10) requested to start paying their loan back in October 2013 and the remaining 71% (n=25) requested to pay their loan back in August 2014. Those who have started paying back were believed to be more resilient. This was the reasoning behind the changes in pilot 2 as successful applicants in work automatically started paying the loan back in February 2014 and those out of work would start paying back in May 2014. These are shorter timeframes compared to what was offered in the first pilot. In total 45% started paying back in February 2014 (n=34) and 55% (n=41) in May 2014.

In the interviews with successful applicants from pilot 1 it was asked if they had an apprehension in applying for the LCF because it was a loan, most were positive stating having to payback had not put them off for applying and were confident they would be able to repay it.

'No apprehension at all. Because I will be able to pay the loan back. You know I just needed a break.' (LCF recipient)

'I knew it would definitely be something I would be able to pay back and its interest free.' (LCF recipient)

In December 2013 it was reported by LCF staff that all 11 who were due to pay back in October 2013 had successfully made their first payment and second payment (taken by direct debit).

LCF staff have raised concerns that a high proportion of the people who have received the loan could be at risk of changing circumstances that means they are unable to pay the loan back. Also if recipients are unable to pay back the loan they may not get the level of support needed or is expected especially as currently there are no staff working on the LCF project. LCF staff were also concerned that certain recipients who have had a longer payback period may not have realistically thought about how they will pay the loan back which could cause future problems.

Due to the short timeframe of the LCF it has meant staff have not been able to follow up applicants to see if they have spent their money on what was stated in their application. There currently is no system in place to check this and provide any support that may be needed to recipients. Staff were already aware of one recipient from pilot 1 who due to a change in circumstances has not spent money on what was applied for. The Central Income (CI) team have responsibility for following up on

any defaulted payments and updating payment schedules if needed. There are also no anticipated levels of what the default payment may be, this is due to not being able to compare other Council services to the LCF fund.

6.2 Cost of the LCF

In pilot one the amount of money awarded ranged from £90 to £2000 and in total £43008 was awarded. For pilot two the amount of money awarded ranged from £210 to £2000 and in total £82667 was awarded. This means the total amount of money awarded for the two pilots was £125,675.

The table below gives a breakdown of the costs of setting up the LCF and running the fund:

	Cost (£)
Set up	369.14
Staffing (wages, pension, NI etc)	59622.59
Advertising	1500.00
Design and printing	5576.93
Admin	104.48
LCF loans	125675.00
Total	192848.14

In total the LCF cost nearly £200,000 to set up and run from January 2013 to December 2013. Unsurprisingly the largest cost of the LCF was the loans to recipients followed by staffing costs that made up around 30% of the total costs. One staff member worked on the project for a year setting it up and then running the project and one staff member worked on the project for around 9 months. Designing and printing the application forms, leaflets and posters were the third largest cost of the project and most of this cost was met by the Communications team at Newham Council. The total cost above does not include the cost of the panel's time but it is estimated at around £2,000 across the two waves and is therefore quite low.

6.3 Loan costs

In total £125,675 was spent on LCF loans, the table below shows how much was spent on the different types of LCF loans

Area	Cost (£)	Cost (%)
New skills and qualifications	65417	52
Childcare	850	1
Equipment	10920	9
Computers/tablets	4370	3
Work/study materials	5950	5
Other equipment	600	0.4
Travel	2460	2
Driving	33078	26
(including licence, lessons, tests and car)		
Housing	9250	7
Furnishing	3000	2
Rent/bills	6250	5
Identification	2962	2
Other	738	1
Clothing	518	0.4

Over 50% of the money spent on loans is to be used by recipients to gain new skills and qualifications; this was mainly through attending courses and training. Driving related goals made up just over a quarter (26%) of the money spent on LCF loans; this was mainly for driving lessons. Equipment has the third highest spend of all loan money at 9%; this was mainly for work tools and study materials.

Due to the volume of applications for driving lessons in pilot 1 it was decided the Council would buy driving lessons in bulk from one provider to make saving on the cost of driving lessons. This also meant the applicants were not paid directly with the money going straight to the driving lessons provider.

6.4 LCF and other Council services

Due to the nature of the LCF there was a lot of interaction with other departments and services in the council. This was often to refer queries from residents and applicants to other services that may be able to help them. LCF staff reported that this sometimes caused problems due to the lack of clarity of which departments run certain services and finding which departments/staff are best to help with a range of different queries.

‘There is a lot of confusion as people aren’t sure what departments deal with what....Even we have found it difficult to find out who is who and which departments deal with what.’ (LCF staff)

There was also confusion from residents about the help they could receive from different departments in the council and after dealing with some departments in the Council, residents were often still not clear about the help they have received and came to the LCF for further verification or advice. Related to this LCF staff found that many residents called up just wanting a person to speak who they could easily get help and advice from or who would be able pinpoint the correct person/department to help. Staff reported part of their roles often became about helping those people who may be described as needy or vulnerable.

'there's people phoning who don't necessarily want a loan but they want someone to help them.'
(LCF staff)

'there is this pool of people who have phoned a telephone number who are incredibly needy.'
(LCF staff)

A reason the LCF fund was able to help these people was due to the dynamic nature of the fund and the knowledge they had gained to help those in need. The LCF also had the ability to respond to queries and provide help quickly. There was some discussion from staff on how these people could be helped in the future by either having a specialist team in the contact centre who are trained to have the expertise to help and deal with more vulnerable residents or signpost them to the correct service/person to help. Another way to provide more help to residents especially residents who want one to one contact would be through the use of libraries and staff being trained to help with a wide range of issues or signpost to residents. This is something that could fit into the Community Hubs agenda.

7.0 Conclusions and policy implications

This process evaluation has provided an overall picture of who applied for the LCF, the themes of what was applied for, how well the processes of the fund have worked and the financial aspects of the LCF. The evaluation has not been able to identify the impact the fund has made for recipients as it too early to measure. The rates of repayment and default of the loan is not yet know as only a small proportion have started repaying with most recipient due to start repayments in May and August 2014. It will not be until later this year that the impact of the fund can be evaluated.

This process evaluation and subsequent conversations have highlighted a number of issues to consider in determining the future of the LCF. There are a number of possible options to taking the working of the LCF forward within the Council, these are:

1. Mainstreaming themes of LCF

After pilot 1, it was agreed by Sir Robin and the Executive Director for Operations to develop ways to mainstream two themes into the Council, these were:

- Requests for employment related loans to be mainstreamed into Workplace
- Requests for options of how housing deposits could be mainstreamed into housing through the development of rent deposit scheme.

An options paper is currently being developed by housing to explore if and how a rent deposit scheme could be mainstreamed into the Council. Workplace is currently developing a LCF type loan that would cover a number of themes to help recipients improve their employment prospects, these are:

- Training for work which can't be funded through core Workplace provision
- Equipment and tools
- Transport (i.e. season ticket / bike)

Workplace may also provide loans for other work related things like childcare but these loans will only be granted in exceptional circumstance. Workplace will also provide grants rather than loans for ID needed for work. This is in the form of a grant as it is not cost effective to administer and set up repayments for the small cost of ID (roughly £80 for a British passport). This grant scheme is now operational in Workplace.

The loan system to be administered by Workplace is currently being established, this is likely to be smaller than the LCF scheme due to Workplace having no additional resources to fund a loan scheme and not having a guide of what the likely rates of repayments will be. It is hoped this loan scheme will be in operation in the next few months. It is hoped in the long term this loan scheme could be integrated into the new offer that is being developed to help residents needing access to fair credit (see more detail in section 2 below) especially as it will help Workplace with issues round the cost and administering of these loans.

The type of loans to be administered through Workplace will account for around 61% (n=67) of all loans awarded during the LCF. There are still 39% (n=43) of loans that will not be administered with a high proportion of these loans being driving related (26%, n=29). A large proportion of driving loans were work related and Workplace may be the best place to administer driving related loans but some were to improve resident's circumstances, for example, a car to making transporting a disabled person easier. The remaining 13% (n=14) of loans were also given to residents to improve their circumstances or well-being. For example, a bike to improve the fitness and mental health of someone or a course to learn a new hobby to improve someone's mental health and meet new people. Workplace would not be the best place to deliver this support . A significant policy question exists over whether it is desirable to maintain a standalone Life Changing Fund brand for these hard to predict residual elements of the LCF. In a number of cases these seemed to genuinely meet the objectives of

the programme (for example a loan for an iPad to support the emotional wellbeing and resilience of a young man with both a physical disability and mental health problems). However, the high volume of applications for driving lessons (and the drop in quality of these after this opportunity was advertised) suggests that the fund will receive applications in line with the way it is marketed. With appropriate publicity and referral mechanisms it would be possible for the fair credit offer to make loans to residents.

2. Incorporating LCF into the new financial support service

An economic resilience commissioning plan is being developed and discussed with Sir Robin. This has resulted in a possible request to combine the LCF with the development of a combined service to support residents needing financial support with other products including fairly priced payday loans and hire purchase offers and potentially a debt write off service and advice and support services such as the Social Fund successor scheme (this work will be taken forward alongside the small business programme). Incorporating the LCF type loan currently being developed by Workplace would need to be discussed regarding this new financial support service to see if this could be transferred to this new service in the long term. Having one financial offer for residents would be more effective and it is possible Workplace could refer candidates to the financial support service for work related loans. This system of referral was in place during the LCF as employment applications were often supported and referred to the LCF by Workplace.

If the LCF is to be delivered with the other economic resilience initiatives then whether to continue to provide the level of advice and support for applicants considering taking out a loan that the LCF staff provided is an important issue. As mentioned above another issue that would need to be discussed would be the ability for services to refer residents for loans for things that the LCF has provided that are well-being related loans.

3. Administrative issues

Whether the LCF is mainstreamed into the fair credit offer or continues as a standalone as in the pilot model this evaluation has identified a number of administrative issues for consideration:

- **Cost:** administrative costs were quite high at around 1:2 for money lent (although there is reason to believe that this would reduce in a regular service as opposed to a pilot).
- **Marketing and eligibility:** it proved difficult to define what should/should not be eligible and there was some evidence that items that were advertised were applied for suggesting residents were uncertain about the nature of the scheme. Equally it would not be possible to fully prescribe all possible 'life changing' possibilities.
- **Staffing support:** there was evidence that applicants found the level of support offered by LCF staff in developing their applications helpful and that this may have improved the quality of applications. This 'relational' way of working was an important principle that Newham aimed to test through the pilot. In instances where applicants were referred by a case worker e.g. Workplace then there is reason to believe that this more relational way of working could be continued but in other areas additional work to link in care staff etc to the referral process may be needed.
- **Role of the panel:** there are number of issues around the processes of running the LCF, these are the added value of the panel and whether they are best placed to make the final decisions on awarding the loans or if it would work better in an advisory/scrutiny capacity.
- **Budget and cost of loans:** in theory the revenue budget going forward could be largely cost neutral if risk and administrative cost was priced into the interest rate. The interest rates being considered for the Fair Credit project are not so high as to be prohibitive over and above the cost of repaying an interest free loan. However, this would be a change in model from the pilot and would also be likely to require significantly reduced administrative costs in assessing applications if loans were to be affordable. At present we do not know the delinquency rate of the debt on the old model.

4. Pilot mop up

- The Central Income team are monitoring default payments and chasing recipients if necessary. Measuring rates of payments and default levels are important as they help to evaluate the success of the fund. At present no further evaluation is planned although it would be possible to carry out a further evaluation of repayment, whether LCF goals were met (e.g. driving lessons completed) and the outcome impact.

