

CHASM ADVISORY BOARD MEETING

MINUTES OF THE MEETING ON MONDAY 2ND JULY 2012

<p>1. Welcomes/Apologies</p> <p>Meeting attended by: Brian Pomeroy (BP) (Chair); Lindsey Appleyard (LA); Stuart Bailey (SB); Helen Harris (minutes); Ricky Joseph (RJ); Marcin Kawinski (MK) (by video link); Andy Lymer (AL); Andy Mullineux (AM); Karen Rowlingson(KR); Rosalind Copisarow (RC); John Hills (JH); Steve McKay (SM).</p> <p>Apologies received from: Ed Mayo; Jacqui Kennedy; Matt Mangan; Chris Hamnett; Susan Smith; Michael Sherraden; Pete Alcock; David Stephenson; Andrew Fisher; David Dickinson; Peter Kelly; Tom Sorrell; John Doling; Omneya Abd-Elsalam; Paul Cox.</p> <p>Brian welcomed everyone to the third CHASM Advisory Board meeting, and each attender introduced themselves to the Group.</p>	
<p>2. Minutes from last meeting</p> <p>The minutes of the last meeting held on Thursday 5th May 2011 were accepted as a true record.</p>	Action
<p>3. CHASM Annual Report</p> <p>A copy of the Annual Report was circulated to all the Group.</p> <p>KR reported that there has been a delay in receiving the expected core funding. However, bridging funding has been secured until the Autumn. Other sources of funding have also been raised to enable the work of CHASM to continue.</p> <p>JH asked for clarification on the number of CHASM staff, and a financial statement for the Advisory Board members. JH also suggested that the annual report could be expanded, with articles, briefing papers, research findings – a glossy version to hand to people/publicity.</p> <p>RC asked if there was a set of goals, which could be used to specify the criteria for the research, as to when to involve policy makers – a basis for understanding why certain topics were chosen above others etc. KR clarified that the four workstream themes are chosen due to staff research interests, but input from the advisory board members as to where we should be going is important, and what funders wish to fund, geared to the funding climate.</p>	KR
<p>4. CHASM's Mission</p> <p>The current CHASM mission statement was discussed.</p>	
<p>5. CHASM Workstreams – activity during 2011/12 and planned activity for 2012/13</p> <p><i>Financial Security: led by Steve McKay</i></p> <p>SM outlined some of the activity which took place in 2011/12 (see Annual Report). KR and SM's Wealth book has been shortlisted for a University award.</p> <p>There was a successful 3 day event in March for UK/US visitors, to build on international links. There is a US study in 4 cities looking at wealth and we would be keen to extend that to 5 cities (Birmingham) – RJ and members of the University's new Institute for Research into Superdiversity (IRiS) have been working on this.</p> <p>JH – once the second wave of the Wealth and Assets Survey data is available, following up on the ethnic and religious classification by trajectory of the first 2 waves, research on this would be really interesting.</p>	

<p>Future research: The University runs a series of Policy Commissions, and the Bishop of Birmingham is leading a Policy Commission on the distribution of wealth. A report will be produced in Spring 2013. A number of CHASM staff are involved in this, as well as people external to the University, cross-Party, apolitical.</p> <p>KR and RJ are involved in a research project on Intergenerational Justice, led by St Andrews University.</p> <p>We should hear about a proposal to the EU this month.</p> <p>We have also secured funding for a PhD studentship to start in October 2012 on housing wealth.</p> <p>JH mentioned possible opportunities regarding NEST and auto-enrolment. DWP have recently announced invitations to tenders regarding NEST.</p> <p>KR mentioned the unsuccessful bid to Friends Provident on credit unions and savings, which will be recycled to another funder.</p> <p>BP mentioned £35M is available from the Government modernisation programme (DWP) for research into credit unions, savings and transactional banking.</p> <p>RJ mentioned work being undertaken with one of the local credit unions and CHASM is looking for some funding to develop a community banking model for banking facilities through housing associations.</p> <p>MK – research on pension funds is important especially how to secure value of pension assets in the long term.</p> <p>SW – important to research into people saving towards starting a new business.</p> <p>LA will be putting in a bid to the ESRC, looking at the access (or not) to finance for SMEs has changed.</p> <p>RC – financial security links between savings and insurance are important. The Micro Insurance Centre in Geneva is working on this and has amalgamated all the research that's been done around looking at the effectiveness of programmes. RC is involved in developing these products in Africa. The Commercial Union has backed a pilot.</p> <p>RC – Wealth redistribution – incentives for the wealthy to plough money back in, to see the impact (more important in the rest of the world). The Rockefeller Foundation and OPIC are leading the effort on impact investing, and are looking for international partners.</p>	<p>RJ</p> <p>LA</p>
<p><i>Financial Inclusion: led by Ricky Joseph.</i></p> <p>RJ outlined some of the activity which took place in 2011/12 (see Annual Report). He is working on developing an international network of researchers for work on assets over the next year – keen not to duplicate existing networks, but to work with them.</p> <p>Future plans: work on the AHRC FINCRIS project, led by Tom Sorrell, on ethics of the financial crisis – AM pressing the banks to provide information on local impact. As part of this, LA and KR are working on research re lending to people on low incomes and the ethics around that, and the kinds of organisations that do lend to people on low incomes, both for profit and non-profit. This will involve case studies, both lenders and borrowers.</p> <p>AM- produced papers on Taxing Banks Fairly and Banking for the Public Good.</p> <p>EREBUS project – AM, John Bryson and a student working on looking at impact in a number of West Midlands CDFIs to measure economic and social impact.</p> <p>LA/KR – JH – Abolition of the social fund and the idea of monthly budgeting, rather than weekly – serious issue for some groups which warrants further research. Jam jar accounts - people need a lot of support and advice.</p> <p>Also to look at peoples' banking behaviour in light of recent news regarding Barclays and the LIBOR fixing scandal – moving away from banks to using the supermarkets etc.</p> <p>BP – Credit unions, M&S, both Sainsburys and Tescos have banking licences, possibly online.</p>	<p>SM</p> <p>KR/ LA</p>

<p>JH – Child Trust Funds – fantastic research opportunity – 2 groups to compare – people who had babies just before CTFs were abolished and then the group of new parents who have had babies since, but also people who have got siblings born either side.</p>	SM
<p>Global FINDEX – the World Bank through CGAP – has commissioned GALLUP to survey in all countries including Britain. They have 10 year funding from the Gates Foundation, for surveys in financial inclusion, access to banking, and the first results are already out.</p>	
<p>BP – Taskforce – processed Family Resources Survey Data, and there are now 2 years of data unprocessed. The data is available for any researcher to use. SM working on this, with the first report early Summer 2013.</p>	SM
<p>MK – we ought to recognise a closer link between financial inclusion and financial capability. The next issue it is a product accessibility that could decrease due to new regulations increasing capital requirements. A new trade off between security and accessibility should be achieved. Both increasing capital requirements and losses within investment activity increase profit margin for basic financial products. Also abolishing gender discrimination within insurance would affect insurance products accessibility, particularly annuities.</p>	
<p>BP – bank charging and so called free banking, which is not free. Taskforce have researched, to show that financially excluded people would be prepared to pay a small amount every week if it avoided unexpected charges. Difficult to move to that while the middle market gets free banking if they are in credit.</p>	
<p>RC – what do people need? Willing to pay for? What does it cost? Monthly versus weekly, and what is/isn't mainstream? Funding opportunity to try to get some research that looks at the relationship between the transactional intensity needs and the saving level (or poverty level) of the people, so that it acts as a basepoint.</p>	KR/ LA
<p>JH – peer to peer lending is an interesting new field.</p>	
<p>RC – ideas for international research partners – DfID? about the organisations that they fund. Financial trusts in Africa – lots of research already done.</p>	
<p>Financial Capability: led by Lindsey Appleyard.</p>	
<p>A PhD student starting in October – Fatima Syed – to investigate personal finance education.</p>	
<p>LA has been awarded some money to investigate financial literacy in secondary schools (with Peter Davies, UoB Education Dept). Will be running a small workshop with some key international collaborators, visiting schools and interviewing teachers and pupils.</p>	LA
<p>LA has submitted a proposal to the British Academy to explore the concept of financial citizenship.</p>	
<p>KR asked if the FSA/MAS were commissioning the update to the baseline survey of financial capability. SB reported that this has been shelved but that a new survey may be commissioned and CHASM could bid to do this work if. SB – need to explore financial capability more broadly across all age groups.</p>	
<p>Taxation: led by Andy Lymer.</p>	
<p>Last year, it was minuted that this workstream would put together a bid to look at public attitudes to tax - have we got the right tax mix? A bid has gone into the ESRC (£400k).</p>	
<p>AL has had published the latest version of his Taxation book.</p>	
<p>Also working on another book, looking internationally at comparative tax systems, how are governments dealing with core issue of how you 'glue' a tax system together. Working with colleagues in Australia and America. Due to be published Easter 2013.</p>	
<p>2 PhD students are working in this area.</p>	
<p>Also one student is down to the last two for a scholarship from the IESAW, to look at</p>	

areas of personal tax. Three year funding if successful.	
6. Teaching and Development Activities The outline timetable for teaching was circulated for discussion. It was well received by students this year. For final year Social Policy students, an optional module. We are looking at ways of including Business School students.	
7. Staffing and Capacity Building LA has returned from maternity leave this year. Two students have successfully defended their PhDs – Louise Overton and Dejing Kong. Also have new Doctoral Research Students starting in October. John Moss is in his final year, working on financial advice. We have also introduced a new 'Associate Member' scheme – listed in the annual report. Supported two internships this year.	
8. Dissemination, Networking and Impact There are 400 members on the database who receive the e-bulletins/other information. A list of CHASM publications are shown in the annual report.	
9. Advisory Board Membership An updated list was provided for information. All members of the Advisory Board will serve their initial term and then be invited to serve a second term. KR reported that Udo Reifner and Bernie Morgan have resigned, and Ed Mayo has recently joined. New members to be sought, both international and UK, academic and non-academic – suggestions welcome. Discussion took place about the number of people attending meetings, and whether a meeting in London would be beneficial. To be reviewed. Discussed further meetings could be held via video conference if more convenient for some Board members.	KR BP
10. Any Other Business None	
11. Date of Next Meeting To be confirmed.	