

## CHASM ADVISORY BOARD MEETING

### MINUTES OF THE MEETING ON THURSDAY 5<sup>TH</sup> MAY 2011

<p><b>1. Welcomes/Apologies</b></p> <p>Meeting attended by: Brian Pomeroy (Chair); Lindsey Appleyard; Omneya Abd-Elsalam; Stuart Bailey; Dalton Conley; David Dickinson; Chris Hamnett; Helen Harris (minutes); Andrew Fisher; Ricky Joseph; Marcin Kawinski; Peter Kelly; Andy Lymer; Andy Mullineux; Karen Rowlingson; David Stephenson; Tom Sorrell; David Stephenson; Steve Walker.</p> <p>Apologies received from: Rosalind Copisarow; Paul Cox; John Doling; John Hills; Jacqui Kennedy; Steve McKay; Matt Mangan; Bernie Morgan; Udo Reifner; Michael Sherraden; Susan Smith; Michael Wilkes.</p> <p>Brian welcomed everyone to the second CHASM Advisory Board meeting.</p>	
<p><b>2. Minutes from last meeting</b></p> <p>The minutes of the last meeting held on Tuesday 25<sup>th</sup> May 2010 were accepted as a true record.</p>	Action
<p><b>3. CHASM annual report</b></p> <p><b>a) Funding</b></p> <p>Karen reported that CHASM has secured substantial core funding for five years from September 2011. This will fund 1 Senior Research Fellow appointment, 2 Research Fellow posts, 5 one-year Post-Doctoral appointments, 4 three-year PhD studentships plus money for events, training and equipment.</p> <p>The Advisory Board noted that, even with substantial funding, CHASM had set itself a demanding programme.</p>	
<p><b>b) CHASM work-streams and key activities</b></p> <p><b>Financial Security: led by Steve McKay.</b></p> <p>Karen outlined the activity which has taken place during 2010/2011 (see Annual Report). Planned activity was discussed. Remarks from members of the Board included suggestions to explore: the role of personal finances re setting up businesses; the effect of the credit crunch on enterprise/enterprise creation – is demand not there due to lack of confidence?; the role of set-up advice built into lending process. Discussions are taking place about MBA students being used to advise people going into business. Future research could focus on: effects of assets on children's lives and opportunities; managing household wealth/wealth creation/capacity of households to build wealth; data collected by the Prince's Trust; research going on in the US on asset security; encouraging people to save/matched savings; innovative ways to save money including Christmas Clubs; equity release schemes in Poland. CHASM members were encouraged to engage in more international work.</p> <p><b>Financial Capability: led by Lindsey Appleyard.</b></p> <p>Lindsey outlined recent activities (see Annual Report). Planned activity was discussed. Remarks from the Advisory Board included suggestions to look at: Muslim students being denied education due to not wishing to take out loans; FSA baseline study undertaken 6 years ago, to be followed up in 2012; focus on financial capability at important life stages such as when having children; looking</p>	

<p>at school curriculum; encouraging entrepreneurial skills. It was noted that DfE survey evaluating financial education in schools had been cancelled. Baseline data had been collected but had not been made available. The Financial Services Skills Academy may also be worth contacting about our work in this field.</p> <p><b>Financial Inclusion: led by Ricky Joseph.</b></p> <p>Ricky outlined recent activities (see Annual Report). Planned activity was discussed. Remarks from the Advisory Board included suggestions to look at: intergenerational/international work re assets/race – working with US colleagues to develop further; also interested in looking at Germany, Australia, Ireland and Holland to explore international viewpoints; strong links with Runnymede Trust; work with Social Housing and credit unions; the financially excluded – what’s available for them?; US research – incidences on fore-closure re race/groups affected; perception of debt in recent years – need to borrow to get an education/job/house; excluded people have a deep mistrust of banks and so would be useful to consider the role of the Post Office, supermarkets, Virgin and other organisations; research at Glasgow Caledonian University – interested in doing a social collateral project; proposal to the European Commission on financial inclusion (Marcin linked to this). Links with the UN could also be developed here.</p> <p><b>Taxation: led by Andy Lymer.</b></p> <p>Andy outlines recent activities (see Annual Report). Planned activity was discussed: very keen to undertake behavioural studies/interviews. Dalton drew the Board’s attention to a recent article in the New York Times about a robust debate on tax expenditures by Feldstein/health insurance plans. There was discussion about the need to have a better understanding of tax rates – what is the correct level for tax? What happens when tax rates change? Do people leave countries when taxes increase? Does it create economic growth? It was agreed that CHASM would need to keep the focus on capital taxation. Andy M is seeking funding from the College at UoB to organise an event on taxation.</p>	
<p><b><i>c) Impact plans and international agenda</i></b></p> <p>Each workstream is working on dissemination, networking and impact activities. Agreed that CHASM needs to create more international links: French organisation AREO; European Funding; Alliance for Financial Inclusion (AFI) in Germany; Consultative Group to Assist the Poor (CEGAP) housed at the World Bank; the USA; Australia; Elaine Kempson; Brussels; Rosalind Copisarow; Islamic Banks. The Medical School at UoB is setting up a ‘health’ version of CHASM – focusing on diet/exercise – might be useful to have a rep from this Centre as part of CHASM Advisory Board and vice versa.</p>	
<p><b>4. Advisory Board Membership</b></p> <p>All members of the Advisory Board will serve their initial term (as detailed on the document circulated) and will be invited to serve a second term by email. Karen reported that Bernie Morgan from CDFA has stepped down from the Board due to a job change – a replacement person will be sought. Udo Reifner has also stepped down due to his retirement – a replacement person will be sought</p>	KR/AM

<p><b>5. Any Other Business</b></p> <p>Karen reported on a new teaching module for third year students on personal finance which is being developed for September 2011 (optional 20 credit module). Details will be circulated for comment.</p> <p>Lindsey will be on maternity leave from now until March 2012 – she was thanked for all her hard work. Ricky Joseph will be taking over Lindsey's role.</p> <p>Paul Cox has joined CHASM. Paul is a Senior Lecturer of Finance in the Business School who has previously worked at Kleinwort Benson Investment Management as an equity fund manager of actively managed international and emerging market mutual and pension fund portfolios. He teaches financial literacy in primary schools as a volunteer, and is an academic Adviser to The National Employment Savings Trust (NEST).</p> <p>Work will begin on advertising for other new appointments/studentships.</p> <p>Travel claims – forms are available from Ricky following the meeting, for Advisory Board members to claim.</p>	<p>KR/RJ</p>
<p><b>6. Date of Next Meeting</b></p> <p>May 2012 – precise date to be determined.</p>	<p>KR</p>