Working together to promote financial inclusion and tackle isolation

Posted on Wednesday 16th May 2012

Karen Rowlingson recently chaired the afternoon sessions at this event organised by Inside Government at the Strand Palace Hotel in London on 10 May 2012. The event included papers from experts in the field from the DWP, CDFA, Toynbee Hall, Barclays, the Financial Inclusion Centre, ABCUL, AgeUK and so on.

Papers from the event (http://www.insidegovernment.co.uk/economic_dev/financial-capability/presentations343.php)

Summary of key points

Opening Keynote: Building National Financial Inclusion in an Age of Economic Uncertainty
David McKenlay, Head of Indebtedness and Social Fund Strategy, DWP

- The disbandment of the Financial Inclusion Taskforce: Where do we go from here?
- Addressing the many facets that contribute to financial exclusion: Poor credit ratings, basic literacy skills, and lack of access to services.
- Meeting the inevitable rise in demand for debt advice post the Welfare Reform Bill: What resources will be made available?
- The role of the third sector in tackling financial exclusion.
- The mechanics of the low income financial market: How can we integrate financial inclusion and provide routes out of poverty?
- Financial inclusion as a method for tackling homelessness – promoting basic bank accounts to provide easier transition into work.
- The new role of the Money Advice Service: Providing online, telephone and face-to-face support.

Community Development Finance Institutions - Supporting Community-Led Solutions to Financial Exclusion
Ben Hughes, Chief Executive, Community Development Finance Association

- CDFIs: Providing financial assistance to the 370,000 busineses, 3,300 social enterprises and 3 million individuals who are excluded in the UK.
- Providing the financially excluded with access to good credit and providing an alternative to loan sharks and doorstep lenders.
- The CDFA: Working to promote the work of CDFIs.
- In the current economic climate, where should CDFIs look for funding?
- Disseminating information about funding opportunities for CDFIs.
- Working and collaborating with the private sector to provide access to funding opportunities for CDFIs.
- Engagement with government in order to raise awareness of CDFIs and the work they do

Case Study: Boosting the Financial Capability of Young People
Pete Beaumont, Regional Coordinator, Money Skills, West Yorkshire Joint Services and Alan Hands, Head of Employee Programmes UK, Barclays

- West Yorkshire Joint Services 'Money Skills' course – an innovative project to boost financial management skills for people aged 16-25.
- Taking a multi-agency approach: Delivering the course in schools, colleges, voluntary and community organisations, and local community groups.
- Improving the budgetary skills of young people to equip them for later life.
- Developing enterprise and training skills for young people.
- Teaching financial management, the risks of involvement with loan sharks, and viable alternatives such as credit unions.
- The importance of preventative programmes to allow young people to make more informed financial choices.
- Collaboration with the private sector to deliver the programme: Making a saving of £0.5 million.

Tackling the Root Causes of Financial Exclusion: What Can Be Done?
Mick McAteer, Director, Financial Inclusion Centre

- The importance of gaining a thorough understanding of the root causes of financial exclusion in different parts of the UK.
- The Financial Inclusion Centre: Providing policymakers with evidence to develop innovative policies that work to tackle financial exclusion.
- The effectiveness of financial capability interventions to alter consumer behaviour.
- Assessing the impact of the economic downturn on financial capability in vulnerable households.
- Working to improve access to affordable products and services.
- Educating young people to prevent financial exclusion in later life.
- The need for third sector organisations to increase their capacity for offering debt advice.

Tackling Financial Exclusion for Families with Multiple Problems
Sian Williams, Head of Financial Inclusion, Toynbee Hall

- Reducing the social and economic isolation experienced by families with multiple problems.
- The new role of local authorities is providing support to replace community care grants and crisis loans.
- Working in partnership with the voluntary sector to promote financial inclusion and develop financial capability for vulnerable families.
- Protecting vulnerable families from 'doorstep lenders' and providing alternative sources of credit such as Credit Unions.
- Keeping vulnerable families out of a cycle of debt and providing avenues into work.
- Providing vulnerable and disadvantaged families with access to bank accounts.

Offering an Avenue for Access to Good Quality Credit: The Role of Credit Unions
Mark Lyonette, Chief Executive, Association of British Credit Unions

- Crucial role of Credit Unions in financial inclusion: Offering low cost loans and savings accounts to local communities.
- Investing in the community and providing substantially lower rates of interest.
- Developing more sophisticated and tailored products to meet the needs of local communities.

- Working with key partners such as Housing Associations, local authorities, schools and employers.
- Continuing to provide services during a period of austerity: Making the most of the £73 million Modernisation Fund.
- Opportunities for greater collaboration with other unions and potentially the Post Office.
- Using new technology to increase the effectiveness and accessibility of credit unions: Developing telephone and internet banking.

Mitigating Social and Financial Exclusion in our Ageing Population
Jane Vass, Head of Public Policy, Age UK

- Increasing financial inclusion for our ageing population: Providing resources and advice in an accessible manner.
- Managing fuel poverty: Providing assistance with bill management and energy consumption.
- Tackling social exclusion: Identifying and tackling barriers (financial, social and physical) to older people's involvement in local life.
- Addressing the digital divide and promoting digital inclusion to ensure older people have access to financial services.
- Providing face-to-face advice for older people and providing straightforward advice on finance and housing.
- Promoting older people's integration in the local community and providing avenues for socialisation and skills development.

Breaking the Cycle of Financial Exclusion and Re-Offending
Chris Bath, Director of Operations and Development (co-author of Time is Money), UNLOCK

- From pre-sentence to post-sentence, the relative effects of custody and community sentences on issues including banking, insurance, credit and debt, financial management and the benefits gap.
- Implementing solutions; the '6 As' of assessment, awareness, ability, advice, advocacy and access.
- The role of financial services in reducing re-offending (e.g. banks, credit unions and insurers).

Providing Tailored Community Financial Advice: Wellingborough Homes and the 'FISH' Shop
Simon Favell, Operations Director, Wellingborough Homes

- Providing easily accessible debt, benefits and employment advice.The benefits of multi-agency working - bringing together a range of community agencies in one building.
- The Financial Inclusion Support Hub: Providing advice to financially excluded people.
- Establishing a central hub in a town centre location to offer a full range of money advice.
- Working in partnership with the third sector to manage the FISH shop.
- Helping social housing tenants to understand the benefits they are entitled to, assisting with debt and encouraging ways back into work.

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