

# Financial Inclusion in Barnsley

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# Financial Inclusion

- Ensuring that everyone has access to mainstream/essential financial services of banking, savings, borrowing & insurance
- That free information and advice is available & accessible when needed
- Everyone can develop the skills and knowledge necessary to manage money and plan for the future (financial capability)

Promoting FI is a local, regional and national issue

# Financial Exclusion in Barnsley

- University of Salford research (2009)
- HM Treasury Experian mapping (2007)
- Access to credit union (SYCU)
- Demand for advice
- Housing – DCLG repossession ‘hotspot’
- Fuel Poverty

# Barnsley Financial Inclusion Strategy

- Financial Inclusion Group (multi-agency) agreed FIS March 2010
- Presented to EDIP, ACWP April 2010
- Equality Impact Assessment underway
- Report to Cabinet July 2010
- FI Conference July 27<sup>th</sup> 2010

Underlying aim to strengthen links to key emerging strategies on Child Poverty, Worklessness, Health Inequalities & Community Cohesion

# FIS Action Plan

- Aim 1 – To improve access to affordable credit, banking services and savings products
- Aim 2 – To increase the provision of financial inclusion advice services
- Aim 3 – To develop financial capability
- Aim 4 – To develop effective delivery mechanisms

# Aim 1 – To improve access to affordable credit, banking services & savings products

1. Low income h'lds pay v. high levels of interest – strengthen SYCU and improve access. Help tenants in private sector with bond/ rent in advance schemes
2. Illegal money lending – partnership work to recognise signs, know reporting systems, give support
3. Very little saving activity – Develop a 'culture' (SYCU setting up savings clubs in schools). Promote new Government 'Savings Gateway' Scheme
4. 'Unbanked' higher than national average – promotion of basic bank accounts (fin cap and advice work). Involvement of banks in FI work sub-regionally

## Aim 2 – To increase the provision of financial inclusion advice services

1. Potential reduction of £1/2 m. project funding in advice sector by Mar 2011 – Barnsley Advice Network established. Existing advice providers working together more effectively
2. Stakeholders and advice agencies need to develop their partnership working as there are common aims – ‘spend to save’ e.g. Berneslai Homes, Work & Skills Board Money Advice projects
3. Signposting and referral – ‘Your Guide to Free Money Advice’, ‘Benefits for Families’, marketing & promotion of help available locally and nationally

# Aim 3 – To develop financial capability

1. In schools – changes to the Curriculum/ support for teachers. SYCU savings clubs involving children
2. Post 16 years – Front line worker training sessions on financial exclusion awareness.  
FLWs encourage/support members of the public to attend sessions on Budgeting/money management, Debt and affordable credit, Energy Best Deal, Save Xmas. This model used in Children Centres, Primary schools (parents), Flexible New Deal clients (Remploy, A4e), 'NEETS' young people, tenants support.

Long-term preventative agenda

# Aim 4 – To develop effective delivery mechanisms

1. FI is a cross-cutting theme - Corporate Debt Strategy, Child Poverty Strategy, Local Economic Assessment, Health Inequalities, Community Cohesion
2. Reducing financial exclusion contributes to the achievement of significant LAA NIs – e.g. NI 18 Adults re-offending; NI116 child poverty; NI 167 Fuel poverty
3. Potential contribution of IT - access to SYCU in communities; banking (managing money); utility (switch & save); keeping information resources up to date and accessible (FLWs and public)

# Challenges & Next Steps

1. Cross-cutting theme of FI often forgotten – need to keep raising the profile & importance of FI
2. Cabinet – acceptance of Strategy, support for Action Plan and appointment of Cabinet level FI Champion
3. Sub-regional work – shared resources and good practice e.g. DWP SY FI Champions, Fin Cap work in HMP Doncaster, e@sy connects e-services for SY
4. Continue to raise awareness with wider partners and stakeholders - FI Conference 'Tackling Financial exclusion in Barnsley' July 27<sup>th</sup> 1.30 – 4.30 p.m. The Core, Barnsley