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CHAIR

FINANCIAL INCLUSION GROUP
NORTH STAFFORDSHIRE

Who are we and what do we do

- **“To reduce costs and increase income for those suffering financial hardship in the area.”**
- The geographic area covered by the FIG is Stoke on Trent and Newcastle under Lyme.
- Current members of the Financial Inclusion Group are:
- **Aspire Housing, Brighter Futures**
- **Citizens Advice Staffordshire North & Stoke-on-Trent**
- **Emaus Potteries, Job Centre Plus, National Illegal Money Lending Team**
- **Natwest Bank, Newcastle Borough Council, Moneyline CDFI**
- **Saltbox, Severn Trent Water, Staffordshire Housing**
- **Stoke on Trent City Council, YMCA North Staffordshire.**
- There are several independent members and the Chair of the Group is an independent member. There is a wider network of interested people and organisations that receive regular updates and information.

The Numbers

- 93,000+ people are over indebted (of 270,000)
- 108,000 owe up to £80m of HCSTC, paying possibly more than £40m p.a. interest (500+% APR)
- Credit indebtedness (non secured) could be £1.2 bn
- 61,000+ households have less than £20k gross annual income
- 30,000+ adults have no qualifications. – Av. reading age = 9 years (Stoke)
- 70,000 +suffer poor mental health in an average year
- 14,800 children in poverty –rising to 18,800? 20,000 ?.
27,000 after housing costs (Stoke figures)
- Area losing £80m p.a. by welfare cuts. £94m+ in unclaimed benefits (Stoke figures)

Barriers to delivery

- Only 17.5% of O.I. will find help (17,500)
- 17.5% will never take help (17,500)
- Leaves 65% never getting help (65,000)
- Fig partners current capacity – 6-9,000 p.a.
- Need exceeds demand, demand exceeds supply
- More people are entering financial exclusion every year than we can help out of it

What stops people asking for help.

- Services cannot be advertised or promoted
- Many people not aware of them....
- ...or that they are free
- Fear of disclosure
- Many more don't or can't admit
- Personal responsibility, shame, dignity, pride.
- Many don't know of the problem or have not disclosed to their partner
- Poor mental health, family tensions, etc etc

Other factors

- Access to our services, place, time, day
- Trust
- Lack of affordable credit
- Waiting times
- Need more than one visit
- Width of their issues and their capabilities

Solutions: Overall

- Combine all services into the offer
- One trusted advisor. One Trusted Brand
- Will take time to achieve
- Deliver services where the customers are
- Make delivery more efficient and cheaper
- Achieved through scale and combining services
- Plan shows 50%+ cost reduction per client

Solutions: Where are the customers?

- On our premises.

Schools, children's centres, charities, housing associations, benefit offices, community centres, mental health services, doctors surgery, troubled family services, carers support, post 16 education, faith groups, food banks.....

- Plan details 20 possibilities with greatest potential

Outcomes over Five Years (1)

- 40,000 people will receive advice
- 10,000 will become debt free
- 10,000 more will have debts under control (and be £2,750 p.a. better off)
- R.O.I. on advice services will be £55m for £8m spend
- 17,250 people will have switched energy provider saving an average of £300 p.a. each
- R.O.I. Up to £51m on this
- 12,500 people will be claiming benefits previously unclaimed
- R.O.I. overall between 10:1 and 12:1

Outcomes (2)

- 40,000 people will have increased financial capability and confidence
- 3,000 young people will leave school having received financial education
- 2,000 people per year will be accessing affordable lending from an ethical lender
- Further 2,000 people will be saving and borrowing through a credit union, some will have a bank account for the first time
- 1,000 + mental health sufferers will have less to worry about.

How can many teams come together to achieve this

- Two perspectives.
 - The FIG deliverers: 14 - 20 agencies, have agreed, have been working together for about ten years and built up trust and respect. Used to joint problem solving.
 - The places where the people are. A wide range of public sector, Housing Associations, Private Landlords, Faith Groups and Government Agencies

What needs to happen

- Senior Level Buy-In. Board, C.E.O., M.D., Committee.
- Strategic level – must know the picture, why it's happening. Can open doors, sometimes upwards
- Operational Champion – vital to make things happen and sort out ruffles
- Somewhere in here there needs to be a translator.

What causes failure

- Usually very ordinary things.
- Language:
 - NSCHT, STP, CAMS, NHIR, IAP, STR, CMHT, CPA
 - FINCAP, FIN.ED, ADVICE OR GUIDANCE, FCA, PRA, MAPS, CDFI, CU
 - CHANGE OF PERSONAL
 - Politics or politics
 - COMPETITION OR TURF WAR

Recent Great Example

- Recently started a pilot with Mental Health team in Stoke
- Several weeks to get to Board level (PH Team made this happen. Thank you Kate Edwards)
- Jane Munton-Davies (NSCHT) needed no persuasion
- Rachael Birks (N.Stoke Mgr.) allocated to work with us. Makes things happen and translates
- Project now running two months + very successfully. Ruffles sorted.