



FINANCIAL INCLUSION

Derbyshire Partnership Forum

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What is Financial Exclusion?

Where people do not have access to appropriate financial services and products or lack skills, knowledge in dealing with money/ making sound financial decisions.

Financial exclusion levels in Derbyshire:

Experian report for Financial Inclusion Taskforce in 2007, ranked all wards 1-10,000

Experian Data

AREAS OF HIGH FINANCIAL EXCLUSION
Wards in Derbyshire in Septile 7 + ranking

High Peak	GAMESLEY	25
Bolsover	SHIREBROOK NORTH WEST	78
Chesterfield	MIDDLECROFT AND POOLSBROK	125
Bolsover	SHIREBROK LANGWITH	239
Chesterfield	ROTHER	257
North East Derbyshire	HOLMEWOOD AND HEATH	541
Chesterfield	LOUNDSLEY GREEN	557
Chesterfield	ST HELENS	565
Chesterfield	DUNSTON	658
Erewash	KIRK HALLAM	674
Bolsover	SHIREBROOK EAST	676
North East Derbyshire	CLAY CROSS SOUTH	682
Chesterfield	LOWGATES AND WODTHORPE	732
Amber Valley	SOMERCOTES	804
Erewash	ILKESTON NORTH	808

**AREAS OF HIGH FINANCIAL EXCLUSION:
Wards in Septile 7 + ranking continued....**

Bolsover	ELMTON-WITH-CRESWELL	900
High Peak	STONE BENCH	905
Chesterfield	HOLMEBROOK	935
North East Derbyshire	RENISHAW	1112
Amber Valley	ALFRETON	1131
Bolsover	SHIREBROOK SOUTH WEST	1134
Chesterfield	BRIMINGTON NORTH	1153
North East Derbyshire	ECKINGTON SOUTH	1166
Chesterfield	OLD WHITTINGTON	1170
Chesterfield	BOLSOVER NORTH WEST	1178
Erewash	COTMANHAY	1182
Bolsover	SHIREBROOK SOUTH EAST	1233
Amber Valley	LANGLEY MILL AND ALDERCAR	1279
Bolsover	SCARCLIFFE	1347
Chesterfield	MOOR	1360
Bolsover	PINXTON	1413
Erewash	OLD PARK	1421

AREAS OF DEMAND FOR AFFORDABLE CREDIT

Wards in Derbyshire in Septile 7 + ranking

High Peak	GAMESLEY	42
Chesterfield	MIDDLECROFT AND POOLSBROOK	192
Bolsover	SHIREBROOK NORTH WEST	228
Chesterfield	ROTHER	283
Bolsover	SHIREBROOK LANGWITH	439
North East Derbyshire	HOLMEWOOD AND HEATH	546
Chesterfield	LOUNDSLEY GREEN	588
Chesterfield	ST HELENS	605
Erewash	ILKESTON NORTH	703
Bolsover	SHIREBROOK EAST	734
Chesterfield	DUNSTON	739
North East Derbyshire	CLAY CROSS SOUTH	766
Chesterfield	LOWGATES AND WOODTHORPE	796
Erewash	KIRK HALLAM	848
Amber Valley	SOMERCOTES	876

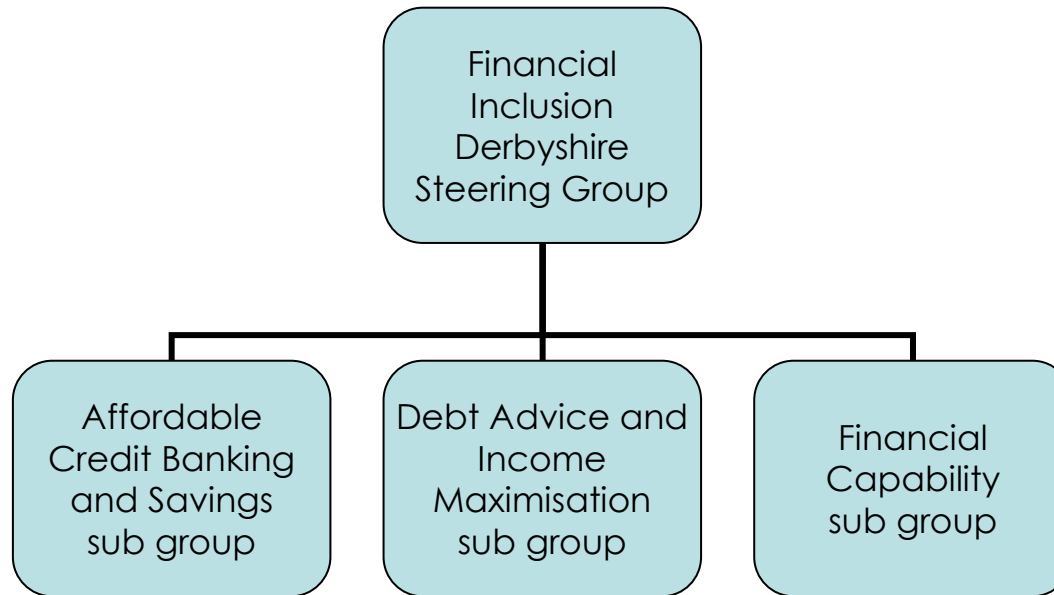
AREAS OF DEMAND FOR AFFORDABLE CREDIT
Wards in Derbyshire in Septile 7 + ranking continued

High Peak	STONE BENCH	912
Bolsover	ELMTON-WITH-CRESWELL	978
Chesterfield	HOLMEBROOK	1011
North East Derbyshire	RENISHAW	1077
Erewash	COTMANHAY	1135
North East Derbyshire	ECKINGTON SOUTH	1153
Chesterfield	OLD WHITTINGTON	1187
Chesterfield	BRIMINGTON NORTH	1197
Bolsover	BOLSOVER NORTH WEST	1216
Amber Valley	LANGLEY MILL AND ALDERCAR	1223
Amber Valley	ALFRETON	1268
Bolsover	SHIREBROOK SOUTH EAST	1275
Bolsover	SHIREBROOK SOUTH EAST	1303
Erewash	OLD PARK	1339

Financial Inclusion Derbyshire Strategy

- HM Treasury Financial Inclusion Action Plan 2008-2011/
Financial Inclusion Task Force. Local strategies followed
- Derbyshire FI Strategy finalised. Endorsed by DPF.
- RIEP funded till Jan '12. Planning for continuation of the work currently in progress.
- 3 strands of work:
 - *Affordable Credit, Banking and Savings*
 - *Debt Advice and Income Maximisation*
 - *Financial Capability*

FID Structure



Cross-sector partnership: over 60 organisations across the county:

- ~ Local authorities, nhs, housing providers, banks, advice services, credit unions, probation, specialist organisations regionally, key voluntary sector.

Affordable Credit, Banking and Savings



Issue - Lack of affordable credit

- **Expensive doorstep lenders eg 272% APR**
- **Payday loans 1000-2000% APRs**
- **Illegal money lending: Loan sharks...**

Objectives

1. Credit Union provision across Derbyshire

Erewash Credit Union - also now in Amber Valley

2 Shires Credit Union – covers Bolsover

Chesterfield & North East District Credit Union

Money Spider Credit Union - in South Derbyshire

- Growth and development in all credit unions
- Promotion: publicity in all press, websites, events
- Joint working between credit unions in the county
- High Peak coverage: current plans for reapplying to FSA

2. Tackle illegal money lending

National Illegal Money Lending Team (East Midlands officer).

- Promotional work around Derbyshire
- Intelligence and enforcement work
- Support to victims
- Training for generic staff

Issue - Access to banking

Rural access issues

- In rural communities 250,000 people nationally have no local access to either a Post Office, Bank or Building Society, or Cash machine, or cash machines charge

General access to banking

- Nationally 16% social housing tenants, 1 in 10 lone parents have no Current Account. 2/3 are elderly or young people.
- East Midlands - 37k people without bank accounts

Basic Bank Accounts

DWP LSOA Data on basic bank accounts, 2010

Priority areas identified:

- LSOA's where 50% or more (over 18yrs) have income under £15k pa and either:
- less than 40% of these have a basic bank account; or
- of those who do have, over 20% have had returned STO's & DD's in the last 12 months;
- or both

Objectives

1. Promotion of + access to Basic Bank Accounts

- Presentation of DWP data for county. Banks included RBS Group, Yorkshire, Barclays to date.
- Public promotion of basic bank accounts eg: adverts in local press, newsletters, websites (council/ housing providers etc), all parish councils, all village halls. At local events including specific 'Money Matters' type events across the county, early 2011 = total 374 people engaged/ enquiries
- County wide research on basic bank account access for FID
– report due Autumn 11

2. Access to free Cash Machines

- Gaps identified in Derbyshire in rural areas. Discussion with LINKs nationally.
- Priority list of areas for county submitted to LINKs for extra free cash machines – decision imminent.

Issue - Savings

Objective

1. Culture change re savings

Locally – development and promotion of Credit Unions:
CU's support people to develop small regular savings habit.

Issue – Low incomes households no home contents insurance

2 x as likely to be burgled

30 x as likely to be a victim of arson

8 x as likely to live in a high-risk flood area

91% of people in social housing have no insurance cover

Objective

1. Improve take up of Home Contents Insurance

Data from largest housing providers in county show take up between 0.9%-17.5% in 2010.

- Monitor uptake levels
- Sharing good practice between Housing Providers

Debt Advice and Income Maximisation



Issue - Accessible, free, quality debt + income maximisation advice

Data shows that demand trend is up:

- Debt Advice: up 31% from 08/09-09/10;
- Benefits Advice: up 35% from 08/09-09/10
- Demand for both debt and benefits advice, up approx 20% for 09/10-08/11 (source Advice Derbyshire)

- includes non-traditional groups seeking advice

1. Increased coordination between services

- Directory of all advice services - housed on County Council website; linked on other FI partners sites.
- Also to be linked on Work Programme providers sites

2. Clear access to debt + income maximisation services and proactive outreach

- Single point of contact phone-line established:
Adviceline Derbyshire, tel 08444 111308 provides triage + referral to relevant advice service
- Dealing with debt, local debt advice services publicity : local press, newsletters, websites, public events (eg Money Matters Events)

- Linking advice into Probation offices (links between indebtedness and offending)
- Increasing links between advice agencies + credit unions (planned)

3. Quality advice

- Quality process for *all* providers – starts Oct 11

Financial Capability

(knowledge, skills, confidence with money)



- Established links with numeracy and literacy levels
- Those in fair or poor health report lower financial capability and are likely to suffer from 32% more financial problems than those in good health
- Improvement in health is associated with improvement in financial capability *(FSA paper)*
- Improving financial capability reduces stress
- Financial capability in 1991 was linked with higher financial capability, higher chances of employment, better living standards, better psychological well-being *in later years.*
(MAS Consumer Research Report/ BHPS, 2011)

Objectives

1. Financial capability in Derbyshire schools and other agencies working with young people

(NB level/types of input varies)

Secondary schools: 91% some input

Primary schools: 14% some input

Special schools: 62% some input

Pupil referral units: 44% some input

- Partners in FID continue to work with schools on financial education, offering input.

- Work planned for youth centres

2. Financial capability support for adults

- Adult Ed: integrated FC into Skills for Life course
- National Money Advice Service: workplace sessions
- Focussed work in specific communities planned

3. Working with families

- Work to be planned for Children's Centres

4. Working through front line staff

- Financial Inclusion awareness sessions for front line staff around the county, by district and specific staff sessions

General



Objective

Financial inclusion practice mainstreamed

- Financial inclusion supports a range of SCS priorities

OTHER

Financial Inclusion in Derbyshire conferences planned for end 2011 – celebrate achievements, identify long term priorities for the county.