

National Strategy for Financial Capability – reaching vulnerable people

Building financial capability in the UK

The background: What is the National Strategy for Financial Capability?

The Financial Services Authority (FSA) is working with charities and the voluntary sector as part of the National Strategy for Financial Capability. We lead this strategy in partnership with the Government, financial services industry, the voluntary sector and consumer education groups.

Financial capability means being able to manage your money, keep track of your finances, plan ahead, make informed decisions about financial products and stay up to date about financial matters.

Developing partnerships that will help us reach those who need our help the most

All of the work of the National Strategy for Financial Capability has been developed to bear in mind the needs of people who might find themselves excluded from the financial system. In particular, we work with the non-profit sector to reach those people who may be vulnerable and who often turn to a trusted charity or community group for help.

We're building financial capability through:

...the social housing sector

We are working with the Chartered Institute of Housing (CIH) to implement and build good practice into the work of affordable housing providers across the UK through funding two Financial Inclusion Advisors to provide free consultancy and advice:

Scotland & Northern Ireland

Ken Dow – Ken.Dow@cih.org

England & Wales

Paul O'Connor – Paul.OConnor@cih.org

We are also working with the National Housing Federation to deliver training to front line housing professionals to promote and deliver financial capability to their tenants. Training is being delivered in-house or at public venues in London, Birmingham, Manchester and Bristol. Contact NHF to find out how to book places by emailing training@housing.org.uk, calling 020 7067 1066 or visit www.housing.org.uk/training.

We have also worked with Transact, the national forum for financial inclusion, and key organisations from the housing sector to publish the case for social landlords to invest in financial inclusion.

...learning disability support services

We are working with Association for Real Change (ARC) and United Response to develop and deliver free one-day training to Support Workers to help people with a learning disability move into independent living. As part of this they have developed a trainers' manual and guides (which will also be available as an online resource) to help people with learning disabilities to live independently.

Previously Mencap and Citizens Advice received support from us to work with people with learning disabilities and design the 'Making Sense of Money' toolkit to show how practitioners can address financial capability issues with their clients.

...mental health support services

We are working with the Royal College of Psychiatrists to promote the recently published



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second edition of 'Final Demand'. This booklet and web resource is for social and health care professionals to provide support and guidance if their patients present debt problems. To date over 140,000 copies have been disseminated to these professionals through key journals including the British Journal of GPs and Community Care.

Previously we worked with six Local Mind Associations (LMAs) to develop and deliver their own financial capability surgeries. Mind also developed a financial section of their website to help people with relevant advice and information (including guidance on how to run local financial capability surgeries).

...support services for offenders

In partnership with the National Offender Management Service (NOMS), we are funding NOMS Wales and the South East region to deliver financial capability services to offenders and prisoners as well as prison and probation staff. As part of these projects, new approaches will be developed and evidence of their effectiveness collected.

We are also funding Nacro, the crime reduction charity, to deliver free 2-day training. Delivered at prison college Newbold Revel, this training is aimed at prison staff looking to deliver financial capability to prisoners and will run until March 2010.

We have previously funded the National Offender Management Service (NOMS) to produce guidance to help those working with offenders and ex-offenders to address their financial issues, signpost them to other services for help, or do both.

We will also continue to build on the 'Working Money' toolkit, which we funded and which was developed by Lincolnshire Action Trust. We are delighted that the Scottish Government awarded funding to Apex Scotland to produce the second edition 'Working Money', launched in May 2009.

...autism support services

Sacar, a charity for people with autism in Bradford, used our support to develop 'Money Matters' sessions that were designed with and for people with autism. Their experience demonstrated that there is much more we can do to target people with autism spectrum disorders. We are now working with the National Autistic Society to develop a national approach to this work. They have trained their helpline advisors in financial capability skills, and developed a text messaging service, for individuals who are reluctant to seek help on the telephone. Moving forward, they will be developing education materials for people with autism, as well as providing support and guidance to parents and carers.

The National Strategy for Financial Capability and financial inclusion

'Financial inclusion is a state in which all people have access to appropriate, desired financial products and services in order to manage their money effectively. It is achieved by financial literacy and financial capability on the part of the consumer, and financial access on the part of product, services and advice suppliers' (Transact, the national forum for financial inclusion, 2007)' .

The National Strategy for Financial Capability specifically takes account of the needs of those who have limited involvement with the financial system. Our programme includes resources to empower and equip those experiencing financial exclusion, and those supporting them, to take control of their finances and to start taking steps towards financial inclusion.

Want more information?

Log onto the Financial Capability webpage www.fsa.gov.uk/financial_capability to find out more about our work to reach vulnerable people.