

Welsh Government Financial Inclusion Steering Group

Wednesday 6 February 2019
Welsh Government Offices, Merthyr Tydfil

Minutes of the Meeting

Present:

Chair

Andrew Jacobs Welsh Government – Head of Financial Inclusion

Members

Helene Hayes	Citizens Advice Cymru
Lee Phillips	Money Advice Service
Graham Roberts	Department for Work and Pensions
Jonathan Brenchley	Barclays Bank
Lisa Hayward	WLGA
George Jones	Older People's Commissioner's Office
Ryan Evans	Wales Illegal Money Lending Unit
Sean O'Neill	Children in Wales
Leanne Herberg	Cardiff and Vale Credit Union

Welsh Government

Maureen Howell	Deputy Directory Prosperous Futures
Paul Neave	Financial Inclusion
JJ Costello	Financial Inclusion
Charlotte Anscombe	Financial Inclusion
Eryl Loring	Financial Inclusion
Sian Williams	Research

Apologies:

Liz Emmons	Welsh Illegal Money Lending Unit
Selina Moyo	Community Housing Cymru
John Mason	Welsh Government Education Department
Sally Hunt	Welsh Government Prosperous Futures

1. Welcome, Minutes of the Last Meeting and Action Log

- 1.1 Andrew Jacobs (AJ) welcomed members and also Maureen Howell, Deputy Director of the Welsh Government's Prosperous Futures Division, who was attending the Financial Inclusion Steering Group for the first time.
- 1.2 The minutes of the last meeting held on 20 September 2018 were agreed as an accurate record.

- 1.3 Action Log – all actions from the last meeting have now been completed. The action relating to the integration of Debt and Money Advice also has been completed - the consultation has now closed and an evaluation is in progress.

Action: Lee Phillips (LP) to circulate evaluation report when available.

2. Single Financial Guidance Body (SFGB) Update

- 2.1 LP provided an update on latest developments. The SFGB was set up on 1 October 2018 and became operational on the 1 January 2019 when the three organisations concerned – Money Advice Service, Pensions Advisory Service and Pension Wise, came together under one banner. Staff continue to operate under their previous organisation's identity while the SFGB work on a new name for the Body.
- 2.2 This year's Talk Money Week took place from 12–18 November 2018 and saw a number of events taking place across Wales, including Youth Cymru's Money for Life awards at the Senedd; and the Money Advice Service (MAS) hosted an event at Cardiff Castle to celebrate the delivery of financial capability work across Wales. To coincide with Talk Money Week, the Principality Building Society published a children's book which aims to teach the importance of financial education from a young age.
- 2.3 The Wales Illegal Money Lending Unit's Proceeds of Crime Act Awards event was also a success. LP invited Ryan Evans (RE) from the WIMLU to provide an overview:

When a loan shark is prosecuted and convicted by the WIMLU, the Unit is able to seize their assets and money under the Proceeds of Crime Act (POCA). A proportion of POCA money taken from loan sharks is put back into communities. The winners of the 2018 Stop Loan Shark Awards were:

- **Social Publishing Project** – Quids in! Magazine. A 16 page bilingual booklet with a one-page feature to focus on loan sharks and a recent case study. Encourages victims to come forward, raising awareness of WIMLU, and reassures victims about any fears they may have about coming forward. The booklet will reach 10,000 people living in the most deprived areas of Swansea plus a further 5000 in North Wales.
- **Rhondda Cynon Taff Citizen Advice** – ran a publicity campaign to raise awareness of illegal money lending in the lead up to the Christmas holiday period: "Don't be bitten by the cost of Christmas". They will also create bilingual educational materials, which can be used all year round, and will hold 8 roadshows to raise awareness of loan sharks.
- **Celtic Credit Union** – planning a leafleting campaign in the run up to Christmas 2019, highlighting the dangers of loan sharks whilst promoting the Credit Union. This will reach 100,000 households across Neath Port Talbot and the City & County of Swansea.

- **Afan Tawe Nedd Crime Prevention Panel** are going to organise reassurance / engagement events across Neath, Port Talbot and Pontardawe. They will be giving free advice and literature to hundreds of people.
- **Dewis** – this charity organised a client inclusion event for 16-25 year olds who are in supported accommodation. A trip to Cardiff’s Winter Wonderland took place alongside an awareness session of illegal moneylenders.
- **Idris Davies School & Caerphilly Homes** – developing a short film on the dangers of unsafe borrowing. The project will be closely linked with the financial capability curriculum that is integrated across the school, and in addition, will support learners undertaking the Welsh Baccalaureate at Key Stage 4/5.

2.4 Talk Learn Do (TLD) – the evaluation of the TLD parenting project is now available online. The evaluation results are very positive, as are the secondary results which illustrate the effects the project has had on parents. The programme will be extended until March 2019 to deliver another 2 training sessions to practitioners - one in North and one in South Wales. Tagged onto the training events will be an additional day run for community workers, dates will be finalised shortly.

Action: LP to circulate dates for TLD training events when available.

2.5 Budgets are yet to be finalised, but it is envisaged that going forward, the SFGB will be working with school teachers to develop financial capability materials. LP is currently in discussion with Welsh Government’s Education Department to move this forward. Work is also continuing on the Advice Practitioners Framework which will look at how advice professionals can best be supported, this is out for consultation at the moment. The SFGB will be hosting a series of Listening Events across Wales during April and May which will be asking practitioners what their expectations are of the new body.

2.6 The Financial Capability Regional Forums are currently funded up to the end of this financial year but it is hoped these will continue. AJ added that the regional Forums have, to date, been jointly funded by MAS and Welsh Government. The value in these groups is recognised so, subject to Ministerial agreement, Welsh Government will consider extending funding for the Forums as a contribution alongside the SFGB.

2.7 MAS has recently prepared a video on financial education for inclusion in the Welsh Government’s Curriculum blog. The video has now received sign off and will be available on the Welsh Government’s website shortly. Jonathan Brenchley (JB) asked whether there would be any promotional activity on social media coinciding with its publication; LP confirmed that MAS will be producing a slightly longer version of the video and this will be promoted through the usual channels.

Action: LP to circulate the link to the Education video when available.

- 2.8 Helene Hayes (HH) asked if any mapping work had been done following the TLD project to monitor whether parents had gone on to access any other advice provision. LP explained that this had not been done due to the difficulty in maintaining contact with the participants – 12 months after the intervention, the evaluators were only able to re-contact those who had given consent. However, of those that were contacted, 15% said they were no longer over-indebted.
- 2.9 LP has updated the Financial Capability Policy Map to reflect the recent Ministerial changes, and a draft is available should members wish to have sight of it.

3. Citizens Advice Update – ‘Help to Claim’ Universal Support

- 3.1 HH provided an overview of the current position. Following the announcement last October, Citizens Advice are currently preparing for delivery of the new service from April 2019. The service is funded until March 2020. Progress is ongoing and HH is happy to provide updates as and when they are available. There are currently over 175,000 people accessing Universal Credit (UC) advice and the aim of the Help to Claim provision is to give people the right support at the right time which tends to be at the beginning of the UC claim process.
- 3.2 This new service differs from that provided by local authorities, however, good practice from the existing provision will be taken into consideration during roll out. Help to Claim won't cover managed migration – the support will be available from April 2019 until March 2020 and managed migration will happen after this timeframe. People seeking advice will not be turned away, if Help to Claim is not right for them, or they are out of scope of the Help to Claim service, local Citizens Advice will seek to help them under other funding streams. The service will be consistent across England and Wales, but there will be local variations to reflect community need and local partnerships.
- 3.3 There will be several access routes, referrals can be made by any means. Clients will have access to advice via a number of channels – face to face, a freephone number, web chat, as well as online information – the aim is to offer support in a way that's right for the individual. First stage of contact will be with the individual when a needs assessment will be carried out to gauge the level of support needed. This could be light touch, breaking down the stages and enabling them to apply themselves, or it could involve more intensive support.
- 3.4 Different support options will be available e.g. e-mails to help account set up, to do lists – evidencing housing costs, childcare costs, income, or related costs, help with alternative payment arrangements and signposting to longer term support such as the Discretionary Assistance Fund (DAF). DWP expects

people to claim UC online but it can also be done via a telephone service or home visits. People who need additional support will be made aware of these other channels. There is also a need to verify identity, Citizens Advice will not verify identity but can explain to clients how to verify their identity. We can also raise awareness of direct payments to landlords and how to manage monthly payments.

- 3.5 The Independent Advice Provider Forum (IAPF) will be kept up to date with what's available from the Help to Claim service and what longer term support is available. Citizens Advice will be working closely with JCPs, local authorities, etc. to ensure all agencies work together to support an individual.
- 3.6 Pilots started in November 2018, with more taking place during January and February. A test and learn approach is being used, selecting different areas to test elements of the service. Although this is a specific service which responds to the needs of UC claimants, it is important to continue the support throughout the process not just at the beginning of the claim.
- 3.7 Help to Claim in Wales will be managed by Citizens Advice nationally and not by Citizens Advice Cymru. However, the regional Citizens Advice services already have strong relationships locally and this will continue, regional offices are aware they can contact Citizens Advice Cymru if there are any concerns.

Action: HH to circulate further details and a link to a report on Help to Claim which has been published today (6 February 2019).

- 3.8 LP asked about the local authority staff that are currently delivering a similar support service and whether there was an opportunity for them to transfer into the new service. Lisa Hayward (LH) confirmed that some staff are on temporary contracts so these will come to a natural end, which, in some areas, will leave a gap in provision until the new service becomes operational in April.
- 3.10 JJ Costello (JC) asked how many claimants are expected to be supported and what proportion would be new to making contact with an advice service, the introduction of Help to Claim may encourage new users to the advice sector. HH was unable to answer at this stage but will make a request that this data is monitored.
- 3.11 Graham Roberts (GR) quoted the latest statistics which are 1.6m new claimants currently UK wide with 76,000 in Wales. It is envisaged this will increase to 2m in May and 3m by the end of the year so it is likely the number of new claimants in Wales will double within a year. He also welcomed the two pilots in Wales, providing the opportunity to test what clients are being supported in readiness for the April roll out. It will be key to recognise who will need the Help to Claim support or whether there is a danger of trying to help too many.
- 3.12 Paul Neave (PN) also pointed out that natural migration onto UC will bring households with social welfare problems into contact with Citizens Advice,

perhaps for the first time, so it will be interesting to monitor any increase in debt and any other connected issues that these households present with. HH confirmed this data will be collected.

- 3.13 Maureen Howell (MH) commented on how support services differ in Wales to the rest of the UK and the benefit of having forums like this to help identify how to best support the people who really need it. She asked HH how we could use feedback from Citizens Advice at a national level to its best use for Wales.
- 3.14 HH explained that although the data will be collected centrally, a Wales specific breakdown will be needed. GR agreed that it would be up to Citizens Advice Cymru to determine what information should be collected for Wales, DWP will not have Wales specific data, only England and Wales combined, unlike Scotland who have their own data as it's devolved to Scottish Government.
- 3.15 MH informed the meeting that the First Minister has recently made a number of statements indicating that he will be exploring the case for devolving administration for certain aspects of Welfare Reform to Wales so we are seeing a change of policy from the First Minister.
- 3.16 LH asked if there was any evaluation data on DAF that demonstrates the link between UC and applications for support. Charlotte Anscombe (CA) confirmed that this information is collected and that demand has increased considerably since the introduction of UC. LH asked if these statistics could be available for the next meeting and also, whether there is an increase in the areas where UC is rolled out. AJ agreed there are links, and Welsh Government have amended the policy to include people who have been sanctioned. Welsh Government has also increased the budget to cope with increasing demand, which is partly linked to UC.

Action: It was agreed that Welsh Government officials would prepare key statistics on the numbers of people accessing DAF because of issues with UC or other welfare benefits for the next meeting.

4. Welsh Government Update

- 4.1 AJ made reference to the recent Cabinet changes and confirmed the Financial Inclusion Unit's area of work has now been split with Advice Services falling under the portfolio of Deputy Minister and Chief Whip - Jane Hutt AM, and all other financial inclusion issues falling to the Minister and Deputy Minister for Housing and Local Government, Julie James AM and Hannah Blythyn AM.
- 4.2 AJ felt it was appropriate to mention Community Banking at this point as it formed part of the new First Minister Mark Drakeford's leadership manifesto. The Welsh Government's Economy Skills and Natural Resources Department (ESNR) will be leading on this, along with the Development Bank. This work will be led by the private sector who will prepare a full market assessment and

business plan with the intention of submitting an application to the Bank of England during 2019. Welsh Government will ensure any Community Banks will fully integrate with existing providers and Credit Unions.

- 4.3 AJ had also been asked to raise an issue following a meeting between Welsh Government colleagues and DWP. Feedback has been received that some UC claimants are experiencing difficulty in setting up bank accounts, possible because UC doesn't use National Insurance numbers in some of their documentation. AJ asked members for their views, particularly GR and JB. GR is not aware of this issue, there is a requirement for claimants to open basic bank accounts, this forms part of the support being offered at the moment and assumes the new Help to Claim support will do the same. JB is not aware of any restrictions, but could be an issue for claimants who are homeless as an address is needed. GR added that even then, it shouldn't be an issue for anyone who is homeless and claiming UC as there are alternative facilities, including through Post office Accounts, for people to draw down their benefit.
- 4.4 PN provided a further update on his area of work. It is the intention of the SFGB to engage all four nations as equal partners to produce a joined up UK strategy around financial capability, work has already commenced to decide how future governance will look. On the 1 January 2019, Welsh Government became responsible for 12 contract agreements previously administered by MAS. As of the 31 March, 7 of these will be coming to an end and officials are currently looking at what needs to be done in relation to those contracts. The others run to the end of year but officials are keen to put arrangements in place to reassure advisors that the agreements will continue during the next financial year..
- 4.5 Single Advice Fund – Welsh Government has launched an application process for grant funding to support the provision of advice to EU Citizens and it was hoped to launch applications to the Single Advice Fund around the same time but due to the Ministerial changes, this has been delayed. This is ongoing and updates will be provided as and when they're available.
- 4.6 AJ welcomed JJ Costello (JC), who has joined Welsh Government on secondment from Shelter Cymru. AJ invited JC to expand upon his role. JC explained he would be focussing on social welfare advice networks across Wales, there are currently no existing networks covering all aspects of advice. It is currently in the early stages with consideration being given to its possible shape. It could have a national standing, much like the National Advice Network, with regional networks co-ordinating funding and feeding into the national network. It is important that all stakeholders take ownership of these networks. Welsh Government is happy to provide a co-ordination role but there will be a need for commitment from stakeholders for it to succeed. JC will be meeting with a number of the Steering Group members over the coming weeks, and is planning a stakeholder event following that.

- 4.7 AJ provided the following update on behalf of John Mason from Welsh Government's Education Department who was unable to attend:

On 28 January 2019, the Welsh Government published a White Paper seeking views on proposals to legislate for the implementation of the new curriculum arrangements. In April 2019 Welsh Government will make the new curriculum and assessment arrangements available to all for feedback, to help refine it. Schools will then have access to the final curriculum and assessment arrangements from January 2020, allowing them to take preparatory steps in readiness for statutory roll-out in September 2022 (i.e. the start of the phasing in of the compulsory teaching of the new curriculum). The proposal is that it will be introduced from nursery to Year 7 in 2022, rolling into Year 8 for 2023 and so on until it is introduced to Year 11 in 2026.

The new curriculum enables children and young people to meet the following four purposes of the new curriculum – as identified in successful futures:

- Ambitious, capable learners, ready to learn throughout their lives;
- Enterprising, creative contributors, ready to play a full part in life and work;
- Ethical informed citizens of Wales and the world; and
- Healthy, confident individuals ready to lead fulfilling lives as valued members of society.

5. Financial Inclusion Delivery Plan

- 5.1 AJ thanked members for their contributions to the Delivery Plan and for the feedback provided during the drafting of the Financial Inclusion Progress Report and Forward Look 2018. The report was published on 11 December and provides a comprehensive overview of developments to date and the key challenges for the next 12 months.
- 5.2 George Jones (GJ) took the opportunity to remind members that there is now a new Commissioner for Older People in Wales, Heléna Herklots CBE, who has commissioned a consultation seeking views about how to make Wales the best place in the world to grow older. GJ encouraged members to respond to the consultation.

Action: Eryl Loring (EL) to circulate link to the consultation.

- 5.3 **Information and Advice Quality Framework (IAQF)** - At the end of 2018, two Standard Owners had submitted fully completed applications to have three Quality Standards accredited to the IAQF, and a further two are being supported to submit their initial application. The second tranche of Standard Owners will begin to be supported from March 2019. MBARC have taken up their second year's work and are looking to have worked with 12 Quality Standards by the end of 2019, half of which should also be fully or partly accredited by then.

- 5.5 In relation to the devolved debt funding previously funded by MAS, LP reminded members that organisations like Stepchange and the Money Advice Trust will be talking to the Wales Forum on the 13 February and would be happy to field any questions members would like raised. Also, the morning session will include a round table discussion with the Financial Conduct Authority (FCA) with Andrew Bailey CEO, who will be attending. Again, if members have any questions, LP is happy to take these to the meeting.
- 5.6 AJ mentioned the commitment in the Delivery Plan to work with the banking sector, and with bank closures always high on Ministers' radar, asked JB if he could offer any assurances about mitigating the effect of bank closures. JB referenced the recent branch closure announcements from Santander and Barclays, statistics show that fewer people are visiting banks, however there are still people who want a banking service. Barclays have a partnership with the Post Office, which should serve as an alternative banking facility but more work is needed to improve the service. JB agreed consideration needs to be given to the most vulnerable customers and what can be done to support them. Barclays do offer alternative provision and are supporting customers to access it. AJ said it was good to hear Barclays are doing a lot of work to promote digital access. JB confirmed the workshops they run to help customers access their bank accounts digitally have proved to be very successful.
- 5.7 GJ pointed out that not everyone necessarily wants to go online, and an alternative facility in an age friendly environment is necessary. JB reiterated that the Post Office is the ideal facility to replace closing banks, with a bigger network than any of the banks have, but there is a need to for them to standardise their service. Although not marketed, every branch closure announcement is accompanied by engagement with the local Post Office.
- 5.8 HH commented that Conwy and Rhondda Cynon Taff Citizens Advice have picked up that bank closures are an issue for SME's, they are having to hold cash longer than they would normally. JB pointed out that businesses are slightly different, but there are other alternatives available – Barclays Collect is a service which drives out to businesses to secure their takings.

6. Future of the Financial Inclusion Steering Group (FISG)

- 6.1 AJ explained that although this issue was raised at last meeting, it was placed on hold until the SFGB became operational, and whilst the Ministerial changes took place. It was agreed that there is a crossover with the MAS Financial Capability Wales Forum, and with the need to work closely with the SFGB going forward, there could be merit in merging the two groups. AJ suggested raising the issue at the Wales Forum on the 13 February to seek their views, LP agreed that a lot of the same people will be there so it would be an ideal opportunity to discuss.
- 6.2 Some concerns were raised about the Steering Group losing its Ministerial status but AJ added that assurances would need to be given that the

appropriate people will remain members and that high level issues are still addressed. MH confirmed that Ministers do attend external stakeholder groups so this could be overcome. HH commented that the FISG offers a broader agenda and it's important that space is retained to talk to Welsh Government about their priority policy issues. LP added that the Wales Forum also offers the opportunity to address things that the Welsh Government group doesn't, so it would be important to keep the sessions separate.

6.3 At the last meeting, LH suggested the merger of the Digital Inclusion and Financial Inclusion Groups but recognises the cross-over with Wales Forum. LH went on to say she would certainly welcome a one day meeting rather than all of them held on separate days. AJ agreed there are links with Digital Inclusion but the membership group is more closely aligned with the Wales Forum and would probably involve too many members if the three groups were to combine.

6.4 It was agreed to discuss the issue at the next Wales Forum meeting on the 13 February and then take it to SFGB Senior Management and Ministers for approval.

Action: Merger of the Welsh Government's Financial Inclusion Steering Group and the MAS / SFGB Financial Capability Wales Forum to be discussed at the 13 February meeting.

7. Any Other Business and Date of Next Meeting

7.1 AJ took the opportunity to thank Eryl Loring who will shortly be leaving the Financial Inclusion Unit and moving onto a new role within Welsh Government.

7.2 Members will be notified of the date of the next meeting following the outcome of the merger discussion at the Wales Forum on the 13 February.