



Salford CVS
making a difference in Salford

Financial Literacy



Making a difference in Salford since 1973

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Salford CVS Conference

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Financial Literacy- challenges & opportunities



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representatives**

Today's workshop....

- **What do we mean by financial literacy?**
- **Some context**
- **Salford Credit Union - our contribution**
- **The Princes Trust - good practice in action**
- **Working better together in Salford?**
- **Break out sessions**
 - **What is your organisation currently doing**
 - **How could you work with others**
 - **Challenges & opportunities**
- **Feedback**

Financial Literacy- what is it?

- ‘A combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial wellbeing’
- Overlaps?
 - Financial Capability
 - Money Management
 - Money Advice.....

Elements of financial literacy

- A. Different types of money and payments
- B. Generating income
- C. Spending money
- D. Gathering financial information and record keeping
- E. Financial planning
- F. Financial risk
- G. Our decisions and the implications of decisions
- H. Consumer rights and responsibilities
- I. The bigger financial picture (e.g. how tax works)

Each can be different depending on personal situation

How much do you have in YOUR wallet? How much do YOU spend each month?

Good sources of help/support

National, local, online, phone, in-person, projects, networks, tools, tips, grants...

Money
Advice
Service

Citizens
Advice
Bureau

National
Debtline

Income &
Expenditure

Quids in
Magazine

Big Local

Stepchange

Money
saving
freebies

Moneysaving
expert

Financial
Health
Exchange

Budget
planners

Saving

Borrowing

More financially excluded- more challenges & Poverty Premium

- Around 2 million adults without access to bank account - higher costs
 - Free ATM / bank branch deserts
- UK personal debt at all time high
- Restricted access to affordable credit - affects vulnerable consumers
 - 2.3 million use home credit, paying APRs of between 180 - 500+%
- Increases in utility / household bills
- On average living longer, but many face insecurity in old age
- Financial products T&Cs often complex
 - 5m adults have literacy of 11 year olds impacting on decision making
- Excluded consumers have less experience of financial services
 - > less confidence dealing with financial services...
- State safety nets reduced - people increasingly expected to provide for themselves, but don't have enough savings to get through difficult times

Stagnant wages, benefits cuts... increasingly, it's about not enough money, not how well people budget...

Salford Credit Union- our contribution

Saving

- We encourage ALL members to save - even small amounts
 - Many members report they had no savings before their credit union accounts
- Some members have their benefits / wages paid to us
 - Savings / loan repayments taken as part of regular transaction
- We offer a Credit Union Prepaid Visa Debit Card
 - Includes 'envelope' facilities to set up regular bill payments as well as rewards
- We have local collection points and local, friendly staff
 - a Co-op where members interests are at the heart of what we do

Borrowing

- We provide affordable credit to those underserved by mainstream banks
 - We help put more money in people's pockets by charging lower interest rates than many lenders - saving around £1m / year
- Repaying Credit Union loans helps rebuild credit scores

Education

- Money Management project - engaged with communities & partners

The Princes Trust

Financial Literacy

- Good Practice in action...

Benefits of a collaborative approach to Financial Literacy in Salford?

- Strong partnership framework to build on
 - Financial Inclusion Practitioners Group, with political commitment
 - Salford Anti Poverty Strategy sets out a vision
- Experience of trying different approaches
 - Lessons learnt, good practice & tools developed, ambassadors?
- Opportunity to refer / signpost more effectively
- External funding opportunities limited - improved use of mainstream resources important
- Long term approach possible?
- By working together - can we empower today's children to be more financially literate adults and help break the cycle?

Break Out sessions

- 1. What is your organisation currently doing which contributes to promoting Financial Literacy?**
 - What activity? Who for? Where? How many? What's achieved?
- 2. If we were working better together what would it look like? What would the benefits be?**
- 3. What are the main actions needed to achieve these benefits?**
- 4. Possible areas to consider**
 - Awareness of what initiatives are out there
 - Improved signposting / referral
 - Improved co-ordination
 - Collaboration / partnership working
- 5. Identify key opportunities / critical actions**

Feedback & Conclusions

Financial literacy IS important for Salford

Can we be more effective by working together?

1 Specific actions YOU can take

2 Key messages to feedback to the Conference:

1.....

2.....

3.....

4.....

THANK YOU FOR TAKING PART