

Vale of Glamorgan  
Local Service Board  
Bwrdd Gwasanaethau Lleol  
Bro Morgannwg



# Vale of Glamorgan Financial Inclusion Strategy



2016 - 2018

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## Introduction



*Financial exclusion can be described as the inability of individuals, households or groups to access necessary financial services in appropriate form. It leads to exclusion from cheaper services (such as gas and electricity paid by direct debit) and makes them reliant on expensive (and sometimes extortionate) financial services – such as cashing cheques and taking out door step loans for small amounts. Exclusion from mainstream financial systems also presents a barrier to ever understanding the various financial products available.*



*– Chartered Institute of Housing, 'Life after Debt'*

It has long been recognised that financial exclusion is an issue that needs serious consideration and action. The economic downturn and resulting credit crunch, coupled with a series of welfare reforms, means that in this current climate financial exclusion has become an increasingly difficult problem to overcome.

This strategy sets out the Vale of Glamorgan Local Service Board Financial Inclusion Group's partnership response to tackle financial exclusion through a series of actions and the vision it would ultimately like to achieve. Whilst recognising that increasing financial inclusion is a complex issue which the partnership alone cannot overcome, this strategy provides direction to build upon the work taking place within the Vale of Glamorgan to ensure our residents have the necessary skills, support and advice to achieve good financial health.

## Our vision

*"All residents across the Vale of Glamorgan have access to consistent advice and information, have the ability to access the support they require and possess, or are able to access, the skills and understanding to make informed decisions about their finances"*

Our vision outlines the aims of the Financial Inclusion Strategy. Ultimately the Vale of Glamorgan Financial Inclusion Group wants to see a financially inclusive Vale in which everyone can enjoy good financial health. We want:

- Services to be accessible, easy to use and meet people's needs both now and into the future;
- People to have the skills and capability to manage their finances independently but have the support available to them if needed; and,
- To develop capacity in parallel with capability. We want people to be capable in the here and now to manage their finances whilst supporting those who need help; more than this we want to increase capacity, providing direction to increased prosperity in the future and something people can aspire to.

We recognise that there are a range of barriers particular groups of people must overcome to achieve good financial health and partners of the Vale of Glamorgan Financial Inclusion Group will strive to help them overcome these.

## What is Financial Inclusion?

“Financial inclusion can be conceptualised as having two elements. First is **good financial decision-making**. For this, people need to have financial literacy, which means understanding of financial concepts. But, more than that, people need financial capability – the skills and motivation to plan ahead, find information, know when to seek out advice and apply it to their own life. The range of financial products is getting ever more complex, so financial capability is now more important than it ever was before. The need for financial education is ongoing and continuous through people’s lives as the market and their own circumstances change....Second, people also need to have **access to products and services that are suitable for their needs**. As such, financial inclusion can be assessed in relation to ‘financial capability’ (the demand for financial services) and access to financial services (the supply of financial services).”

– *Joseph Rowntree Foundation, ‘Financial Inclusion in the UK: Review of Policy and Practice’*

The Financial Inclusion Group recognises that the factors affecting a person’s ability to be financially included are multi-faceted. The wide range of partners represented through the group reflects the complex nature of financial inclusion and the need to see financial exclusion as both a cause and effect of a wider range of issues in relation to poverty, inequality and social exclusion.

Neither the Local Service Board nor the Financial Inclusion Group alone can influence all of these factors, particularly in relation to national policy and the supply of financial services. What it can do is work towards building the ‘financial capability’ of residents of the Vale, ensure they are well informed with regards to the products and services available and offer support where it is needed.

## Developing the Financial Inclusion Strategy

The Financial Inclusion Group, a sub-group of the Vale of Glamorgan Local Service Board (LSB), has been active since 2012 when it was initially established in response to the Government's Welfare Reform Act 2012. The multi-agency group has since broadened its remit to explore a number of issues in relation to financial inclusion and consists of a range of partners outlined below. The group has been highlighted previously by the Wales Audit Office<sup>1</sup> as a good example of partnership working to help tackle the issues related to welfare reform. Partners have embraced a collaborative approach to helping those facing financial exclusion overcome a range of inter-connected issues and this strategy aims to build upon this.

**Vale of Glamorgan Council**  
**Cardiff and Vale UHB**  
**Cardiff and Vale Citizen's Advice Bureau**  
**Cardiff and Vale Credit Union**  
**Vale Foodbank**

**Newydd Housing Association**  
**Hafod Housing Association**  
**Department for Work and Pensions**  
**Age Connects Money Advice**  
**Barry Communities First**  
**Wales and West Housing Association**

In 2014, the Vale of Glamorgan LSB agreed its strategic focus would be to tackle the poverty and inequalities that exist across the Vale. Despite often being recognised as one of the more affluent local authorities in Wales, it is evident that local authority level data can mask pockets of poverty and deprivation. Evidence such as the LSB's Unified Needs Assessment 2013<sup>2</sup> and Tackling Poverty Analysis 2014<sup>3</sup> has helped build a clear picture of the inequalities that exist across the Vale.

In response, the LSB developed its 2014-2018 Community Strategy Delivery Plan<sup>4</sup> to focus on tackling poverty, aligned to the three workstreams of the Welsh Government's Tackling Poverty Action Plan. In order to deliver the plan, the LSB's partnership sub-groups were restructured and the Financial Inclusion Group, was identified to lead on the delivery of the Mitigating the Impact of Poverty workstream.

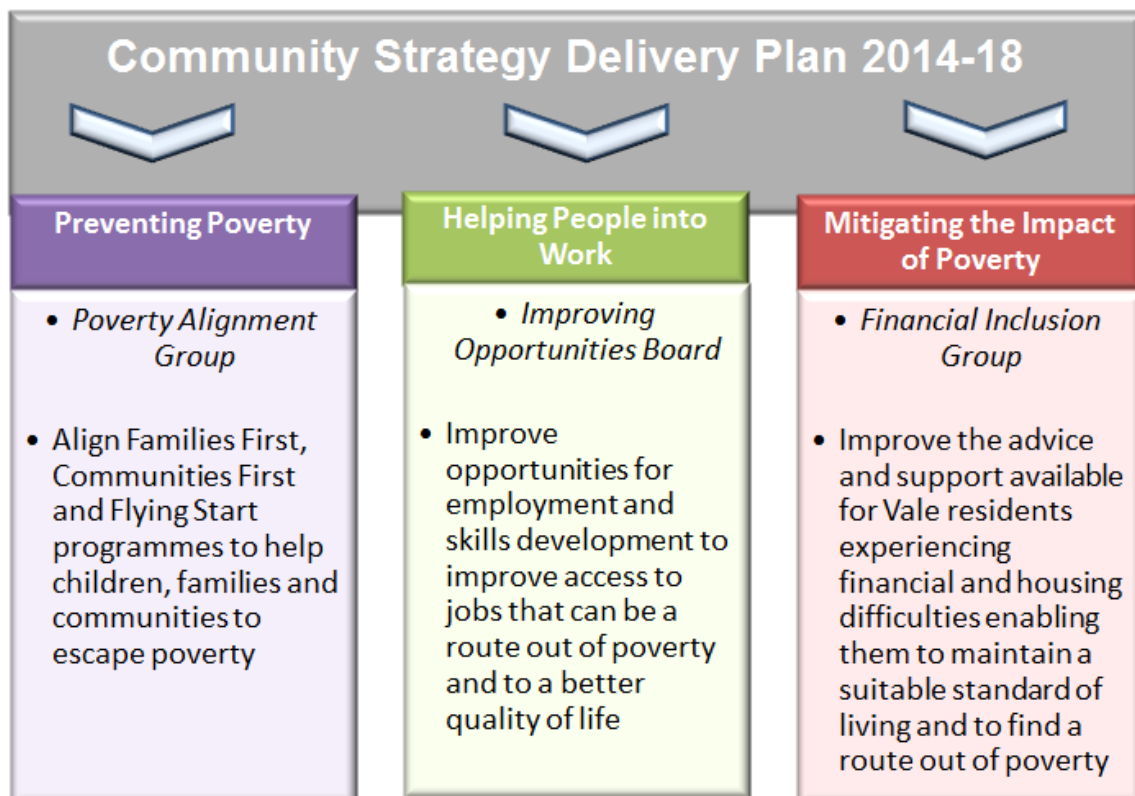
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<sup>1</sup>[http://www.audit.wales/system/files/publications/welfare\\_reform\\_change\\_social\\_housing\\_2015\\_english.pdf](http://www.audit.wales/system/files/publications/welfare_reform_change_social_housing_2015_english.pdf)

<sup>2</sup>[http://www.valeofglamorgan.gov.uk/en/our\\_council/local\\_service\\_board/measuring\\_success.aspx](http://www.valeofglamorgan.gov.uk/en/our_council/local_service_board/measuring_success.aspx)

<sup>3</sup>[http://www.valeofglamorgan.gov.uk/Documents/Our%20Council/Achieving%20our%20vision/Partnerships.%20Policies%20&%20Plans/Local%20Service%20Board/LSB%20Reports%20and%20Documents/Vale-of-Glamorgan-LSB-Tackling-Poverty-Report-\(Final-Draft\).pdf](http://www.valeofglamorgan.gov.uk/Documents/Our%20Council/Achieving%20our%20vision/Partnerships.%20Policies%20&%20Plans/Local%20Service%20Board/LSB%20Reports%20and%20Documents/Vale-of-Glamorgan-LSB-Tackling-Poverty-Report-(Final-Draft).pdf)

<sup>4</sup><http://www.valeofglamorgan.gov.uk/Documents/Our%20Council/Achieving%20our%20vision/Partnerships.%20Policies%20&%20Plans/Local%20Service%20Board/LSB%20Reports%20and%20Documents/Vale-of-Glamorgan-Community-Strategy-Delivery-Plan-2014-18---April-2015-Update.pdf>



As the lead group for delivering the ‘Mitigating the Impact of Poverty’ workstream, in 2015 the Financial Inclusion Group agreed to develop a Financial Inclusion Strategy to set out a range of practical and deliverable actions focusing specifically on the financial inclusion aspect of tackling poverty and to contribute towards delivering the overall aims of the Delivery Plan 2014-18.

The Financial Inclusion Group recognises the important role it plays towards delivering actions set out in the Community Strategy Delivery Plan 2014-18 and will continue to monitor progress and report this to the Local Service Board. The aim of the delivery plan is to tackle the wider issues associated as causes and effects of poverty and inequality and through this plan, the Vale of Glamorgan LSB is actively working to address these issues.

In order to inform this Financial Inclusion Strategy a workshop event was held with a range of partners working across the Vale of Glamorgan. This included not only those directly represented on the group but a wide selection of organisations whose work will contribute to alleviating the effects of financial exclusion in the Vale such as Trading Standards, Llamau and Gofal. In order to deepen understanding of the complex range of issues and emotions experienced by those who are financially excluded, the event also included a key note address from a Vale of Glamorgan Council Tenant who had experienced financial difficulties and a range of related issues who had engaged with the Council’s Money Advice Service. Following this, workshop discussions focused upon the causes and effects of both in-work and out of work poverty in order to identify key challenges and critically what steps will be needed to deliver financial inclusion in the Vale. As stated earlier, the Vale Financial Inclusion Group alone cannot influence all of the factors that will achieve our ultimate vision such as national policy and the provision of private financial services; however this strategy outlines the contribution the Financial Inclusion Group can make towards achieving this vision through a range of actions and objectives. Through the workshop and additional consultation with relevant organisations, a series of guiding principles were also developed, upon which successful delivery of our identified actions are reliant.

## The Wellbeing of Future Generations (Wales) Act

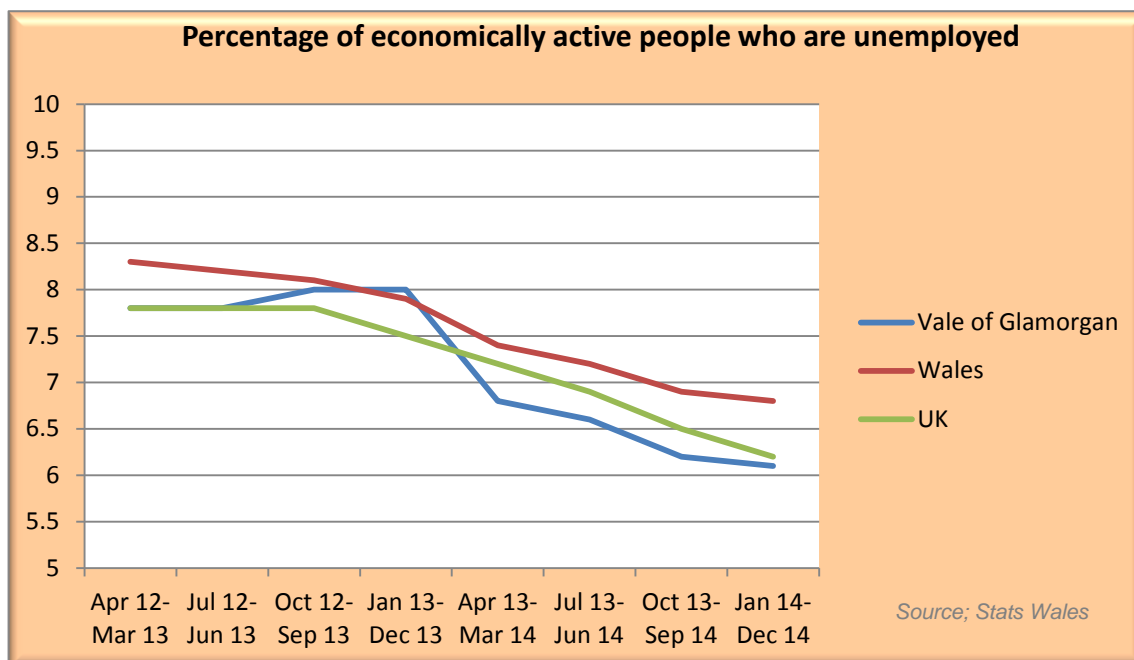
The Wellbeing of Future Generations (Wales) Act comes into effect in April 2016. Through the Act, the Welsh Government sets out seven wellbeing goals towards creating the Wales that people want to see in the future. The goals are: a prosperous Wales; a resilient Wales; a healthier Wales; a more equal Wales; a Wales of cohesive communities; a Wales of vibrant culture and thriving welsh language and a globally responsible Wales.

Tackling poverty and deprivation forms an important element in achieving all of these goals and through delivering this Financial Inclusion Strategy we will contribute towards achieving them. Through our vision, this strategy, whilst seeking to help those experiencing financial difficulties now, also aims to increase capacity and provide direction for people to achieve financial stability in the future. The objectives found later in this strategy outline how we want to help residents become equipped with the skills to manage their finances both now and into the future.

## Poverty and Deprivation within the Vale of Glamorgan

The Vale of Glamorgan is Wales' most southerly local authority, situated between Cardiff to the East and Bridgend to the West. The usual resident population is approximately 128,000 with 51% females and 49% males. Approximately 19% of the population are aged under 15, 61% are of working age (16-64) and 20% are aged over 65.

The Vale is often recognised as one of the more affluent local authorities in Wales. When looking at a broad range of data at local authority level the Vale often performs above the Welsh average and within the top performing authorities. The average house price in the Vale is an above average £171,000 and the average weekly wage is approximately £421. Overall crime rates were lower than the Welsh average during 2014/15 and the Vale performs consistently well across a range of educational attainment indicators. The Vale has a higher than average percentage of working age population who are economically active and unemployment rates are below both the UK and Welsh average.



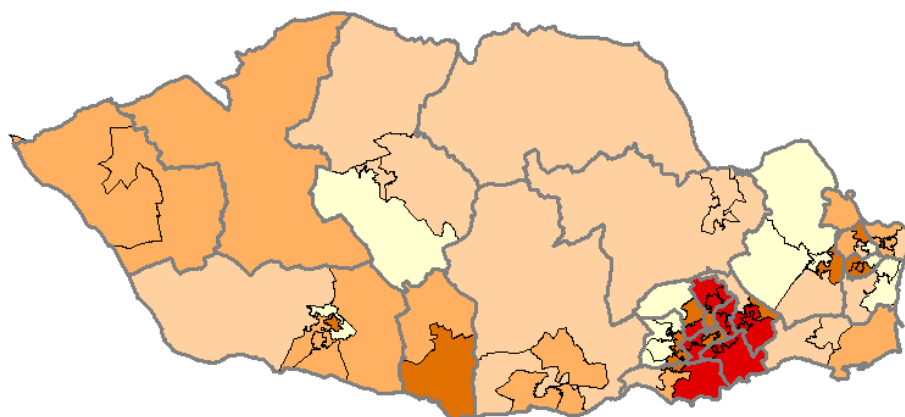
Despite this, findings of the 2013 Unified Needs Assessment<sup>5</sup> undertaken by the Vale Local Service Board identified a clear picture of inequality throughout the Vale of Glamorgan in key areas such as engagement, education, health, employment and community safety. The 2014 Tackling Poverty Analysis<sup>6</sup> undertaken by the Local Government Data Unit further highlights that the Vale of Glamorgan is one of the most diverse local authorities in Wales. The Welsh Index of Multiple Deprivation 2014 highlights 15 LSOAs (Lower Super Output Areas) in the Vale of Glamorgan which are amongst the 30% most deprived of all LSOAs in Wales, 4 of which are in the 10% most deprived in Wales. The geographical areas which were identified within the needs assessment as having disproportionate levels of poor health, poor educational attainment and higher crime and disorder are closely correlated with overall higher deprivation levels.

<sup>5</sup> [http://www.valeofglamorgan.gov.uk/en/our\\_council/local\\_service\\_board/measuring\\_success.aspx](http://www.valeofglamorgan.gov.uk/en/our_council/local_service_board/measuring_success.aspx)

<sup>6</sup> [http://www.valeofglamorgan.gov.uk/Documents/Our%20Council/Achieving%20our%20vision/Partnerships,%20Policies%20&%20Plans/Local%20Service%20Board/LSB%20Reports%20and%20Documents/Vale-of-Glamorgan-LSB-Tackling-Poverty-Report-\(Final-Draft\).pdf](http://www.valeofglamorgan.gov.uk/Documents/Our%20Council/Achieving%20our%20vision/Partnerships,%20Policies%20&%20Plans/Local%20Service%20Board/LSB%20Reports%20and%20Documents/Vale-of-Glamorgan-LSB-Tackling-Poverty-Report-(Final-Draft).pdf)



## WIMD 2014 Overall Deprivation Area Ranks - Vale of Glamorgan



Welsh Lower Super Output Area Rank		
80 to 660 (Most Deprived)	(17)	
660 to 1,250	(15)	
1,250 to 1,640	(16)	
1,640 to 1,760	(17)	
1,760 to 1,890 (Least Deprived)	(14)	

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As shown, it is often the more urban areas such as Barry within the Vale which are experiencing higher levels of deprivation, however it should also be noted that pockets of rural deprivation exist within the Vale particularly in the Llantwit Major area. Rural poverty presents a unique challenge particularly in relation to accessing support services and the Financial Inclusion Group are mindful of the varying needs and challenges the Vale presents due to the rural/urban divide found in the authority.

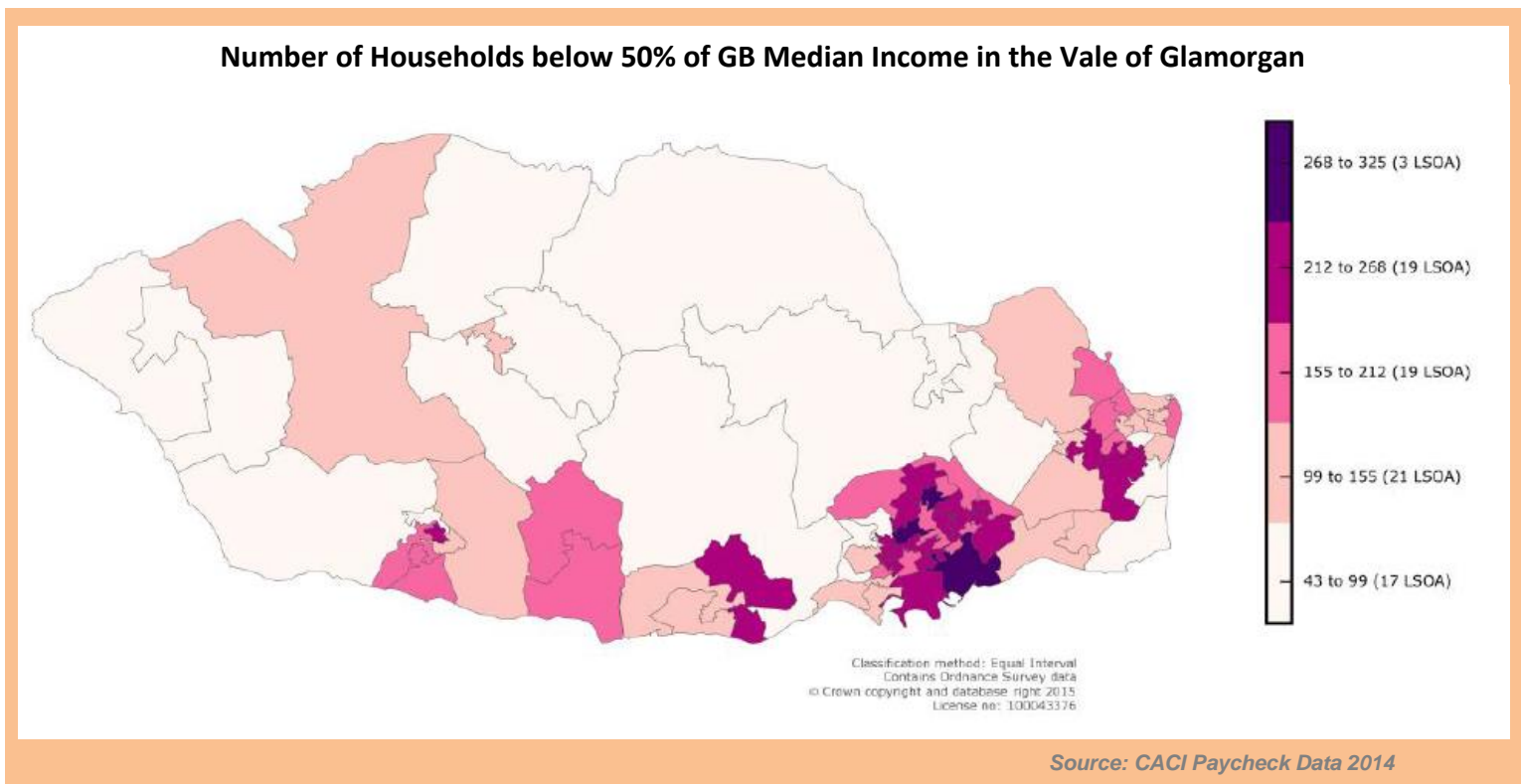
Figures at March 2015 showed that within the Vale of Glamorgan, 13% of the working age population were claiming out of work benefits, a 1.5% increase from March 2013. Again this can vary greatly across areas within the Vale of Glamorgan, with some LSOAs experiencing benefit claimant rates of up to 40%. The percentage of working age adults claiming Job Seekers Allowance in September 2015 was 2%, only marginally below the Welsh average of 2.1%. However when looking at data at LSOA level, again a clear disparity can be observed with 14 LSOAs having a higher percentage of JSA claimants than the Welsh average, with the highest rate of 4.4% being observed in Buttrills 2 in Barry and the lowest rate of 0.2% being observed in Cowbridge 2.

The Financial Inclusion Group recognises that in work poverty is now a significant issue with the Welsh Government's Tackling Poverty Action Plan Annual Report 2015<sup>7</sup> identifying that "there are now more households living in poverty where someone is working, than not". As shown earlier, unemployment rates in the Vale of Glamorgan compare favourably with both the UK and Welsh average, however this does not capture the issue that for some working

<sup>7</sup> <http://gov.wales/docs/dsilg/publications/150701-tackling-poverty-action-plan-2015-en.pdf>

households, the income earned is simply not enough. This is further emphasised by the referrals to the Vale Foodbank for emergency food parcels due to low incomes which are highlighted later in this section.

As previously discussed, in developing this strategy the Financial Inclusion Group focused a specific workshop discussion on the particular barriers faced by those experiencing in-work poverty. The map below shows the number of households with less than 50% of the GB median income across the Vale of Glamorgan and again emphasises the pockets of inequality that exist within the Vale, particularly in rural areas. It is also important to consider that this includes both those who are in work and out of work. These households can be considered as being income deprived.



Zero hour contracts are another issue that the Financial Inclusion Group have recognised as a barrier to financial inclusion and the following chart shows the percentage of people in employment who work under 10 hours a week. It is interesting to observe that an increase was observed during 2013 at the same time that unemployment rates decreased, suggesting that the increase in employment was in relation to jobs with low/zero hours. In addition, data from the Cardiff and Vale Citizen's Advice Bureau shows that from January – March 2015, 41% of employment queries were in relation to zero hour contracts.



Like all parts of the UK, the challenges faced in overcoming financial exclusion in the Vale of Glamorgan have been deepened further by the 2012 Welfare Reform Act. Work by Sheffield Hallam University and the Centre for Regional Economic and Social Research<sup>8</sup> has quantified the financial impact of these changes by local authority area. The research found that the overall impact on Wales will be a loss of approximately £550 per year per working age adult, a figure above the UK average of £470. In the Vale of Glamorgan, the approximate loss will be £473 per working age population. This equates to an overall loss of £38million per year from the local economy.

Financial Inclusion Group partners are seeing the effects of these changes and are experiencing an increase in demand for a range of services. For instance, applications for Discretionary Housing Payments have significantly increased since the Act came into effect. The Welsh Government Discretionary Assistance Fund offers payments, or in kind support such as the award of a white good, to people needing urgent assistance and where there is an identified need to safeguard health and well-being. The total awards made to Vale residents in 2014/15 up to and including Q3 equalled £230,280.60, equating to 3.4% of the total spend in Wales and a higher percentage share than 12 other local authorities. This may indicate that partners working in the Vale are referring a high number of clients to access the fund but can also indicate the increased need for support and the number of people in the Vale engaging with services.

The Vale Foodbank has also seen a significant increase in the number of people in need of an emergency food parcel in the Vale of Glamorgan. From 2013/14 to 2014/15 the Vale Foodbank observed a 24% increase in the number of referrals to the Foodbank due to benefit delays and a 6% increase due to a low income. Furthermore, from April – August 2015, 47% of overall referrals have been as a result of benefit changes or delays with 25% of overall referrals being due to a low income.

Another issue recognised as a barrier to financial inclusion when developing this strategy is mental health. Accessibility of services has been identified by the Financial Inclusion Group as a key issue and included in this is the need to engage with those experiencing a mental health issue particularly as it is predicted that there will be a 6.2% increase in the number of

<sup>8</sup> <http://www.shu.ac.uk/research/cresr/hitting-poorest-places-hardest-local-and-regional-impact-welfare-reform-pdf-535mb>

people experiencing a common mental disorder in the Vale of Glamorgan by 2030. This includes conditions that cause marked emotional distress and comprises of different types of depression and anxiety which can be both a cause and effect of financial exclusion.

The key challenges section of this strategy expands further on the complex range of issues at play when considering how financial exclusion can be overcome. This includes the increasing need for digital access which affects all residents in relation to being able to access financial products and services and find the best deals but particularly those claiming benefits in relation to the introduction of Universal Credit. The Vale of Glamorgan Public Opinion Survey 2014<sup>9</sup> found that 8 out of 10 residents in the Vale were current users of the internet however it should be noted that this is taken from a survey sample. The increasing need for digital access can be seen as a dual issue, firstly in relation to being able to access technology but also being equipped with the skills and knowledge to use it. The Public Opinion Survey found the biggest differentiator in terms of internet use was age with 95% of those aged under age 55 being internet users whereas this figure dropped to 54% among those age 55+. The Vale of Glamorgan, like many areas in Wales has an ageing population, with a 36% increase in the population aged over 65 predicted by 2030. Financial Inclusion can affect people of all ages and the need for digital access adds a further layer to the complex barriers facing those who are financially excluded.

In summary, the Vale of Glamorgan is a diverse area where pockets of poverty and deprivation are often masked by local authority level data. The Financial Inclusion Group recognises the complex issues at play in the Vale of Glamorgan and aim to begin tackling these issues through this strategy. The key challenges section further expands upon the complex issues that need to be addressed.

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<sup>9</sup> <http://www.valeofglamorgan.gov.uk/Documents/Committee%20Reports/Cabinet/2015/15-03-09/The-Vale-of-Glamorgan-Public-Opinion-Survey-2014---Appendix-A.pdf>

## Key Challenges

We recognise that in order to achieve our vision there are many challenges to overcome, a number of which have been identified in the previous section. As highlighted, the Welfare Reform Act 2012, particularly the introduction of Universal Credit and the increasing need to use technology is changing the face of financial services. These changes present fresh challenges for us to overcome to achieve our vision.

## Wales

In order to provide the advice and support our residents need it is vital that the extent of the challenge being faced is understood. Research conducted by the Welsh Consumer Council found that:

- One in twelve (8%) people in the UK do not have access to a bank account, 70% of which are social housing tenants.
- Less than half (42%) were putting money into a savings account on a regular basis.
- One in four (24%) don't have home contents insurance.
- In Wales there are more households with active consumer credit commitments than the British average.
- One in seven (15%) reported constant struggle to manage bills/credit commitments.
- People in Wales have one of the highest debts to income ratios in the UK.
- One in five admitted to committing themselves to a financial product without understanding all the terms and conditions.
- Nearly nine in ten rely on informal information sources to learn about money matters.

Further to this, the Public Policy Institute for Wales' (PPIW) research project 'What Works in Tackling Poverty'<sup>10</sup> preliminary findings identified that:

- Women are strongly over represented in the high interest credit figures and appear to be more at risk.
- Doorstep lenders are popular with young families in social housing who have a particular set of pressures and issues surrounding financial needs, and the timing with which they need it.
- Rural areas of multiple deprivation are 'hot spots' for people experiencing difficulty with credit.
- Access to credit unions, with good community relations and working operations, is variable across Wales.
- Social acceptance of debt differs between groups and communities.
- Some types of credit are more stigmatised than others.

Recent research by the Bevan Foundation<sup>11</sup>, 'The Shape of Wales to Come' suggests that these problems are set to deepen, findings of the report showed that by 2020 "poor families could be £40 a week worse off" and "Gross Value Added in Wales could be only 70% of the UK figure"<sup>12</sup>. It is therefore vital that we continue to build on the work that is already taking place between partners to overcome this issue.

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<sup>10</sup> <http://ppiwi.org.uk/what-works-in-tackling-poverty-preliminary-findings/>

<sup>11</sup> <http://www.bevanfoundation.org/>

<sup>12</sup> <http://41ydvd1cuyvlonsm03mpf21pub.wpengine.netdna-cdn.com/wp-content/uploads/2015/09/Wales-2020-020915.pdf>

## The Vale of Glamorgan

In the Vale of Glamorgan, research by the PPIW into 'Indebtedness in Wales' found that 8% of the adult population relied on heavy credit use, and 19.1% were in arrears feeling heavily burdened<sup>13</sup>. The findings above demonstrate the complex nature of tackling financial exclusion and the workshops held to inform the drafting of this strategy identified that there are different sets of issues facing different groups of people. For example those who are in low paid work will face different barriers to those unemployed. The Welsh Government's Tackling Poverty Action Plan Annual Report 2015<sup>14</sup> identified that "there are now more households living in poverty where someone is working, than not. There are a range of different policy levers which can contribute to tackling in-work poverty, including supporting adults to access full-time employment opportunities, supporting second earners into work, childcare, supporting young people into employment through apprenticeships and traineeships, and increasing skills to enable people to secure in-work progression." Across the three workstreams of the Community Strategy Delivery Plan 2014-18 these are the issues we are working to address and through delivering the Financial Inclusion Strategy partners will help those experiencing in-work poverty in addition to those who are unemployed.

The rural nature of large parts of the Vale of Glamorgan also presents unique challenges. We are aware that families in rural areas can be faced with higher living costs and often struggle to access services available to them. Through our guiding principles identified later in this strategy we have emphasised that the accessibility of services and a need for digital inclusion are key drivers towards helping people overcome financial exclusion.

## Cause and Effect

There are a range of factors at play that continue to make overcoming financial exclusion a complicated task and it can be seen that financial exclusion is a complicated cycle of cause and effect. The causes of financial exclusion can be attributed to a variety of reasons but are most usually as a result of changes in circumstance, these can be, but are not limited to:

- loss of home
- loss of employment or retirement
- breakdown of a relationship
- illness, disability or bereavement within the family
- becoming new parents
- changes to benefit entitlement
- starting a new business
- going into or coming out of prison
- leaving the armed forces
- reductions in income
- long term worklessness

Another major cause of financial exclusion is that people's incomes are simply too low either because benefits are under claimed or do not cover outgoings, or they are on low pay/ zero hour contracts. These groups are often long term financially excluded and often have a complex range of issues that need to be addressed to overcome this. The Financial Inclusion Group therefore welcomes the Summer 2015 Budget announcement with regards to introducing a national living wage and through delivery of this strategy we will continue to

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<sup>13</sup> <http://ppiw.org.uk/files/2014/01/Indebtedness-in-Wales1.pdf>

<sup>14</sup> <http://gov.wales/docs/dsilq/publications/150701-tackling-poverty-action-plan-2015-en.pdf>

do all we can to mitigate the impacts of welfare reform, particularly for low income households.

The causes of financial exclusion bring with them other effects. For example being unable to access a bank account or direct debit facilities can be a cause of financial exclusion through being unable to access the best deals. At the same time, a poor credit rating or history of arrears can cause an inability to access products to become an effect arising from being financial excluded, deepening the complex challenges people face.

Whilst a change of circumstances may lead to financial exclusion, the impact causes specific additional hardship and disadvantage including;

- an inability to set up direct debits to make payments or receive salary without a bank account, reducing the ability to obtain work
- Paying more for utilities - as the benefit of direct debit discounts associated with paying through a bank account is not an option and top-up cards and meters are more expensive
- Not being able to access affordable credit and relying on alternatives at high rates or from illegal lenders or high cost lenders
- Lacking the financial comfort provided by a small amount of savings or insurance products which can reduce unexpected financial pressures
- Lack of access to impartial advice, particularly on debt problems.

Food Poverty has also been identified as a growing issue within low income households within Wales in recent years and an inability to afford basic commodities such as food is yet another hardship those experiencing financial exclusion may face. Food Poverty is a complex issue underpinned by a number of different factors, including affordability, availability, cooking skills and education. Again, across the workstreams of the Community Strategy Delivery Plan we are working to overcome these issues and the Vale Foodbank is a key member of the Financial Inclusion Group. The development of a Food Charter for the Vale of Glamorgan is another initiative the group supports.

We also recognise that, in addition to helping those facing financial exclusion, there is also a challenge to help ensure that those who have financial stability maintain it. This again presents a unique challenge as these groups are often less likely to engage with the support on offer and may only turn to partners for help at crisis point.

The effects of financial exclusion are not limited to the above. Facing significant financial pressure can have a serious effect on a person's mental wellbeing and the consequences of problem debt can be increased stress, depression and a sense of insecurity. Again, this may not just be an effect but can also be a cause of further financial and social exclusion. Financial exclusion can be seen as reinforcing social exclusion where individuals or sometimes even whole communities become stigmatised. Our strategy will contribute to the overall aims of the Delivery Plan 2014-18 as through working to overcome financial exclusion many of the causes of deprivation and social exclusion will also be addressed.

## **Guiding Principles**

In order to deliver this strategy, the Financial Inclusion Group has agreed a series of guiding principles which partners will follow when delivering our agreed actions.

### **Collaboration**

The success of the strategy is reliant on building upon successful partnership working taking place across service providers within the Vale of Glamorgan to ensure a coordinated approach to service delivery.

### **Accessibility**

All partners will work to ensure services are accessible for everyone and will strive to tackle barriers faced by vulnerable groups such as those experiencing mental health issues when accessing services.

### **Digital Inclusion**

Partners will promote digital inclusion wherever possible and provide digital services as the need for digital access and ability to use digital services continues to increase as a move away from traditional methods is observed.

### **Reducing Stigmatisation**

All partners will ensure clients are treated with respect and ensure values are upheld to remove the stigma around financial exclusion and debt. This includes promoting a message to all residents that those experiencing financial exclusion should not be judged. We will also use common terminology across all services.



## Strategy Objectives

The challenges faced in overcoming the barriers to financial inclusion are complex and the Financial Inclusion Group alone cannot overcome these. What we can do is ensure we follow our identified principles to help achieve the objectives outlined below to support residents of the Vale of Glamorgan facing financial difficulty and maintain a position of financial security. These objectives are in line with the core themes identified by Welsh Government through the Financial Inclusion Strategy for Wales<sup>15</sup>. A number of actions have also been identified to help meet these broad objectives. It is recognised that these actions alone will not fully achieve our vision; however this series of practical and deliverable actions will provide a focus to work being undertaken.

### **Objective 1: Raise Awareness of Services**

Staff and residents develop a better understanding of the opportunities available to overcome barriers to financial inclusion and build knowledge of the products and services available in the Vale of Glamorgan in order that residents and staff know where to turn for the services they need.

### **Objective 2: Provide Consistent Help and Advice**

Residents and staff can easily access jargon free information on products and services available with advice and information aligned to customer needs, ensuring consistent and quality information is provided and avoiding duplication.

### **Objective 3: Build Financial Capability and Capacity**

Residents will be able to access the tools they need to build their financial capability within their local environment through a multi-agency approach to support and signposting. Residents can make confident and informed decisions about, and have the skills to, resolve financial issues, people of all ages will be aware of financial issues and become equipped with the skills to manage their finances now and into the future.

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<sup>15</sup> <http://gov.wales/docs/ds/jlg/consultation/151102-financial-inclusion-consultation-en.pdf> Page 22

## Action Plan

	Action	Lead	Timescale*
Objective 1: Raise Awareness of Services	Identify opportunities for shared training for front line staff across all agencies on issues relating to income maximisation, financial management skills and promotion of options such as the Credit Union and Cyd Cymru energy collective.	Cardiff and Vale Age Connects	Ongoing
	Garner engagement from key community partners such as GPs, banks and letting agents operating within the Vale of Glamorgan through the Financial Inclusion Group and related conferences/ events.	Cardiff and Vale Public Health Team	Ongoing
	Map services relating to fuel poverty being delivered across partners in the Vale of Glamorgan to ensure schemes are promoted widely, identify referral opportunities and reduce duplication.	Vale of Glamorgan Council	2016
Objective 2: Provide Consistent Help and Advice	Develop an online information tool to provide information for both staff and the public on financial inclusion related training, advice and assistance offered by providers operating with the Vale of Glamorgan.	Vale of Glamorgan Council	2016/17
	Devise a questionnaire for all partners to complete to inform an information pack on services offered, where they are located and criteria for clients. Partners to share the information gathered with the public and staff through a variety of means.	Newydd Housing Association	2016
Objective 3: Build Financial Capability and Capacity	Map current provision of financial education provided to school aged children to develop greater capacity for financial education within schools, particularly in relation to looked after children ensuring the Councils duty to support the financial capability of its looked after children is met.	Vale of Glamorgan Council	TBC
	Examine the feasibility of developing a tenancy ready scheme to engage specifically with those on housing waiting lists, including exploring opportunities for funding such a scheme.	Vale of Glamorgan Council	TBC
	Identify and develop opportunities to establish social enterprise schemes and work to develop referral mechanisms.	All	TBC

*\*Note: This action plan should be viewed as a dynamic document which will be reviewed and updated regularly. Financial Inclusion Group partners have agreed that initial work to deliver these actions should begin to take place prior to timeframes being agreed. Timescales will be added to actions at a later date*

## Monitoring and Reviewing the Action Plan

Monitoring of this action plan will take place through the Financial Inclusion Group who will report progress back to the Local Service Board through the overall monitoring of the Community Strategy Delivery Plan 2014-18. All partners will contribute to updating on our progress towards the actions identified above. It should be noted that the scale of activity undertaken will be dependent upon resource available to the Financial Inclusion Group which does not hold a pooled budget itself. In some instances the first step of delivering these actions will be to identify resources, either from across partner organisations or through seeking additional grant funding. Therefore when reviewing our actions, amendments may be necessary dependent upon resource available and will therefore influence what the next steps will be.

Delivery of the strategy will form a standing item on the agenda of future Financial Inclusion Group meetings to ensure that momentum towards delivering this strategy continues at pace.

If you have any queries about this strategy please email

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