



**Financial Capability
Partnership NI**

led by the Consumer Council

Financial Capability Strategy for the UK

Policy Team

The Money Advice Service

Holborn Centre

120 Holborn

London

EC1N 2TD

To whom it may concern

RE: Financial Capability Strategy for the UK

The Financial Capability Partnership NI (the Partnership) welcomes the opportunity to contribute to the above consultation. The Partnership brings together representatives from Government, education, banks, building societies, credit unions and voluntary and community sectors to ensure that we all help and support consumers in Northern Ireland (NI) to manage their money and make it work best for them. Please refer to annex A for a full list of members.

The Partnership has set out some comments below on the Draft Financial Capability Strategy for the UK, the priority areas for action and the role the Partnership can play in the further development and implementation of the Strategy.

Draft Financial Capability Strategy for the UK

The Partnership has been working for several years to build political support for Financial Capability Strategy for NI, and were pleased that in 2013 the Department of Enterprise, Trade and Investment (DETI) launched a consultation on a draft Financial Capability Strategy for NI, entitled 'Taking control – A Financial Capability Strategy for Northern Ireland'. Members of the Financial Capability Partnership are uncertain about how, or if, the Financial Capability strategy for the UK parallels or dovetails with the NI DETI Strategy, "Taking Control- A Financial Capability Strategy for Northern Ireland".

The sets of priorities in terms of groups and actions are entirely different which may lead to confusion for NI organisations working on Financial Capability (such as members of the Partnership) in terms of the work they are doing and groups they are working with. To put this in context, please refer to the table below:

NI Financial Capability Strategy Priorities	UK Financial Capability Strategy Priorities
Financial Inclusion	Children and young people
Financial Capability Issues arising from the introduction of Welfare Reform	Preparing for later life
Rural Exclusion	Older people
Adult education and preparing youth for employment	People in financial difficulties
	Ease and accessibility
	Influencing social norms
	Evidence and Evaluation

The UK draft strategy does not make reference to the various regions in the UK, and the different strands or programmes of work that are going on in

these areas. NI has historically been found to have the lowest levels of Financial Capability in the UK; and it is important to note that each region will have very different needs. These needs, coupled with a changing economic and financial landscape will mean that consumers in areas such as NI will need an approach that will address their specific financial capability issues and challenges.

Taking this into consideration the Partnership would like ask the policy team the following questions:

- Can the two strategies run simultaneously?
- Will the Money Advice Service (MAS) show how they plan to deliver their services in line with priorities set out in the NI Strategy?
- How can organisations strive to work towards both strategies and action plans?
- Will the Strategy look at regional variations in financial capability levels and needs?

Priorities for action

The Partnership is pleased to see that certain priority issues have been addressed in the Strategy such as ease and accessibility of financial products and services, influencing social norms and evidence and evaluation and believe this will only strengthen the Strategy.

However, the Partnership is of the opinion that the priority group referred to as (working age people) **Preparing for later life** could be misleading, and without the clarification in parenthesis it might make one think about people

who are nearing retirement age. It may not be completely clear that this priority group is aimed at working age people, and is important to note that this demographic may be going through many life stages and events, such as buying their first house, getting married or starting a family. This group will require the skills to adjust to changes in financial circumstances, as well as preparing for later life, and the Partnership believes that this title and priority category should reflect that.

The Partnership welcomes the work that MAS is doing to design a common evaluation framework that can be adopted by organisations delivering financial capability interventions. This will allow organisations like the members of the Partnership to adopt a common and coherent approach that has been developed through work with a wide variety of organisations delivering financial capability interventions.

The role of the Financial Capability Partnership

Improving the financial capability of the UK will require combined effort and commitment from many stakeholders over a long period of time. The Partnership is made up of organisations from the education, community, voluntary, public and private sectors that have been working together to support and educate consumers in NI about financial management for six years, and is a key example of a model of best practice in partnership working. Taking this into consideration, we believe that linking to an already well established and collaborative group such as the Partnership would be beneficial to MAS and other stakeholders involved in the UK strategy. We would be delighted to work with MAS to use the Partnership as a delivery channel for some of the implementation of the draft UK Strategy. We believe

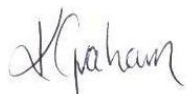
that the existing reputation and reach of many of the Partnership organisations individually and collectively could save MAS considerable time, money and resources. This would be particularly prudent given economic circumstances, pending budget cuts across Government, and drive for efficiency in public spending.

As many of the recommendations for action set out in the draft strategy require assistance and support from other organisations, the Partnership would like to see MAS and other stakeholders working with us as a collective unit, and believe this could be of significant benefit to the Strategy, its action plans, and ultimately to the NI consumer who will see an improvement in their financial capability.

The Partnership will continue to deliver practical initiatives individually and collectively to improve the levels of financial capability and inclusion in Northern Ireland and ensure consumers here can better manage their money.

If you wish to discuss any aspect of this response in more detail please do not hesitate to contact Rachael Cray on 028 90 674 809 or via email on Rachael.Cray@consumercouncil.org.uk

Kind Regards,



Kathy Graham
Chairperson of the Financial Capability Partnership