

National Assembly for Wales

Bethan Jenkins AM - Financial Education and Inclusion (Wales) Bill

FEI 5 - Llamau

Llamau Response to Consultation on a proposed Financial Education and Inclusion (Wales) Bill

Introduction

Llamau is a registered charity working across Wales with homeless young people and vulnerable women. Llamau seeks to resolve immediate homelessness and prevent future homelessness and vulnerability by supporting vulnerable people to gain the skills and confidence they will need to live independently within the community of their choice.

We currently operate a range of services across Wales that work with people who are experiencing homelessness or that help prevent homelessness, these include - supported housing projects, domestic abuse refuges, young person's housing advice projects, family mediation, assertive outreach projects working with the most disadvantaged 14-19 year olds, a prevocational training programme that works with the most excluded NEET service users to gain qualifications and become work ready. We also have two YJB Cymru projects researching better outcomes for young people who are homeless. In addition we have two social businesses run with our service users and are working with Cardiff University researching the issues that young people who are homeless face to better understand these issues. We welcome the opportunity to respond to this consultation.

Consultation Questions

1. Llamau agrees that financial education should be a statutory part of the curriculum, it is important that young people learn the responsibilities that they will take on as they get older such as paying any weekly rent, service charge and any utility costs as well as budgeting for food and living expenses.
2. As above
3. Money and financial matters are extremely relevant to what young people should be learning at school; it can also help their understanding of the pressures their parents/carers are facing.
4. If financial education becomes a statutory part of the curriculum, schools should have core areas that they must follow for example a core element of which is financial literacy. This involves looking at families normal existing loans or other debts as well as any rent arrears. Understanding of the dangers of debt is essential. This should include understanding of street lenders, pay day loans and loan sharks. Llamau would suggest there is a need to educate and encourage safety when taking out loans and would propose that institutions such as credit unions should be explained.
5. Llamau believes there should be a statutory duty to ensure financial education is delivered during compulsory education from Key stage 2 onwards, this would ensure that the more vulnerable and marginalised groups, i.e. those in care, YOS or on seclusion would get this essential element delivered.

6. Llamau believes that making the financial education as relevant and as close to real life as possible is essential, using real life examples, whilst taking into account the development in the financial industry would be useful, the primary purpose must be financial literacy and being able to handle their own personal finances.
7. Llamau think it is important to consult relevant stakeholders in order to come up with a framework that is relevant to everyday living and not too theoretical.
8. Apart from the school and education establishments, it is important to link in with the financial inclusion projects that are embedded within the community and are working with real families. CHC, Cymorth Cymru and organisations like Llamau work on the sharp end of problems for families and vulnerable people which can lead to homelessness. It is vital that these elements are brought into the curriculum, it is also vital that issues such as financial control and cohesion are recognised to ensure cross curricular awareness of other issues such as Domestic Abuse.
9. Llamau agrees that there should be a duty on Welsh Ministers to review the progress of financial education in schools and produce an annual report.
10. Llamau believes this should be allocated to Estyn within the inspection framework, however further thought is needed to consider how to ensure this is imbedded for young people who are not in the education system, therefore this must be also included in the Supporting People (SP) audit framework for homeless young people and also in the Local authorities NEET framework.
11. Llamau believes that it is entirely appropriate to require universities and further education establishments to provide information to student about where to get advice about financial management, however Llamau believes it would be prudent to go a step further and require universities and further education corporations to have working links with bodies such as credit unions and CAB which can ensure there is a preventative approach to understanding and managing money.
12. Llamau believes that student support is something that all universities and further education corporations cover in their prospectus, therefore the proposal is an extension of the pastoral support that is provided, given that students are acknowledged to be financially stretched and more likely to take out loans with pay day lenders even though they should not be able to, it is essential this requirement is placed.
13. Llamau agree that there should be a requirement for each local authority to have a strategy outlining how it intends to promote financial inclusion and improve the financial literacy of its residents, In addition to the measure suggested Llamau would also suggest that not just the engagement but the promotion of credit unions to local residents is a practical way of ensuring information is there for all residents.
14. Please see above
15. Please see above

16. Llamau agrees that there should be a report on how financial inclusion strategy has been implemented; however as this is a cross sector cutting issue it should be down to LA on the format.
17. Llamau agrees that there should be a monitoring and enforcement arrangements in relation to the financial inclusion strategy.
18. Llamau believes that guidance is an essential aspect in ensuring compliance with the Bill.
19. Llamau believes it is absolutely essential that the public can use online facilities in libraries without having to pay. Local Authorities should also provide free on-line facilities in any office where members of the public come for any Local Authority service.
20. Llamau believes that financial viability of libraries could be an issue if it is only in these establishments where charging for internet is used.
21. On-Line facilities should be free for connecting to any service which the LA provides, e.g. housing, benefits, education, etc. Leisure activities such as researching family trees etc. would not fall into the free service category.
22. It is absolutely essential that there is a strong requirement to provide specific financial support to all vulnerable and excluded groups, these would include formally looked after children.
23. Llamau believes that it is essential that local authorities provide specific financial management advice to individuals seeking assistance in the related matters; however this should be more than advice and information on websites. The local authorities send a great deal of information out to residents and councillor's also send out a great deal of material, there should be a requirement that a high percentage of this should include information of local credit unions, CAB and other relevant agencies.

