

		AGENDA ITEM 6
		PSEG/05/13
Committee:	Place Services and Economic Growth Scrutiny Committee	
Date:	26 September 2013	
MONITORING OF SCRUTINY REPORT ON FINANCIAL INCLUSION		
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An in depth investigation on Financial Inclusion was conducted during the second half of 2012 by a Task and Finish Group, and its scrutiny report was agreed by the former Economic Development, Environment and Highways Policy and Scrutiny Committee (EDEHPSC) in January 2013 (Minute 4).

While a copy of the Scrutiny Report's Executive Summary is reproduced at Appendix A to this report, the full Scrutiny Report is available via the following [Link](#) . A copy has been sent under separate cover to Committee Members.

The Financial Inclusion project was a cross cutting scrutiny review with implications for a number of the Council's functions as well as taking account of services provided by other external organisations. The EDEHPSC forwarded seventeen recommendations to the Cabinet that have budgetary considerations, policy review and development implications. The Cabinet response is now attached at Appendix B to this report, and sets out individual recommendations and responses.

The Scrutiny Report has attracted wider attention in the community and the monitoring of its outcomes will be important in terms of the longer term impact and development of the overview and scrutiny function in addition making a positive contribution to the promotion of financial inclusion across Essex.

The original Task and Finish Group comprised four members: Councillors Ian Grundy (lead member), David Kendall, Simon Walsh, and former Councillor Guy Mitchinson. It is proposed that given the volume and depth of evidence originally considered by the Group and Members' wishes to ensure that the investigation does produce tangible benefits, the Group be reconvened to cross examine the Cabinet's response and what progress has been achieved through Council activity in the promotion of financial inclusion since the report was published. In turn the Group will report back its findings to this Committee for its consideration.

**Action required by the Committee:**

**To consider reconvening the former Financial Inclusion Task and Finish Group to cross examine the Cabinet response to the Scrutiny Report recommendations and consider what progress may have been made since its publication to promote financial inclusion in Essex.**

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## **Extract from the Scrutiny Report on Financial Inclusion**

### **Executive Summary**

The concept of taking forward a scrutiny review on financial inclusion was considered originally by the former Safer and Stronger Communities Policy and Scrutiny Committee, because of growing awareness and concern about the increased numbers of people facing financial/ debt difficulties during the recession. Changes to the welfare system also have the potential to increase the number of Essex residents experiencing financial difficulties – raising the profile of financial inclusion even more urgent. When the Council's Policy and Scrutiny Committee structure was revised in May 2011 the Economic Development, Environment and Highways Policy and Scrutiny Committee (EDEHPSC) continued to champion the review.

The review offered those councillors engaged in overview and scrutiny an opportunity to influence policy and develop a longer term in-depth themed review with cross cutting implications for both the County Council and partner organisations. It provided the Committee with the opportunity to influence and place shape rather than focus on services provided exclusively by Essex County Council (ECC). Furthermore it was intended that the review should raise awareness of the subject across the whole community, its complexities, access to and quality of advice, and provision of support to individuals. The approved scoping document for the review is attached at Appendix A, and includes the following key objectives:

'To consider the issue of financial exclusion and promote financial inclusion to individuals in Essex. The findings of the review will be reported in two stages:

1. An interim report in Summer 2012 to inform the County Council's budget setting process for 2013-14; and
2. a final report with recommendations aimed at improving financial inclusion across the County in the longer term.'

A Task and Finish Group comprising Councillors Ian Grundy, David Kendall, Guy Mitchinson, and Simon Walsh conducted the in depth review. Councillor Grundy led the Group. This report summarises the evidence gathered by the Group, and its findings and conclusions. It outlines the broad challenges facing both individuals, in relation to accessing financial support and advice, and agencies in delivering those services against a background of growing demand and limited resources.

Based upon the evidence considered the Group developed a set of recommendations designed to address the challenges identified for the County Council and its partners to consider as follows :

**That it be recommended to the Leader of the County Council and the Cabinet:**

**Recommendation 1**

**That as part of its equality and diversity framework the County Council take into account financial inclusion both when assessing the potential effects of future policy development and when reviewing the impact of current policies, and the monitoring of financial inclusion issues across the Council be incorporated into the terms of reference for the Equality and Diversity Board.**

**Recommendation 2**

**That the County Council undertake an in depth review of what the Council and other public agencies could do to promote skills and employment not only for young people but more generally for other residents in the context of financial inclusion.**

**Recommendation 3**

**That Welfare Reform Working Group be urged to highlight the impact of the proposed welfare reforms upon policy development or service changes on the issue of financial inclusion, and that there is specific support in place to provide residents with suitable information, guidance and IT infrastructure through libraries and other local authority access points.**

**Recommendation 4**

**That based upon the positive feedback received of the Village Agent project, consideration be given as to how the project could be extended into urban areas eg 'Urban Agent' pilot, and to develop an additional focus, at least in part, on promoting financial inclusion.**

**Recommendation 5**

**That steps be taken to raise the awareness of all County Councillors and staff of the financial exclusion that exists in Essex in a way that enables them to signpost those individuals in need to the relevant services at the earliest opportunity.**

**Recommendation 6**

**That, as a primary source of information on the relevant services available across Essex, a prominent financial inclusion portal be developed on the ECC website providing residents with easily accessible advice and signposting for support.**

**Recommendation 7**

**That the County Council review how it allocates funding to the twelve Essex Citizens Advice Bureau, which takes greater account of local need rather than being allocated according to population levels, and that clear objectives be established for the provision of that funding.**

**Recommendation 8**

**That the County Council consider how it may provide practical support for the CAB to reach out to potential community champions within the business sector who may be willing to help finance the work of their local CAB, including the option that it provide additional monies to finance the employment of a CAB fund-raiser tasked with reducing CAB reliance on local authority grants.**

**Recommendation 9**

**That the County Council consider the provision of funding to train four CAB Debt Advisors who will in turn each provide specialist debt training to five CAB volunteers providing face-to-face advice for clients across Essex.**

**Recommendation 10**

**That the County Council raise awareness of the StepChange Debt Charity, and consider how it may engage with that Charity's activities alongside targeted CAB preventative work, to extend debt advice to Essex residents.**

**Recommendation 11**

**That the County Council explore the feasibility of providing deposits with, or the direct funding of, credit unions with a view to them securing critical mass thereby supporting their sustainability and the services that they provide.**

**Recommendation 12**

**That the County Council provide practical support and expertise in assisting Credit Unions to reach out to potential community champions within the business sector who may be willing to help finance the work of their local Credit Union to reduce reliance on local authority funding.**

**Recommendation 13**

**That the County Council take active steps to promote positively on its website and within the literature it produces, the existence and potential suitability of borrowing and/or depositing monies with credit unions, and that all such information should be easily accessible to all.**

**Recommendation 14**

**That the County Council work with borough, city and district councils and housing authorities to encourage them to consider using credit unions to deliver social outcomes and to promote the use of credit unions on their website and within their literature, and to both staff and citizens.**

**Recommendation 15**

**That the County Council engage with local schools and with other appropriate bodies with expertise in this field to promote the development and use of financial literacy courses for schoolchildren, so that training in financial literacy plays a greater role in the school curriculum. A financial incentive could be provided to promote intra-school competition, which could see individual schools and schoolchildren work to develop an appropriate financial literacy programmes for different school years.**

**Recommendation 16**

**That the County Council offer a range of appropriate budget management and financial literacy courses both through its Adult Community Learning and Libraries services.**

**Recommendation 17**

**That the Leader of the Council and the Cabinet be requested to respond to each of the recommendations set out in this scrutiny report in October 2013.**

The Group presented the scrutiny report to the EDEHPSC meeting on 17 January 2013, drew attention to the individual recommendations, and answered Committee colleagues' questions. While the Committee endorsed the scrutiny report and complimented the Group on its investigation, it did vary the wording of recommendation 11 as referred to in the 'Conclusions and Recommendations' section of this report. As there was also some limited discussion on the topic of loan sharks, pawnbrokers, and payday loans, a brief overview of those particular issues has been incorporated into this report at Appendix F.

Ultimately the Group's attention has been upon the subject of the scrutiny review and reaching positive, workable recommendations directed to the Council's Executive. However, this scrutiny review also provided valuable experience in terms of the way it evolved and the positive way the Group conducted its activities in practice. It is hoped that the project itself can provide useful evidence in its own right towards the development of more effective overview and scrutiny arrangements within the Council's own organisation.

The Group has managed to address the complexities thrown up during the review, and work outside the familiar comfortable parameters of traditional committee activity. In doing so its Members have had the satisfaction of producing a unique piece of work based upon their own investigations, and are able to look forward to finding out how they may have been able to encourage greater financial well-being across Essex.

An overview of the lessons learned by the Group as part of this scrutiny review will be reported separately to the Committee, and will contribute to consideration of the way that scrutiny is developed by the Council in the future.

## Appendix B

Essex County Council  
**Leader of the Council**  
PO Box 11, County Hall  
Chelmsford  
Essex CM1 1LX



Cllr Simon Walsh  
Gibraltar Mill  
Mill Road  
Great Bardfield  
Braintree  
Essex  
CM7 4QG

Date: 11 September 2013

Our Ref: DF/AC

Dear Cllr Walsh

### **Re Financial Inclusion**


I am responding on behalf of the Cabinet to your scrutiny committee's report on Financial Inclusion. The committee have produced a comprehensive report, which reflects the growing importance of financial inclusion as an issue.

Essex County Council is proud of the good work that we have done in recent years to support people, businesses and communities during difficult economic times. We have made significant progress at helping over 2,000 young people into training and then employment through the highly successful Essex Apprenticeship programme. We have also promoted and supported credit unions, recognising as far back as 2008-09 their positive role.

We recognise, however, that times are tough. Economic conditions remains difficult and promoting financial inclusion – through various means – is important.

I have set out below the responses to the Committee's recommendations and I understand that your committee will be considering this again on 26<sup>th</sup> September.

Yours sincerely,



**Cllr David Finch**  
**Leader of the Council**

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- 1. That as part of its equality and diversity framework the County Council take into account financial inclusion both when assessing the potential effects of future policy development and when reviewing the impact of current policies, and the monitoring of financial inclusion issues across the Council be incorporated into the terms of reference for the Equality and Diversity Board.***

Agreed in principle and in part.

The proposal was tabled at the Diversity and Equality Board on 30 January 2013; a discussion took place on how the Board could promote financial inclusion along with equality issues. Board members felt that historically, the focus on financial inclusion has been looking at households that have been marginalised e.g. low income households and accepted the need to look at a wider population.

Various council functions are currently contributing to achieving financial inclusion outcomes, for example through Trading Standards, the Council tracks down loan sharks and also makes the public aware of the high interest rates charged on borrowing money. The Board agreed that the practical implementation of financial inclusion work should be implemented through the Council's commissioning function and agreed with the proposal of developing a strategic oversight of financial inclusion projects. The benefits of this approach would include the ability to develop a sophisticated understanding of financial inclusion issues.

The Board agreed that additional support would be required within the existing Diversity and Equality function initially to take on board the strategic development of financial inclusion activity. Financial inclusion considerations will be mainstreamed within tools for assessing equality impacts and will be embedded within D&E guidance for commissioners. Embedding financial inclusion considerations within the development of performance and outcome frameworks would also support a programme of relevant activities.

Following publication in June of the Council's new Vision document for 2013-17, the Council is now developing a new Corporate Outcomes Framework. Following the development of this framework (which will be for Cabinet and Council to approve), we will be clearer about where responsibility for financial inclusion sits.

- 2. That the County Council undertake an in depth review of what the Council and other public agencies could do to promote skills and employment not only for young people but more generally for other residents in the context of financial inclusion.***

We do not accept this recommendation as being required at this point in time, due to the reasons set out below.

As part of the Whole Essex Community Budgets (WECB) programme, Essex County Council has worked with partners to review the skills system.

We recognise that access to employment is the best way of preventing financial exclusion. From the very start of the Community Budget pilot work on skills, it was recognised that a crucial component of the proposal must be the establishment of an employer-led Employment and Skills Board (ESB) for Greater Essex to provide a platform from which employers can have a real voice in shaping skills provision so that it delivers economic growth and is attuned to the needs of employers.

Under the partnership work of the WECB programme we have taken steps to establish an Essex Employment and Skills Board. This is not a County Council board but rather a board that has representation from the County Council (Cllr Bentley), as well as from employers and from the Higher and Further Education sectors. The inaugural meeting of the Board, in shadow form, was held on the 30th July at Raytheon in Harlow and will meet properly for the first time on 25th September.

The Board's mission is to help create the most productive and responsive skills system in the country, ensuring businesses have a workforce with the skill sets they need to thrive and young people have the ambition and skills that will advantage them when competing in the labour market.

We do not therefore think that a further review is needed at this stage.

It is suggested that Cllr Bentley brings regular update reports on the work of the Employment and Skills Board to the scrutiny committee.

More widely in terms of promoting skills and employment for Essex residents, Essex County Council is very conscious of our own Adult Community Learning (ACL) offer, with over 33,000 learners per year who are being given a range of opportunities to improve their employment/career prospects through accessing new skills/qualifications. These include Apprenticeships, independent information, advice & guidance sessions to discuss learning/careers, Pathways to Employment for the unemployed, Skills for Life to give residents the basic literacy and numeracy skills required in most jobs, and craft skills that often people use to develop self-employment opportunities.

- 3. That the Welfare Reform Working Group be urged to highlight the impact of the proposed welfare reforms upon policy development or service changes on the issue of financial inclusion, and that there is specific support in place to provide residents with suitable information, guidance and IT infrastructure through libraries and other local authority access points.***

Accepted and progress is listed below.

As part of the scope of the core project group for welfare reforms and referencing the wider Welfare Reform Working Group (WRWG), work has been carried out to measure and forecast potential impacts of the welfare reforms.

Initially focusing on how the reforms will affect Essex residents as well as modelling the potential impact to ECC services, work is now being scoped to review the specific impacts on some of the poorest households who find themselves trapped in poverty. In addition to this, a detailed risk analysis was carried out through the group and this highlighted the need to review existing ECC policies and guidance including the fairer charging policies and the leaving care financial handbook. These are now being reviewed.

The WRWG have also consulted with partner organisations and District authorities to review the support and advice that has been made available to the public. This has enabled the promotion of best practice and to better understand any gaps in provision that will need to be addressed and forging the links with those providing access points. Specifically, the WRWG have provided sessions to various groups including the Employee Engagement Panel and the Benefit Network Group as well as a Member session with accompanying Benefit booklet to ensure the correct information is available to pass on to residents.

The design of the Essential Living Fund recognised the need to ensure that specific support for those struggling to manage money is available. This has been assured through partnering with organisations that are best placed to provide the support and advice necessary with initial telephone interviews through Southend Borough Council and distribution of goods using our Citizen advice Bureaux. This partnership provides signposting for additional support available along with the ability to provide advice on a wide range of issues including budgeting and financial options.

In relation to IT infrastructure it is worth noting that the Council's network of public libraries have internet facilities that enable people without home internet to access information.

It is also worth noting that the Council is currently embarking (with BT) on the roll out of superfast broadband across Essex by 2016. This will transform and modernise the broadband infrastructure in Essex, helping to create a mobile internet infrastructure that enables more people to access fast broadband – whether that be at home or on their smart phones.

***4. That based upon the positive feedback received of the Village Agent project, consideration be given as to how the project could be extended into urban areas eg 'Urban Agent' pilot, and to develop an additional focus, at least in part, on promoting financial inclusion.***

The recommendation that consideration be given to how this concept could be extended – or perhaps developed – is agreed.

The key issue that will need considering is source of funding. The Committee will be aware that Essex County Council faces reduced funding and needs to save over £215M by 2016/17. Financial resources in the council are therefore very constrained.

Nevertheless, Cabinet recognises that the Village Agent project has been successful and that it has great potential and believes that the Committee's recommendation is timely and is worth further consideration.

Cabinet also notes that this recommendation is in line with a key recommendation from the independent report from the Sir Thomas Hughes-Hallett Commission on Health and Social Care in Essex about the need to build community resilience and resources and, in particular, his recommendation that there should be:

*“The creation of an Essex-wide organisation embracing paid staff and volunteers so that every household has a team or individual charged with identifying early signs of difficulty, combining concepts such as Health Champions, Neighbourhood Watch, Village Agents, and the current Essex Fire Prevention initiative”.*

Cabinet also supports the point made by Essex Citizen Advice Bureau that the work of the Whole Essex Community Budget (WECB) has highlighted the need for services – including CAB services – to focus on the development of prevention and early intervention strategies which deliver both better outcomes for clients but also reduce demand on public services and thereby achieve savings.

As a key recommendation of the Health and Social Care Commission, ECC is keen to see this approach implemented, and will work with partners across the wider public and voluntary sectors to assess how best to achieve a wider 'Village Agent' type programme'. This work will need to consider how such an approach could be funded.

**5. *That steps be taken to raise the awareness of all County Councillors and staff of the financial exclusion that exists in Essex in a way that enables them to signpost those individuals in need to the relevant services at the earliest opportunity.***

This recommendation is accepted.

We will look at a number of means for doing this, including:

- Communications work to raise public and media awareness, highlighting the extent of the problem and the sources of help and support. This can explore use of social media, identify key timing during the year (for example, in advance of Christmas as people start thinking of large financial outlays), linking with other organisations/bodies calling for greater financial inclusion, and seek coverage with local media, targeting those areas in the county which have a higher need of credit unions

- Information on our website to provide information and signposts to help and advice
- The work of our Trading Standards team

**6. *That, as a primary source of information on the relevant services available across Essex, a prominent financial inclusion portal be developed on the ECC website providing residents with easily accessible advice and signposting for support.***

This is accepted and can form part of a wider refresh of the Council's website.

**7. *That the County Council review how it allocates funding to the twelve Essex Citizens Advice Bureau, which takes greater account of local need rather than being allocated according to population levels, and that clear objectives be established for the provision of that funding.***

We agree that more work is needed and believe that this should form part of the County Council's budget planning process.

We agree that funding should follow need, rather than population and we agree with the response to the committee from the Citizen Advice Bureau that "areas of deprivation do not follow District boundaries" and particularly that "demand also comes from other vulnerable groups such as those with disabilities, mental ill health and the elderly."

Currently there is a core annual grant paid to Essex CAB Ltd and distributed by them as below. The funds are to enhance the access to, and provision of, high quality information and advice and assist and enable CABx users in Essex to improve on their quality of life by claiming their entitlements and rights

<b>Name</b>	<b>Split</b>
Basildon, Billericay and Wickford	£15,331.86
Braintree, Halstead and Witham	£12,423.25
Brentwood	£6,433.47
Castle Point	£8,146.59
Chelmsford	£14,764.93
Colchester	£14,641.68
Epping	£3,749.90
Harlow	£7,419.44
Loughton	£5,113.50
Maldon	£5,583.07
Rochford and Rayleigh	£7,382.46
Tendring	£13,027.15
Uttlesford	£6,482.77

Waltham Abbey	£2,499.93
<b>TOTAL</b>	<b>£123,000.00</b>

There is also a county wide contract with CAB (administered centrally by Brentwood BCAB) which supports benefit form filling via home visits from CAB for vulnerable citizens. These citizens are those who are being financial assessed in line with our charging for care processes and the contract supports our statutory duty under fairer as part of our duty under Fairer Charging. The contract has a maximum annual budget of up to £60K.

**8. That the County Council consider how it may provide practical support for the CAB to reach out to potential community champions within the business sector who may be willing to help finance the work of their local CAB, including the option that it provide additional monies to finance the employment of a CAB fund-raiser tasked with reducing CAB reliance on local authority grants.**

The Cabinet believes that there is potential for the Essex Funding Team to be utilised more effectively to support organisations such as CABs, Credit Unions and CVSs collectively.

The Essex Funding Team supports ECC and external organisations across Greater Essex to source and secure external funding (non-ECC funds).

The Funding Team can already point to some successful work supporting Essex Citizens Advice Bureau by supporting applications for a slice of the £65 million [Advice Services Transition Fund](#), launched in November 2012 by the Big Lottery Fund in partnership with the Cabinet Office.

Applications were submitted at the end of January 2013 and in total £1.8m was awarded to partnerships within Essex (£2.4m including Southend and Thurrock). This was a great success. Projects began this summer (various dates specific to each project) and will last for 2 years. The breakdown of funding awarded is set out below.

**Advice Services Transition Fund Greater Essex**

CAB	Submitted?	Success?	Amount
Basildon	Yes	Yes	£310,085
Braintree	Yes	Yes	£154,336
Brentwood	Yes	No	N/A
Chelmsford	Yes	Yes	£349,918
Colchester	Yes	Yes	£348,618
Epping Forest	Unknown	Unknown	N/A
Harlow	Yes	No	N/A
Maldon	No	N/A	N/A

Rochford & Castle Point (Joint bid)	Yes	Yes	£337,967
Tendring	Yes	Yes	£207,398
Uttlesford	Yes	Yes	£111,872
Southend	Yes	Yes	£301,000
Thurrock	Yes	Yes	£339,434

It may be that an additional and dedicated post could be recruited within the funding team and even that such a role could be financially supported by an external funder such as, the Essex Community Foundation via the Thriving Third Sector Fund, or via the Community Resilience Fund

**9. That the County Council consider the provision of funding to train four CAB Debt Advisors who will in turn each provide specialist debt training to five CAB volunteers providing face-to-face advice for clients across Essex.**

This is not accepted at this stage.

The Cabinet notes the submission from ECAB that debt is one of the biggest issues that CABs have to deal with but also that debt advice should not be considered in isolation.

As per recommendation 4, it is important that we look at how advice and support is made available to people across Essex in a way that can sign post them to help and advice when they need it.

**10. That the County Council raise awareness of the StepChange Debt Charity, and consider how it may engage with that Charity's activities alongside targeted CAB preventative work, to extend debt advice to Essex residents.**

We accept this recommendation.

StepChange Debt Charity is the new name for the Consumer Credit Counselling Service. They provide free, impartial debt advice to those in debt.

The County Council will look to ensure that appropriate links are available to the charity's website via our own website.

However, it is important to note that Step Change is just one organisation and we would not give preference to working with any one organisation over any other.

**11. That the County Council explore the feasibility of providing deposits with, or the direct funding of, credit unions with a view to them securing critical mass thereby supporting their sustainability and the services that they provide.**

We agree in principle to this recommendation.

Essex County Council has long supported the local credit union movement and we have backed this in principle support with financial backing too. We have a track record of working with not only Essex Savers but also the other credit unions in Essex – Holdfast, Colchester Credit Union, HarlowSave and the Basildon Credit Union.

Since 2009, we have provided financial and in-kind support to credit unions across Essex totalling more than £300,000.

Essex County Council is keen to see a vibrant, independent, sustainable credit union movement across the county and will continue to work with every Essex credit union as they look to develop a habit of thrift amongst their members, provide an alternative to more expensive forms of credit, and to teach simple financial skills.

The Archbishop of Canterbury has recently highlighted the good work of credit unions and this is something we endorse and recognise.

It is of course important that credit unions are financially sustainable and have business plans that enable them to thrive without complete dependence on Essex CC funding and the possible risk to tax payers money if any credit union were to prove unsustainable.

***12. That the County Council provide practical support and expertise in assisting Credit Unions to reach out to potential community champions within the business sector who may be willing to help finance the work of their local Credit Union to reduce reliance on local authority funding.***

We accept this recommendation and can point to the financial support we have given credit unions in recent years, as well as the expertise that our External Funding Team has which could help them secure external funding sources.

However, the Cabinet notes the response from ECAB that their experience of raising funds from the business sector is poor.

***13. That the County Council take active steps to promote positively on its website and within the literature it produces, the existence and potential suitability of borrowing and/or depositing monies with credit unions, and that all such information should be easily accessible to all. website, libraries offering collection points, possibility of a payslip promotion***

We agree with this recommendation.

We have done much already to promote credit unions, and have also supported them with funding.



We will continue to promote credit unions through our communications and information on our website.

We will look into payslip promotions but committee need to be aware that payslips are now accessed online by employees, rather than in paper form.

***14. That the County Council work with borough, city and district councils and housing authorities to encourage them to consider using credit unions to deliver social outcomes and to promote the use of credit unions on their website and within their literature, and to both staff and citizens.***

We welcome this recommendation and will table the item for discussion at a meeting of Essex Leaders and Chief Executives in October.

***15. That the County Council engage with local schools and with other appropriate bodies with expertise in this field to promote the development and use of financial literacy courses for schoolchildren, so that training in financial literacy plays a greater role in the school curriculum. A financial incentive could be provided to promote intra-school competition, which could see individual schools and schoolchildren work to develop an appropriate financial literacy programmes for different school years.***

The Cabinet agrees that local schools have a hugely important role to play. We support the idea of promoting an intra-school competition.

The sentiment behind this recommendation has since been echoed by the Coalition Government. The recently published draft National Curriculum for England should see financial education embedded in mathematics and citizenship education from September 2014 onwards.

The national curriculum for citizenship aims to ensure that all pupils “are equipped with the financial skills to enable them to manage their money on a day-to-day basis, and plan for future financial needs.”

It would include the following areas at key stage 3 and 4:

- **KS3** = the functions and uses of money, the importance of personal budgeting, and managing risk.
- **KS4** = income and expenditure, credit and debt, insurance, savings and pensions, as well as a range of other financial products and services.

The Government is also considering introducing financial literacy exams for 15-year-olds in England from 2015 to measure their “real-life” knowledge and financial capability. These would be part of the OECD’s PISA international testing. Essex is already keen to join PISA through their PISA for Schools Programme and will shortly be entering into discussion with DfE and OECD about how to do this in a way that secures

both school and authority level data that is comparable internationally. From 2015 when financial literacy is included in PISA tests this will allow us to use the results to benchmark and drive further improvement.

***16. That the County Council offer a range of appropriate budget management and financial literacy courses both through its Adult Community Learning and Libraries services***

Essex County Council provides functional skills Maths courses (free to those who do not have a Level 2 maths qualification) across the entire county in all 14 of our main centres as well as in outreach / community venues and in partnership with other organisations (e.g. JCP, Probation), schools (Family Learning) and the voluntary sector (e.g. Citizens Advice Bureau) to tackle the issues.

Following an initial screening process for all learners, tutors plan a programme of learning which is tailored to each individual learner depending on their level, circumstances and need including financial literacy needs. Through the relationship built with the tutor and initial and diagnostic testing financial literacy needs will be identified and addressed in the learning plan. Learners are also referred to us from agencies as well as our own advice and guidance staff who deal with the impact of financial literacy on individuals such as CAB and are advised of appropriate courses with ACL where these needs will be addressed. Such information would be shared with the tutor to enable them to plan an appropriate programme.