

THE TOOLS TO DO THE JOB

THE ICAEW IS WORKING IN DEPRIVED COMMUNITIES TO ENABLE RESIDENTS TO BREAK THE CYCLE OF POVERTY AND UNLEASH THEIR LATENT TALENT

Poplar, in the London Borough of Tower Hamlets, exemplifies the challenges facing the UK's inner-city communities. Three of England's seven most deprived wards are to be found there. With unemployment rife, nearly 70% of residents receive state benefits. Children born into the community risk being caught in a vicious circle of poverty. Hope of escaping this trap seems remote.

With debt a serious problem for many families – almost half of residents survive on less than £160 per week – money management is a key issue. Recognising that debt most afflicts the vulnerable, the government has made financial education a priority.

The ICAEW is already collaborating with the Poplar Housing Regeneration and Community Association (HARCA), Grant Thornton UK and the National Skills Academy for Financial Services (NSAFS) to support the government initiative. As part of their ongoing project to improve financial capability, the four organisations are working to create an online educational resource which will offer money-management skills and guidance both to vulnerable residents and community leaders.

'Building people's confidence in dealing with personal finance allows them to budget more effectively,' explains Rebecca Hewitt, ICAEW financial capability manager. 'If we can help low-income families become more informed about tackling and avoiding debt, they can, in the longer term, fulfil their potential in society.'

Over the coming year, a team of young people from the neighbourhood will be working with NSAFS and volunteers from Grant Thornton to ensure that the learning tool is tailored to the specific needs of the individuals and community involved. At the same time, by working with residents and community leaders to research the issues facing the community and identifying solutions, the team will also develop their own business and enterprise skills.

REAL LIFE SOLUTIONS

'Our initiative feeds from real people within the community,' explains Hewitt. 'Our member volunteers will act as individual mentors to the group. They will provide the benefit of their experience and advice, but it is the young people who will be designing the tool on the basis of their own familiarity with their community.'

The team will engage with various organisations, gaining insight into how they operate. They will also have the opportunity to shadow staff and accrue work experience. In addition, they will visit their local MP at the Houses of Parliament to raise awareness of their concerns and highlight their efforts to alleviate them.

In its final form, the tool will give both residents and community organisations an easy-to-use, bespoke resource to underpin their understanding of money management, as well as to provide access to further training and volunteer support.

'Improving the UK's financial capability involves working with many different communities and on multiple levels, whether that's reaching people in schools, colleges, at home or in the workplace,' says NSAFS CEO Sylvia Perrins. 'This programme not only helps individuals but aims to empower community leaders to promote the benefits of long-term financial capability within their community. We are very pleased to be working with the ICAEW on this innovative project.'

'In our experience, all residents welcome good financial guidance. Our previous work with the ICAEW has been very successful in embedding financial responsibility into young people's minds,' says Helen Redd, neighbourhood project manager at Poplar HARCA. 'This new partnership initiative takes things one step further. By utilising the skills of local young people, we will be creating an online financial support tool bespoke to our local communities' needs.'

The final product will be launched nationally in autumn 2010. 'We hope to use this resource to launch a nationwide money management programme for other disadvantaged communities and vulnerable community groups in the UK,' continues Hewitt. 'As more and more areas take up the tool, we will also be monitoring its social impact and, no doubt learning lessons along the way.'

'It's about providing the people of these deprived neighbourhoods with the skills to make informed financial decisions and, in turn, improve their way of life. It will be a long job but, by helping them ultimately to help themselves, we are giving hope where previously there was despair.'



The ICAEW works in the public interest with schools and local communities to utilise its members' expertise to help people manage personal finances and achieve their potential in society. To find out more, or to get involved, contact Rebecca Hewitt on +44 (0)1908 248 363. For more information about NSAFS, visit www.nsafs.co.uk