ETHNIC MINORITIES AT RISK OF EXCLUSION FROM GOVERNMENT MONEY ADVICE SERVICE

Many Black and Minority Ethnic (BME) people are at risk of exclusion from a new government money advice service according to a report by Runnymede, the UK’s leading race equality thinktank.

The report makes recommendations to ensure that BME people are able to make full use of the government’s Money Guidance service, a scheme which aims to provide free and impartial advice on a range of money issues and is currently being extended across the country.

Against the backdrop of the recession, many BME people have serious money issues and a pressing need to access support from Money Guidance. People from BME backgrounds are more likely to be unemployed or living in income poverty than the wider population; on top of this, many are socially marginalized because of language and cultural differences.

Runnymede’s new report – entitled Seeking Sound Advice: Financial Inclusion and Ethnicity and written by Phil Mawhinney – focuses on where BME people go for money advice, as well as the factors that encourage or discourage them from doing so. In light of this, its key recommendations are that Money Guidance must:

- **Enlist BME Money Guidance advisors** - In order to improve trust and communication with BME people in need of advice, Money Guidance should aim to employ BME advisors. This will make marginalized people more able and confident to take up the support and improve their situation.
- **Prioritize face-to-face advice** - Money Guidance needs to deliver a significant amount of its service face-to-face. Again, this will help improve trust and communication and will meet people’s multiple needs.
• **Engage with BME community centres** – The Consumer Financial Education Body, proposed in the current Financial Services Bill, should engage with centres serving often poor and marginalized BME communities, in order to help people to access money advice and support.

The report is based on conversations with Bangladeshi, Chinese and Black Caribbean people in different parts of the UK. People discussed their financial problems and their need for advice and support, where they would go to seek advice and the challenges they faced in doing so. The report also explored BME people’s experiences of financial exclusion at banks, independent financial advisors and charities.

Commenting on the report, Dr Rob Berkeley, Director of Runnymede, said: “The recession has made life even more difficult for many Black and Minority Ethnic people, who are more likely to be unemployed and living in poverty than the wider population. BME people continue to face prejudice from bank staff, as well as other challenges posed by language barriers. In this context, it is crucial that these people are able to access and make the most of impartial, free advice on money matters.”

**Ends**

**Notes to editors**

1) The report can be downloaded at [www.runnymedetrust.org](http://www.runnymedetrust.org).

2) For more information or to arrange interviews, please contact Vicki Butler at vicki@runnymedetrust.org or 0207 377 9222 or 07534 929275.

3) Runnymede is a social policy research organisation focused on race equality and race relations. We work by investigating challenges to race equality and good race relations; enabling effective action for social change; and influencing policy at all levels through providing thought leadership and robust evidence.

4) *Seeking Sound Advice: Financial Inclusion and Ethnicity* was funded by the Nationwide Foundation.

5) The money guidance pathfinder is a two-year pilot to test delivery of the UK’s first money guidance service. It was established in response to the