

MAS UK Financial Capability Strategy Call for Evidence – Draft Response

Question 1

Organisation Name: The Money Charity currently trading as Credit Action (note we are due to change the name in the Autumn)

Type of Organisation: Charity/voluntary sector

Programmes

1) Programme name: DebtCred (a financial education workshop aimed at 11-16 year olds in secondary schools, delivered either by paid presenters or volunteers)

Programme start date: 2010

Programme end date: On going

Where does the programme deliver: England, Northern Ireland, Wales

Target Audience: Young People

What attributes does the programme target: Skills, Knowledge, Motivation

Is the programme focused on: Information, Education

Is the programme focused on: Preventative Measures

What are the programme outputs: 935 workshops delivered reaching 34,569 young people

Question 2: *What evidence of impact/outcomes do you have for your programmes:*

DebtCred – student:

- Nearly 84% of students agreed that they felt more confident about dealing with money matters;
- 82% of students stated that once receiving the presentation they would be better at keeping their finances under control;
- 78% of students agreed that that the presentation had taught them new skills to manage their money.

DebtCred teacher:

- 76% of teachers agreed that the workshop taught their student new skills.

Note – we are currently reviewing our evaluation, to ensure that moving forward it will look at impact more robustly.

2) Programme name: Future Ready (a financial education workshop aimed at 16-19 year olds, delivered by paid presenters in schools, sixth forms and further education colleges)

Programme start date: 2010

Programme end date: On going

Where does the programme deliver: England, Northern Ireland, Wales

Target Audience: Young People

What attributes does the programme target: Skills, Knowledge, Motivation

Is the programme focused on: Information, Education

Is the programme focused on: Preventative Measures

What are the programme outputs: 884 workshops delivered reaching 23,125 young people

Question 2: *What evidence of impact/outcomes do you have for your programmes:*

Future Ready – student feedback:

- 83% of students agree or strongly agree that they felt more confident about managing their finances after attending the workshop;
- 82% of students agree or strongly agree that they would be better at managing their finances after attending the workshop;
- 81% of students agree or strongly agree that they feel more confident about drawing up a budget following the workshop;
- 81% of students agree or strongly agree that they understand more about the financial support available if you go to university following the workshop

Future Ready – teacher feedback:

- 81% of teachers strongly agree that the workshop content is relevant to their students;
- 96% of teachers agree or strongly agree that the workshop taught their students new skills;
- 98% of teachers agree or strongly agree that the presentation and materials enhanced learning for their students.

Note – we are currently reviewing our evaluation, to ensure that moving forward it will look at impact more robustly.

3) Programme name: Student Moneymanual (information and advice in a printed guide about student finance, independent living, managing money whilst at university distributed to university applicants every year through a delivery partnership with UCAS. Complementary online content.)

Programme start date: 2006

Programme end date: On going

Where does the programme deliver: England, Northern Ireland, Scotland

Target Audience: Young People

What attributes does the programme target: Skills, Knowledge, Opportunity, Attitudes, Motivation

Is the programme focused on: Information, Advice

Is the programme focused on: Preventative Measures, Other – Student Finance

What are the programme outputs: Student Money manual advice guide (32 pages) available either as a PDF download or in hard-copy, as well as a dedicated mini-site providing additional content. Distributed to approximately 400,000 young people a year

Question 2: *What evidence of impact/outcomes do you have for your programmes:*

Credit Action asked research company PCP to undertake an evaluation of the Student Money Manual 2012. This was an independent survey into the effectiveness of the Money Manual's concept and delivery. The survey ran in three waves November 2011 (before applying to university), October 2012 (before going to university) and January 2013 (whilst at university).

The evaluation found, that in combination, Money Manual and the other financial publications have increased the financial responsibility of those who have read them thoroughly.

- As many as 62% of those who had read the Money Manual most thoroughly claimed to pay close attention to their finances compared with 47% of those who had read the Manual only briefly and 37% of those who had not seen it at all.
- Those who had read the Manual at least briefly were more likely to believe that they had learnt something about managing money whilst at university. In particular, they were more likely to claim that they had learnt about budgeting/managing money: 23% of those who had read the guide thoroughly and 19% of those who had read it briefly said they had learned about budgeting, compared to only 12% of those who hadn't read the guide at all.
- By Wave Three, those who had read the Manual most thoroughly were showing what might be regarded as greater financial maturity than the other groups in the sense that they were less likely to "buy things on impulse", and much more likely to disagree strongly with the statement.
- Those who had read the Manual at least briefly were more likely to be satisfied with their financial situation than those who had not seen it at all.
- Almost all (93%) of those who had read the Manual thoroughly were likely to control their finances by budgeting or setting themselves a spending limit. Although the other two groups also showed a strong tendency to manage their finances in this way, a greater proportion did not do so (27%).

4) Programme name: Spendometer (a mobile phone app allowing users to track their spending on the move)

Programme end date: On going

Where does the programme deliver: England, Northern Ireland, Scotland, Wales

Target Audience: Adults, Young People

What attributes does the programme target: Skills, Motivation

Is the programme focused on: Preventative Measures

What are the programme outputs: Spendometer app, available primarily for download on smart phones

Question 2: *What evidence of impact/outcomes do you have for your programmes:* Other than overall download figures (which show that our Spendometer app was downloaded over 40,000 times in 2011 and 18,832 times in 2012) we do not collect any evidence about the impact or outcomes experienced by those using the Spendometer tool.

Note – we are planning on launching a new and improved app as part of our rebrand.

Programme name: Budget Builder (an online budgeting tool)

Programme end date: On going

Where does the programme deliver: England, Northern Ireland, Scotland, Wales

Target Audience: Adults, Young People

What attributes does the programme target: Skills

Is the programme focused on: Other

Is the programme focused on: Preventative Measures

What are the programme outputs: Online Budget Builder tool

Question 2: *What evidence of impact/outcomes do you have for your programmes:* Other than overall usage statistics (which show that 1,777 budgets were started using our Budget Builder tool in 2012) we do not collect any evidence of the impact or outcomes of using our Budget Builder.

Note – we are planning on launching a new and improved budgeting tool as part of our rebrand.

5) Programme name: *Moneymanuals* (a suite of three information and advice guides, currently covering the following topics: savings, redundancy, thinking about money)

Programme end date: On going

Where does the programme deliver: England, Northern Ireland, Scotland, Wales

Target Audience: Adults

What attributes does the programme target: Skills, Knowledge, Attitudes, Motivation

Is the programme focused on: Information, Advice, Education

Is the programme focused on: Preventative Measures

What are the programme outputs: Three Moneymanual guides, available primarily as PDF downloads from our website

Question 2: *What evidence of impact/outcomes do you have for your programmes:* We do not currently collect any data concerning the impact or outcomes experienced by those who read our Moneymanuals.

Note – the Moneymanuals are under review as part of our rebrand.

6) Programme name: *Website Content* (information and education provided online through the Credit Action website)

Programme end date: On going

Where does the programme deliver: England, Northern Ireland, Scotland, Wales

Target Audience: Adults, Young People

What attributes does the programme target: Skills, Knowledge, Attitudes, Motivation

Is the programme focused on: Information, Education, Advice

Is the programme focused on: Preventative Measures

What are the programme outputs: Website and associated content

Question 2: *What evidence of impact/outcomes do you have for your programmes: We collect overall traffic figures for site usage. These show that in 2012, the Credit Action website received 72,769 visits from 55,044 unique users, and 184,808 page views. Other than these broad usage figures however, we do not currently collect any evidence about the impact or outcomes that visitors experience from using our site.*

7) Programme name: Training (training courses provided by Credit Action to businesses, charities and individuals – currently under review)

Programme end date: ongoing

Where does the programme deliver: England, Wales

Target Audience: Adults

What attributes does the programme target: Skills, Knowledge

Is the programme focused on: Information, Education

Is the programme focused on: Preventative Measures

What are the programme outputs: Training courses, and supporting resources for participants

Question 2: *What evidence of impact/outcomes do you have for your programmes: We did not collect any evidence of impact or outcomes whilst running our training courses.*

8) Programme name: Better Financial Futures (training youth workers to have constructive conversations about money with the young people they work with)

Programme start date: 2013

Programme end date: Ongoing

Where does the programme deliver: England

Target Audience: Vulnerable

What attributes does the programme target: Skills, Opportunity

Is the programme focused on: Education

Is the programme focused on: Preventative Measures

What are the programme outputs: Training course, and supporting resources for participating youth workers

Question 2: *What evidence of impact/outcomes do you have for your programmes: Better Financial Futures was evaluated using baseline and endline surveys, which tracked changes in youth workers' responses to a set of key questions before and after the training. Six participants then took part in semi-structured telephone interviews six weeks after the training to examine longer-term impact. The key findings were:*

- The workshop delivered a significant improvement in participants' knowledge and confidence to manage their own money and finances.
- Participants' ability to help those they support with their budgeting and credit issues also showed significant improvement.

Furthermore, all the youth workers who took part in follow-up telephone interviews said that they had either already incorporated lessons from the course into their work, or planned to do so in the future.

9) Programme name: Various one off initiatives, based on partnering with the industry, providing financial capability tools and information for their customers – for example videos, information packs, web content etc.

Programme end date: ongoing

Where does the programme deliver: England, Wales

Target Audience: Adults

What attributes does the programme target: Skills, Knowledge, Attitudes, Motivation

Is the programme focused on: Information, Education, Advice

Is the programme focused on: Preventative Measures

What are the programme outputs: Various financial capability tools – videos, information packs, web content etc

Question 2: *What evidence of impact/outcomes do you have for your programmes:* We did not collect any evidence of impact or outcomes.

Question 3

Please provide any evidence of projects, interventions, or research beyond those of your organisation, that positively impact on people's financial capability

We do not have direct evidence of other organisations initiatives. We would suggest that a number of other organisations in this sector (pfeg, MyBnk, IFS, as well as a number of the banks) who will no doubt respond themselves to this call for evidence, all run successful initiatives which impact positively on financial capability.

There is also a significant bank of evidence, of which MAS will be aware, on a number of the successful initiatives which the FSA used to run, in particular we would refer you to the Young People & Money programme and the Workplace initiative.

Question 4

What projects or interventions do you know of that have failed to improve financial capability?

While we do not have evidence of any specific projects that have sought to improve people's financial capability and failed, there are a number which have not been properly evaluated, making it difficult to say whether they have been successful or not. Indeed, we would include a number of our own programmes in this, and are currently looking at developing much more robust evaluation frameworks for projects such as DebtCred and Future Ready.

Question 5

What physical barriers can impact on a person's financial capability?

While we have not undertaken any direct work on the physical barriers to financial capability, and therefore do not have any specific evidence that we can cite with regard to this issue, in our view the main constraints are likely to focus on access to physical banking services such as branches and ATMs (creating particular problems in some areas when banks choose to withdraw these services), as well as the physical dimensions of digital exclusion (such as the lack of broadband coverage) which prevent people engaging with the financial product market over the internet. In both of these instances, there may also be further problems created by those living with some form of disability.