



Moving towards a

## Financially Capable Future

An evaluation of the  
Money Charity's  
Money Workshops for Schools



# Sterling

RESEARCH

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## Background

The National Curriculum for citizenship in schools includes the topic of financial capability and aims to ensure that all pupils 'are quipped with the financial skills which enable them to manage their money on a day to day basis, and plan for future financial needs'.

A financially capable pupil should be able to manage their money, understand financial risk and reward, explain financial terms and products, and understand how finance will play an important part in their lives and in achieving their aspirations.

In response to financial capability being introduced into the National Curriculum, The Money Charity has developed five workshops, covering various aspects of money and finance, for delivery to pupils in schools. There are two aimed at Key Stage 3 pupils (11 to 14 year olds), two aimed at Key Stage 4 pupils (15 to 16 year olds) and one for those students who are Post 16 (16 – 19 year olds).

All of the workshops include the topics of 'everyday money', 'planning', 'saving', 'debts' and 'financial products'.

By the end of the first KS3 workshop, pupils should be able to understand the importance of setting goals, the importance of planning ahead financially, understand the need to save money, be able to draw up a budget and prioritise their spending. Hence the workshop aims to increase knowledge and raise skill levels.

The KS4 workshop aims to increase students knowledge and give them an understanding of saving accounts, and in terms of everyday money, an understanding of wages, tax and National Insurance.

The Post 16 workshop prepares students for independent living by providing them with an understanding of the cost of living and increasing their knowledge around credit and debt.

This evaluation looks at the first of the KS3 and KS4 workshops and the Post 16 workshop. A total of 3,148 students, attending 140 workshops delivered in the Autumn Term of the 2014-15 academic year, took part in this evaluation.

A 'pre and post' approach to evaluation was taken with students answering a set questions before the workshop and then answering a set at the end of the workshop. Many of these questions were the same in both the pre and post evaluation question sets, thereby allowing comparisons to be made between the students knowledge base and skill level after the workshop, to before the workshop. This document shows the uplift in student's knowledge and skills attributable to the Money Charity Workshops for Schools.

## Evaluation Criteria

Effectiveness – What is it? How can it be defined?

The dictionary tells us that ‘effectiveness’ is defined as ‘the degree to which something is successful in producing a desired result’.

So what are the desired results of these workshops? The introduction set out the aims of each workshop and the question sets used reflect those aims. These aims are many and varied, therefore it is useful to have an overarching concept of effectiveness.

Combining the specific elements from all of the workshops, and bringing them together under an overarching umbrella, at a general level give us the following definition of effectiveness.

In relation to the Money Workshop for Schools it is reasonable to assume that a workshop is effective if the answers to the following are positive.

- Is the workshop perceived as worthwhile?
- Does the workshop provide students with increased knowledge?
- Are students walking away from the workshop with additional skills?
- Does the workshop create confidence?

This evaluation sets out to answer these questions in relation to each of the three workshops considered.



## Summary

The evaluation criteria being used to decide whether or not these workshops are successful are many and varied. They vary by workshop, but can be brought together into four main measures, namely:

1. Is the workshop perceived as worthwhile?
  2. Does the workshop provide students with increased knowledge?
  3. Are students walking away from the workshop with additional skills?
  4. Does the workshop create confidence?
1. Perception. 94% of KS3 students thought their workshop was 'valuable'. Likewise, 93% of KS4 students thought the same of their workshop and lastly, 95% of Post 16 students thought their workshop was 'valuable' to them. Hence the workshops, are perceived as worthwhile by the students.
2. Knowledge. 96% of KS3 students, 97% of KS4 students and 97% of Post 16 students felt that they had learnt something new from their respective workshops. The proportion of KS3 students who knew the difference between priority and non-priority spend rose from 60% to 84% as a result of the workshop. Similarly, the proportion of KS3 students who knew that a credit card was a form of borrowing rose from 30% to 60% as a result of their workshop.



The proportion of KS4 students who knew the difference between saving and credit rose from 44% to 67%, the proportion who knew what AER stood for rose from 3% to 61% and the proportion who knew that tax paid is related to earnings rose from 46% to 73%. With regard to the Post 16 students, the proportion who knew what APR stood for rose from 5% to 57% as a result of their workshop. Hence, the workshops impart, and increase knowledge among all three student age groups.

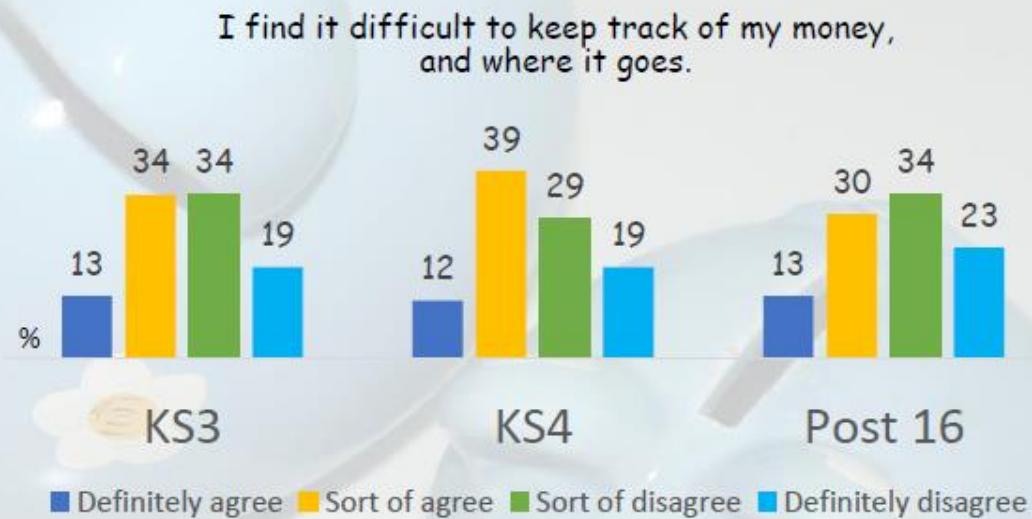
3. Skills. The proportion of KS3 students who could create a budget rose from 29% to 65% as a result of their workshop. The proportion of KS4 students who could use a payslip to check that the right amount of money had been paid rose from 21% to 59% as a result of their workshop. The proportion of Post 16 students who could create a comprehensive budget rose from 10% to 36% as a result of their workshop. Hence, all three workshops bestow additional skills to students.
4. Confidence. On average across a range of measures, an uplift in confidence was seen with 30% of the KS3 students, 62% of KS4 students and 59% of Post 16 students. Therefore, all three workshops create confident, 'money savvy' students.

All three workshops successfully deliver against each of the four evaluation measures.

## Keeping Track of Money

For someone to be financial capable it is essential that they are able to keep track of their money, whether that be on a week to week basis or a monthly timescale. This is a key skill and one that can be learnt early in life and developed over time.

All students, irrespective of key stage, were asked about their perceived ability to keep track of their money.



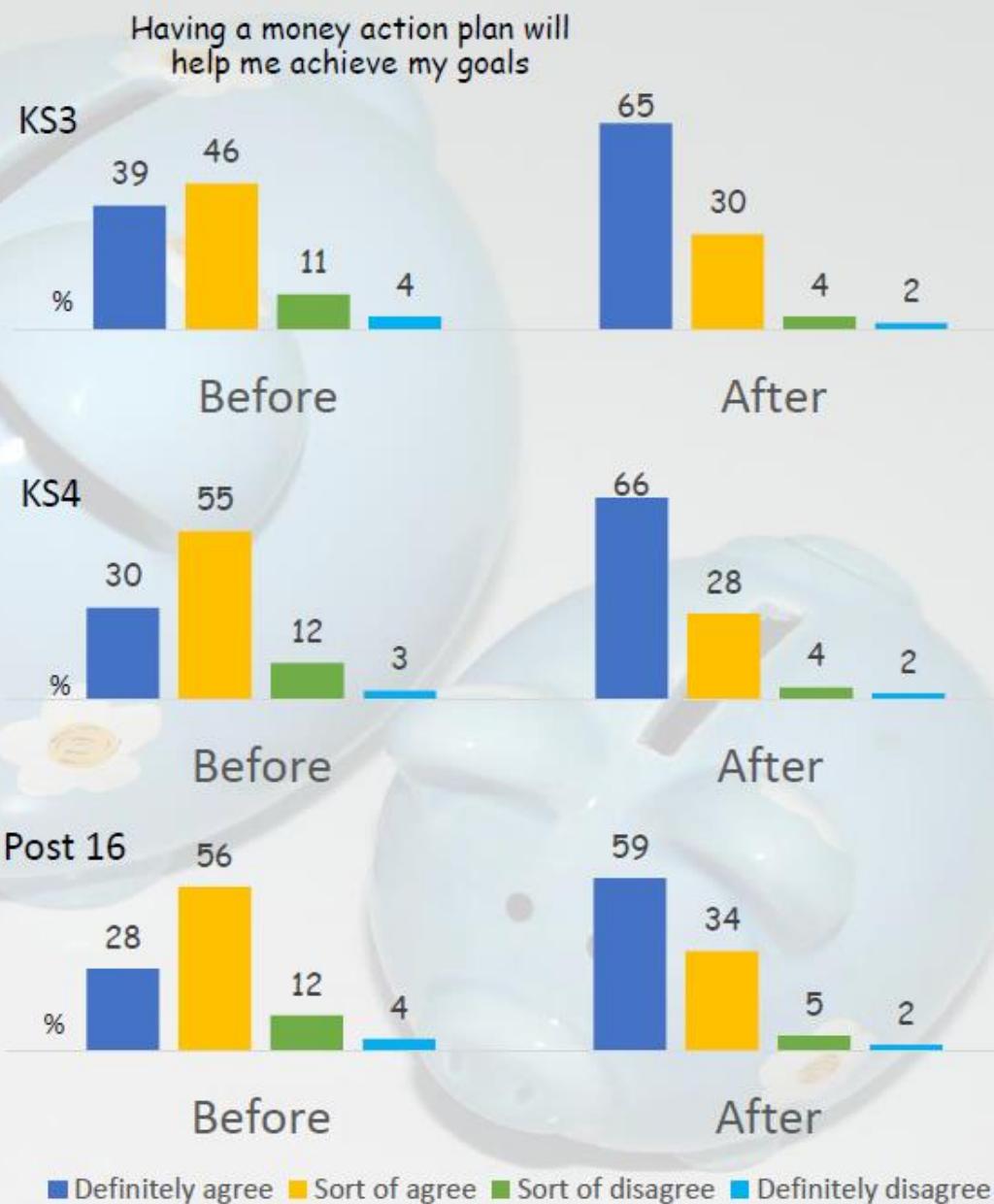
Keeping track of their money is only a problem for around one in ten KS3 students, and a similar number of KS4 and post 16 students. Over two thirds of these students were fairly middling in their opinion and either 'sort of agreed' or 'sort of disagreed' with this statement. Perhaps it wasn't 'difficult' for them, but neither did they find it a walk in the park. This suggests that the majority would benefit from some knowledge about how to keep track of their money and some guidance on developing this particular skill.

## Action Plans

Before the presentation, four out of ten KS3 students 'definitely' thought that having a money action plan would help them achieve their goals. Slightly less KS4 and Post 16 students felt the same way, here only three out of ten 'definitely' thought achieving their goals would be easier if they had a money action plan.

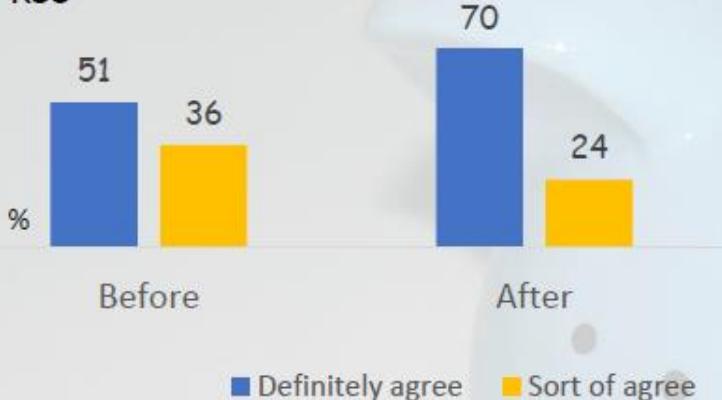
A further five out of ten KS3 students thought this was the case but weren't emphatic in their view of just how beneficial an action plan would be. The workshop clearly gives these KS3 students reasons to believe in money action plans, as afterwards two thirds of the students were now strong advocates of the benefits of money action plans, and they 'definitely' thought they would help them achieve their goals.

A almost identical picture is seen with the KS4 students after the workshop, with two thirds of these students now understanding how and why a money action plan will help them to achieve their goals in life. The Post 16 students were ever so slightly less convinced!



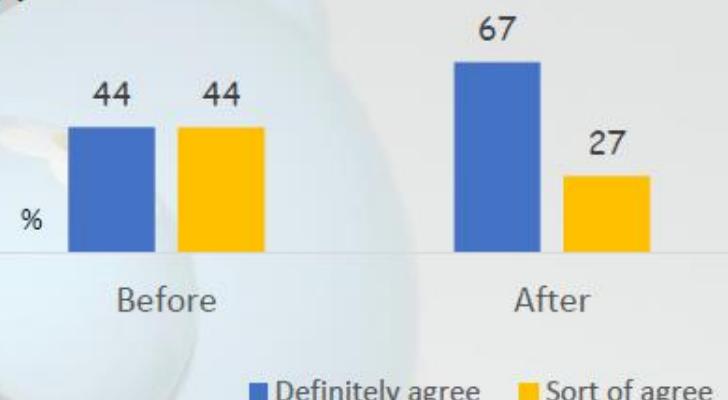
### A budget is a way for me to stay on top of my money

KS3



Base: 1043 KS3 attendees

KS4



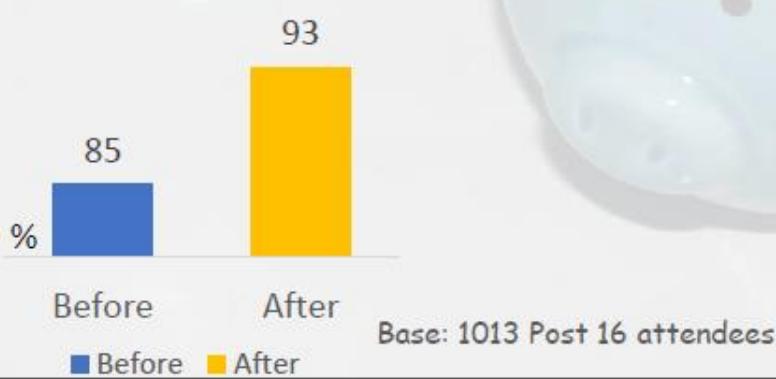
Base: 1012 KS4 attendees

## Budgets

It seems that even at the KS3 stage students are aware of what a budget is and essentially what it does. Half the KS3 students 'definitely' felt they were a good way for them to 'stay on top of their money' and a further third 'sort of' agreed with this view of what a budget can do. The workshop strengthens the opinion of around two out of every ten students and they come away firmly believing that one of the benefits of maintaining a budget is that it will help them stay in control of their money.

A broadly similar picture is seen with the KS4 students. Here four out of ten students 'definitely' thought that a budget is a good way for them to control their money before the workshop and afterwards this had risen to nearly seven out of ten feeling this way about the merits of a using a budget.

Virtually all the Post 16 students felt that a budget is a way for the to stay on top of their money.



Base: 1013 Post 16 attendees

## I can create a budget



Before the workshop, whilst around half of KS3 students knew that a budget was a good way of staying in control of their money, actually creating one was a skill they were happy to admit to not having. Only three out of ten felt confident that they would be able to create a budget if they were asked to do so. That said, six out of ten were happy to 'give it a go'.

The workshop however, undoubtedly adds this vital skill to their locker and two thirds of KS3 students leave the workshop not only able to do this, but also feeling confident that they can.

## I can create a comprehensive budget



The bar was raised for the Post 16 students and they were asked about a 'comprehensive' budget. Beforehand only one in ten felt capable of creating one and five out of ten confessed that they wouldn't like to try! The workshop changed this though, and nearly four out of ten students came away confident that they now had the knowledge and skill to create a all-inclusive budget. A further five out of ten, perhaps had the skill, but not the confidence.

## Saving

Putting some money aside and creating a savings pot is key action and contributes greatly to someone's financial capability. Having some savings to call upon helps to smooth out the ups and downs of a persons financial needs, whether these be known expenses or unexpected ones. Known, regular by infrequent expenses can include birthdays and Christmas presents, car tax and insurance, holidays and utility bills. Unknown expenses can include breakages of phones and televisions, and breakdowns of washing machines and heating systems. Having savings in place to cope with these expenses will create less dependence on credit, and credit if it becomes unmanageable can lead to debt.

Even at this tender young age the importance of putting some money aside and saving up some money has been instilled in these KS3 and KS4 students.

Just over seven out of ten KS3 were adamant that this key action of saving has significant benefits and this rose to an impressive nine out of ten after the workshop.

A broadly similar picture is seen with the KS4 students.

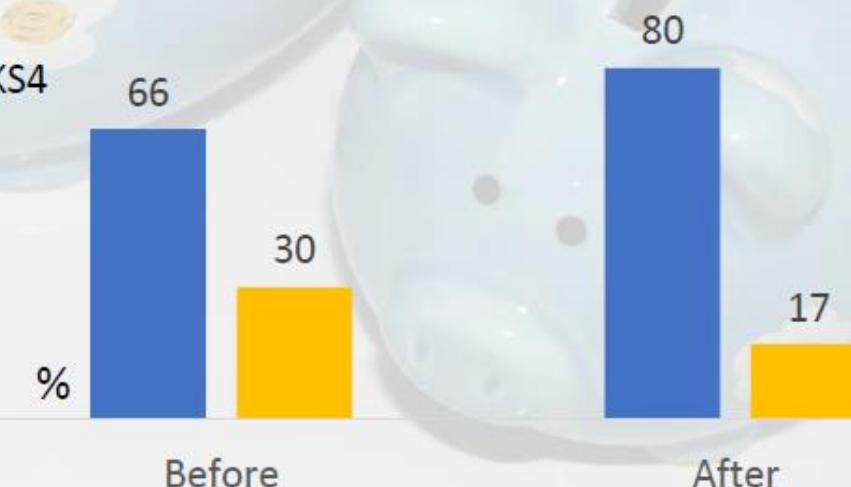
I know why it is important for me to save up some of my money

KS3



Base: 1062 KS3 attendees

KS4



Base: 1062 KS3 attendees

## KS4 Workshop

### Student Perception of the KS4 Workshop

When asked about how they found the workshop, the KS4 students were very positive. This workshop gave the KS4 students a lot to think about and they were genuinely very grateful for the insight it brought and they left feeling more confident and comfortable about money matters.

The quiz was the undoubtedly highlight of the workshop. It was perceived as an interactive fun way to learn. This quiz was all about tax and National Insurance, two topics that students didn't really know much about. There were eight questions and each question had three options as answers. The students had to write down which of the three answers they thought was correct and hold up their answers. The correct answer was then revealed and a discussion ensued.



Which bit was the best? And why?

The quiz, it allowed interaction and a fun way to learn.

The quiz because it was fun and informative.



The quiz, it was the more fun aspect that still allowed us to learn and be involved..

The quiz, it was interesting and surprising to find out the answers.

Students were asked to think about how they found the workshop and using the number scale shown opposite to rate the workshop on three different aspects.

'Thinking about the workshop...

'... how helpful it will be to you in the future?' The average score from KS4 students was 8 out of 10.

'... how informative you found it?' The average score from KS4 students was 8 out of 10.

'... how enjoyable it was?' The average score from KS4 students was 7 out of 10.

So, not only do KS4 students find the workshop enjoyable, due to the inclusion the quiz, but they can readily see that they are learning new skills and taking in new knowledge, that will be helpful to them as they move through life. Indeed virtually all KS4 students felt they had learnt something new via the workshop and felt the workshop to be 'valuable'.

- 8 Helpful
- 8 Informative
- 7 Enjoyable



Have you learnt something new today?

Have you found this workshop valuable?

97% YES

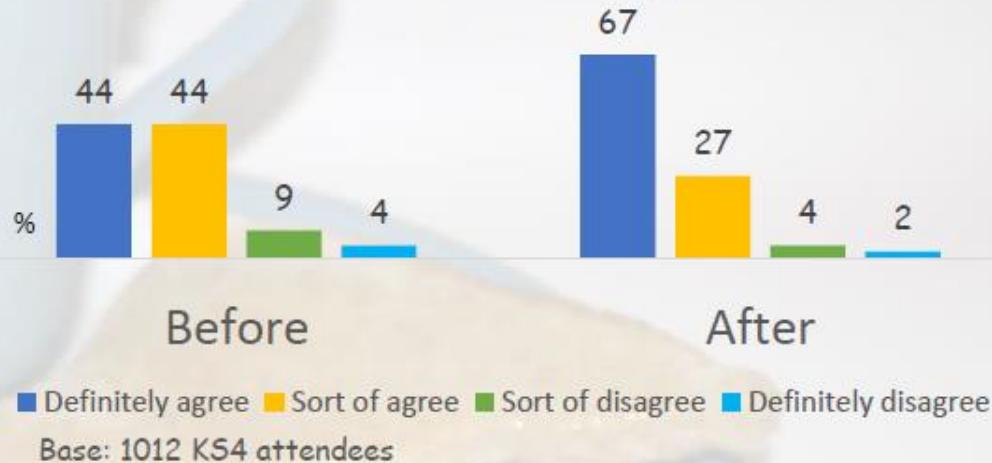
93% YES

## Saving

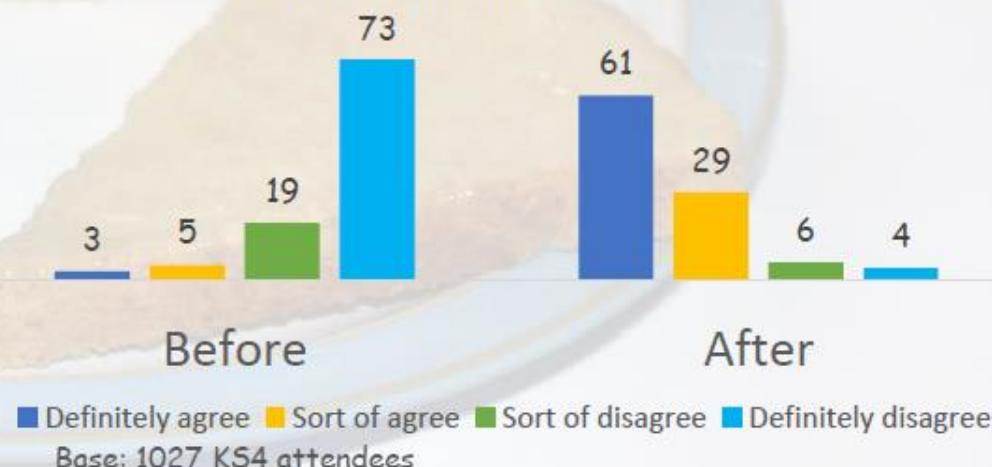
Savings and credit are very different and KS4 students in the main, felt they knew the difference between them. It was the degree of certainty that differed on this point of knowledge. Before the workshop whilst four out of ten were certain they knew and four out of ten were less certain. The level of assurance grew with the workshop and two thirds of KS4 students came away definitely understanding the difference between these two financial concepts.

AER was not a term that the vast majority of KS4 students had come across, and before the workshop, two thirds of these students readily admitted that they 'hadn't got a clue' what AER stood for. The workshop did however enlighten them and nearly two thirds walked away knowing that AER stood for Annual Equivalent rate and that it shows how much you 'earn' on savings.

I know the difference between savings and credit



I know what AER stands for

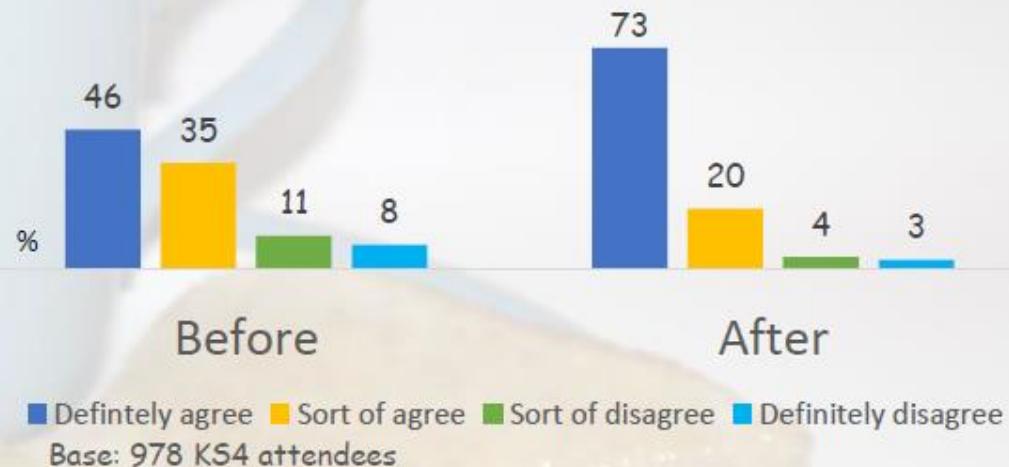


## Payslips

The subject of tax was not a new topic for KS4 students they appear to have heard it mentioned, however, at the start of the workshop, exactly how tax works wasn't clear for many of these students. Beforehand, nearly half knew that the amount of tax paid depended on earnings and a third thought it might. Afterwards, though nearly three quarters of KS\$ students certainly understood how tax works and knew that the amount they would pay would depend on how much they earned.

Nearly six of our every ten KS4 students left the workshop feeling confident that they could check that the right amount of money had been paid using a payslip. This contrasts well with only two out of ten feeling happy about doing this before the workshop.

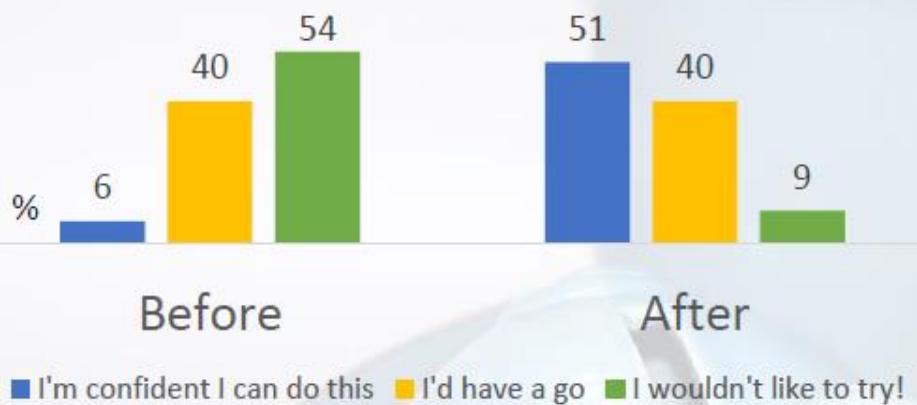
The amount of tax I pay depends on how much I earn



Using a payslip, I can check that the right amount of money's been paid.



### I can explain the difference between gross pay and net pay



Base: 1028 KS4 attendees

### Payslips

The terms 'gross pay' and 'net pay' were not part of the KS4 vocabulary before the workshop. Less than one in ten felt confident that they could explain the difference between the two terms before the workshop. However, on leaving the workshop this had risen extensively to five out of ten students.

### I can explain what the government spends NI contributions on



Base: 1024 KS4 attendees

National Insurance and how the Government spends it was another unfamiliar topic for KS4 students. Here, at the start of the workshop, six out of ten students admitted that they wouldn't like to try to explain how all this works however at the end of the workshop five out of ten felt confident that they could now give a correct explanation of how the government spends the money gathered via National Insurance.



What do you think this presentation  
is trying to teach you?

### Perceived Key Learnings

Students were asked what they thought the workshop set out to teach them, and this can be a good indicator of whether or not the content of a workshop has been grasped. Here we find that the KS4 students frequently talked about earnings and tax!

It is clear that students were propelled into their future by the workshop and the amount of tax that they would be paying was a revelation for quite a few!

The mechanism by which they paid tax was where some students focused, whilst others found getting to grips with the information on a payslip the key point of this workshop.

What we are going to face in the future with money.

How to handle your wage when you start earning.

Money management, payslips and taxes.

Why money is important and how much tax there is!

How much tax we need to pay.

What money means, and tax, and what and how it's taken off your wages.

Asking the KS4 students to consider the ups and downs of money is another way of ascertaining exactly what they have taken away from the workshop. It is very clear that the students have understood that money is needed to exist and pay for the essentials in life that saving via a savings account will earn them interest and increase their money pot. We also see that the KS4 students have understood the potential pitfalls of loans.



Money can trip you up if .....

... you take out too many loans and find yourself in debt.

... you have loans you cannot pay off.

... we need it to live.

... it helps you live.

... you earn interest and buy desirable things.

... you don't pay credit on time.

... borrow money from a loan shark that you can't pay back.



Money can be your friend because ....

... you can earn interest - AER.

... you can use it to buy things and improve your standard of life.

... you can earn money and gain interest giving you more money..

... you don't handle it correctly eg don't pay off loans.

... if you owe lots of money buy don't earn enough.

... you don't save or pay back loans.

... you own lots of debt and don't pay it back..

## Creating Behaviour

The whole reason for giving these workshops is to change young peoples behaviour and help them along the rocky road towards a financially capable future.

Thinking about taking action and actually taking action are key outcomes. Hence the evaluation looked to understand what the students were going to do as a result of the workshop.

Whilst the quiz and learning all about earnings, tax and NI were seen as the key sections of this workshop, K4 students are not actually earning a wage therefore they are not in a position to take any actions relating to these topics. They are however perhaps in a position to take some actions in relation to what they learnt in the savings section of the workshop.

Not surprisingly then, many KS4 students talked about starting to save or increasing the amount they saved as actions they were going to take in the immediate future.



What are you definitely going to do as a result of this workshop?

Start a savings account.

Save more money to have a better future.

Put more into my savings account.

Be careful on what I spend money on and put money aside.

Save a £1 a day, work around taxes, might put in an off-shore account!

Make the most of my money and spend it before the tax man steals it.



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# Additional qualitative feedback July 2015

## KS4 Workshop

### Student Perception of the KS4 Workshop

When asked about how they found the workshop, the KS4 students were 'very happy' with it and felt it gave them plenty to think about.

The quiz was the undoubtedly highlight of the workshop. It was perceived as an interactive fun way to learn. This quiz was all about tax and National Insurance, two topics that students didn't really know much about. For others the payslip was the best bit.



Looking at a payslip as I have never seen one before.

Knowing about different deductions.

Which bit was the best? And why?

The quiz because we worked as a team and it got us thinking.

The quiz because it got us involved.

The quiz because it develops your knowledge.

The quiz and the bribe because we got chocolates and the quiz was interesting.



What do you think this presentation  
is trying to teach you?

### Perceived Key Learnings

When asked what they thought the workshop was trying to teach them, the KS4 students talked about a range of topics.

It is clear that they understood that the presentation was about their future and one key area that was cited on several occasions was 'how to read and understand a payslip'. Linked to this was the topic of tax. How much tax is taken at source was a revelation for some students.

Another key message that KS4 students felt the workshop covered delivered was that of 'spend wisely'. Alongside this was then the topic of 'saving' and the two key messages students took from the workshop were 'why it is important to save' and 'how to save'.

How to control money  
and to spend it wisely.

About money concepts and  
ideas such as tax, saving, credit  
etc.

How you can use your money  
and what you have to spend  
your money on.

Teaching me about  
money and earnings  
and saving.

How to handle your money  
when working. How to  
recognise and understand  
payslips.

How to save money  
and make a better life  
by saving up

How much money we will be taxed  
when we start work/get a job and  
you earn a certain amount of  
money. How we are able to save  
money so that you could  
eventually buy a house.

Asking the KS4 students to consider the ups and downs of money is another way of ascertaining exactly what they have taken away from the workshop.

KS4 students have understood that money is needed to move through life on a day to day basis and pay for the necessities of life. However, they centre more on the more enjoyable aspects of money of achieving goals and buying luxury items. Either way, they have clearly understood that saving money is the key to paying for both needs and wants.

Overspending is a key theme to what KS4 students think the perils of money can bring. The manner by which loans work is clearly on some students mind, with the pitfalls of missed payments readily understood.



Money can trip you up if .....

... you are not careful and get yourself into a lot of debt.

... you spend it all and over draw or run out.

... if you borrow money you can't afford, it can lead into more trouble than you started with.

... you take out a load and get behind on repayments.

... you get it and spend it on things instead of saving and paying tax.

... you lose control and become a big spender.



Money can be your friend because ....

... it buys you stuff and helps you day to day.

... it can help you achieve your goals.

... you can save and travel the world - and get a car.

... you can buy things you need but also holiday money.

... it provides you with things you like and gives you interest and helps you/allows you things you need in life.

... it can be used to save for things.

... it can help you through your struggles.

## Creating Behaviour

The whole reason for giving these workshops is to change young peoples behaviour and help them along the rocky road towards a financially capable future.

Thinking about taking action and actually taking action are key outcomes. Hence the evaluation looked to understand what the students were going to do as a result of the workshop.

Not surprisingly, many KS4 students talked about starting to save and controlling their spending as actions they were going to take in the immediate future.



What are you definitely going to do as a result of this workshop?

Spend my money wisely

I am going to open an account and start to save about £20 a month.

Be careful with my money.

I am going to get a savings account.

I am definitely going to go to the bank with my grandad to get a savings account.

Make sure I budget.

Students were asked to think about how they found the workshop and using the number scale shown opposite to rate the workshop on three different aspects.

'Thinking about the workshop...

'... how helpful it will be to you in the future?' The average score from KS4 students was 8 out of 10.

'... how informative you found it?' The average score from KS4 students was 8 out of 10.

'... how enjoyable it was?' The average score from KS4 students was 8 out of 10.

-  Helpful
-  Informative
-  Enjoyable

