

**All Party Parliamentary Group on Financial Education for Young People**

***Vulnerable Young People Inquiry***

**A Response by Credit Action**

**Word Length: 998 words (not including this top sheet)**

**Background**

Credit Action is a national financial capability charity (registered Charity in England & Wales No. 1106941) established in 1994.

Credit Action empowers people across the UK to build the skills, knowledge, attitudes and behaviours, to make the most of their money throughout their lives. It develops and delivers products and services which provide education, information and advice on money matters, in an appropriate way for young people and adults. Through its work Credit Action reaches over 500,000 UK citizens every year.

**Question 1: In what ways does your organisation support financial education for vulnerable young people?**

Credit Action runs several projects which help young people build their financial capability. These include our *DebtCred* and *Future Ready* workshops, which are delivered directly to young people in schools and colleges, and introduce participants to the financial issues that they will encounter in adult life. We also produce a *Student Moneymanual* which provides information and advice on managing money whilst at university, and is distributed to higher education applicants via UCAS.

While these projects do not have a particular focus on vulnerable young people, a certain proportion of the young people we deliver to are likely to be in this position. Therefore, we believe that we are reaching vulnerable young people through our general programmes to some extent.

In 2012, Credit Action also undertook a small-scale initiative aimed more specifically at reaching vulnerable groups, which could be used as a model for a more extensive project in the future. This was entitled *Building Financial Futures*, and involved training a small number of youth workers (11 in total) to enable them to have constructive conversations about money with the young people they work with.

**Question 2: How many young people do you support?**

In 2012 our *DebtCred* workshop was delivered to 9,788 young people, while *Future Ready* was delivered to 13,635 participants. Our *Student Moneymanual* was distributed to 316,682 prospective students. As suggested above, we would expect some of these young people to have been vulnerable situations.

As *Building Financial Futures* involved delivery to youth workers, rather than directly to young people, firm numbers are difficult to ascertain. However, we believe it is reasonable to estimate that, over the next year, 100 young people will benefit as a result of the project.

**Question 3: How can financial education for vulnerable young people be made sustainable in the UK?**

In our view, a fundamental element of successfully providing financial education to vulnerable young people is ensuring that messages are delivered through trusted intermediaries. In some cases this may involve teachers, but as vulnerable young people can also be educationally disengaged it might be necessary to utilise other agents – youth workers or peer-to-peer models will probably be the most effective alternatives. We would support the inclusion of financial education in the programme of initial training for teachers, youth workers and peer-to-peer intermediaries as a way of making this sustainable.

**Question 4: What ages do you support with your work?**

*DebtCred* is aimed at secondary school students aged 11 to 16. *Future Ready* is aimed at 16 to 19 year olds and is usually delivered in Sixth Form or Further Education Colleges. The *Student Moneymanual* is aimed primarily at prospective undergraduates who are about to start a full-time course, and therefore covers the post-18 age group.

*Building Financial Futures* was ostensibly designed to benefit those aged between 16 and 20. However, due to the nature of the project, the ages of those reached is largely dependent on the client base of the youth workers themselves – we believe that this was somewhat broader than 16 to 20, and that the young people ultimately reached will be somewhere in the 14 to 24 range.

**Question 5: What assessment/evaluation of your work do you do and what does it show?**

Both *DebtCred* and *Future Ready* are evaluated using questionnaires which are completed by participants at the end of each session. Our evaluation data (which covers the period between 2010 and December 2012) shows:

- 85% of participants in our *DebtCred* workshops agreed or strongly agreed that they were more confident about money matters after taking part; 83% agreed or strongly agreed that they would be better at controlling their finances; and 89% agreed or strongly agreed that they would manage their money better in future.
- 82% of participants in our *Future Ready* workshops agreed or strongly agreed that their ability to manage their finances had improved after taking part, and 81% agreed or strongly agreed that they would be more confident in putting together a budget.

We have not previously evaluated our *Student Moneymanual*, but have commissioned a study to examine this and expect the findings later in 2013.

*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.

**Question 6: How do you engage on a wider basis with vulnerable young people's families?**

*DebtCred* and *Future Ready* are delivered directly to students and there is no wider engagement with participants' families. The *Student Moneymanual* is also aimed directly at young people, but it is conceivable that other family members could end up reading it as well.

The breadth of reach of *Building Financial Futures* was very much dependent on the activities of the youth workers themselves – in many cases their work focused on young people specifically, but some operated more broadly on local estates, so it is possible that they could have engaged with vulnerable young people's families this way.

**Question 7: What indicators do you use to measure the success of your initiatives?**

While we have project-specific indicators which are reflected in our evaluation findings, we do not have an overarching set of Key Performance Indicators that we measure each of our products and interventions against.

**Contact**

For further information please contact John Davies at Credit Action, either by email at [johndavies@creditaction.org.uk](mailto: johndavies@creditaction.org.uk) or by telephone on 0207 380 3390.