



Financing and planning for an uncertain future 1st May 2018

Event Note

Background

This event organised by Rocket Science in partnership with Centrepont, the Money Advice Service, the National Skills Academy for Financial Services, and Quaker Social Action, brought together funders, commissioners and voluntary and community organisations to hear three charities share their different experiences of supporting people to build their financial resilience.

Funded through the Money Advice Service's What Works Fund, Rocket Science has conducted the evaluations of two projects Moneywise (Centrepont) and Life, Money Action! (National Skills Academy for Financial Services) and is currently evaluating Get Set on behalf of Quaker Social Action. We have also completed an evaluation of Healthy Finances for Shelter Scotland.

Information about the organisations is attached to this note alongside the event presentation slides which summarise the projects and their learning. Links to the reports can be found by clicking on the following:

- [Centrepont](#)
- [National Skills Academy for Financial Services](#)
- [Shelter Scotland](#)

Presentation session

Caroline Masundire from Rocket Science introduced the session, giving an overview of Rocket Science's research and evaluation experience in the wider context of how to build financial resilience for all ages to cope with the current and future world of work. People need to become much better at managing their money to cope with job insecurity, zero hours contracts and increasing personal debt levels often brought about through having to manage multiple transitions and life events in a short space of time.

Importantly financial resilience is a core skill needed to cope with insecure work in the future, managing money in and out of work and budgeting around fluctuating income.

All three projects have looked at ways of integrating financial capability support within a wider programme of advice and guidance. This is an important consideration for future programmes, as financial capability support needs to become better integrated and offered over time rather than be seen or delivered as a separate, one-off intervention.

The findings from these evaluations are also important as they show what is needed to help people build their financial capability in a context/environment that meets their immediate and developing needs.



- Ola Omishola from Money Advice Service provided an overview of the Financial Capability Strategy and What Works Fund. The Fund has provided investment into over 60 projects across the UK and has been focused on building the evidence base for money management and debt advice through the [Financial Capability Evidence Hub](#).
- Abigail Gill and Alex Robins from Centrepoin outlined the conclusions that had been drawn from Rocket Science’s evaluation of Moneywise. This programme provides financial capability support and advice for vulnerable young people (aged 16-25) facing challenges or transition points in their lives, such as moving into independent living or employment. A key finding was the importance of a trusted relationship between a key worker and the young person in helping to build capability over time.
- Sara Mohideen from National Skills Academy for Financial Services presented the findings from their project Life, Money, Action!. This programme provides training, a qualification and on-line resources around financial capability to support youth practitioners from a wide range of organisations in their work with young people. The programme has been co-created with young people and youth practitioners and the evaluation has tested the impact of co-creation on the experience and outcomes for practitioners and the young people they work with.
- Simon Phillips, Priscilla Joseph and Denise Brewster from Quaker Social Action provided an overview of the work so far for Get Set programme. Get Set offers teaching, coaching and support to vulnerable families about how to manage and navigate financial hardship, including risk of homelessness and debt crises. The evaluation is testing the effectiveness of the programme on building financial capability between parents and children (aged 7-11).

Discussion session

After the presentations, the attendees divided themselves into five groups to discuss what they had heard, introduce some of their own experiences, and debate what the findings indicated about the future direction of financial capability support. These discussions are summarised below:

What challenges do you face in developing financial capability with people you work with – how have they been resolved?

Crisis or prevention?

- People generally engage when they are either in, or have just experienced, a life crisis. Engagement can be hard as people often do not think of financial capability as a problem until it is already a problem.
- The competing priorities in people’s lives, means that financial capability is not recognised as an important need. Ways of getting around that are being flexible about the provision of support, eg the support being in places or services they are already going to or using for example local community centres.
- Financial stability is not just a skill. It is linked to emotions, values and attitudes. Financial capability and deprivation are not necessarily linked, and



one does not follow the other. Those who live in deprivation can be financially capable, and those who live in relative wealth can lack financial capability. Money is linked to people's emotions and attitudes. It is about changing people's emotions towards financial capability. In situations where people are deprived of something in the present, that's what they focus on. It is harder to get people to think of their long term financial future.

- There are lots of services that offer debt advice, but these can be detrimental as they offer quick fixes rather than help people build their financial capability. Help during a crisis is important, but preventative work is more important as is building financial capability techniques into daily routines.
- The rise of technology has changed the limits of what people are able to 'afford'. The boundaries have become more fluid in terms of when people feel they have run out of money. Rather than accepting zero pounds in a bank account means no money, people have access to overdrafts, quick pay day loans etc. which means they tend not to see running out of money as final and absolute. This is compounded by the lack of real life tangible interactions with money. Paying by contactless or online means the money is never seen, and it separates the purchaser from the transaction. It was noted that apps and tools such as Monzo card, which help keep track of your spending patterns and categorise them, could make it seem more tangible. The use of paper-based budgeting should be praised and upheld, because it helped people to see what they actually had.

Engaging children and young people

- The age at which habits around finance and spending develop is around seven, so there needs to be more emphasis on family-based approaches and early intervention. But the question of how you first begin speaking to children about money, and when needs to be answered. It is important to begin developing tools to help children understand financial hardship and budgeting, whilst carefully balancing this with not exposing them to too much too young (and causing them to worry). Should this be in school or not?
- Drawing out financial capability lessons through other services is important to engage young people in support. It is hard to just present financial capability support without taking on board the context within young peoples' lives.
- The assumption that young people want everything to be digital can be a hindrance to financial capability. This view is prevalent amongst those who work with young people and shows a certain disconnect between providers and the young people. Many young people prefer the 'old-fashioned' way of budgeting and saving, for the same reasons that adults do and has been previously discussed. It was felt that more choice in the tools used to help people be financially capable would improve engagement, as well as people's sense of ownership of their own financial capability.



Resources

- People felt that there is still confusion as to where financial capability sits within government priorities and policy; is it a local or national government issue, ie education/part of the national curriculum? This has multiple impacts such as how financial education and capability is prioritised and the funding and support available to support programmes.
- There is a lot of advice held on various websites, developed and managed by different organisations. For support workers, it can be hard to know where to tap into those resources and there is risk of repeating resources already available due to the difficulties of creating a reliable 'library'.
- There is a need to engage better in digital delivery of financial capability. But there is already a lot in the market in terms of apps for money management. A potential solution to this could be introducing an accreditation system implemented by reputable sources of money management and financial capability services. This could be useful for quality assuring the apps and removing duplication or 'reinventing the wheel'.

What does future financial capability support need to look like, ie do we do more of the same or try and do something new?

- Financial capability is part of wider resilience. It needs to be wrapped up within wider wellbeing and general support, from an early age.
- Changing behaviour, rather than just imparting information, is the key. This takes time and requires trusted practitioner/client relationships.
- We need to better understand the impact of job insecurity, income variations, high living cost and what psychological impact this is having on young people
- We need to learn from examples of good practice that exist around changing behaviours - the Optivo Project (What Works Funded) that allows rent fluctuations by month; bank accounts that pay higher interest the longer budgets are kept over £x;
- The need to be financially capable, and sometimes frugal, is a difficult message that needs to be spread consistently, ie to all people regardless of their income and situation. We all need to learn and understand about the reality of making financial sacrifices.
- Everyone, regardless of background or deprivation level needs to be financially capable. It is important to debunk the myth that people from deprived backgrounds are not financially capable.
- Organisations that provide financial capability support need to avoid justifying their existence.
- We need to know how best to market money management to young people, and what approaches will work best.



What learning points have been raised today that will help organisations change their practice/attitude in or toward financial capability?

- Understanding the broader impact of financial capability on people's lives, especially in relation to mental health.
- A support worker's access to local networks and services is important as they play an important role in signposting people to the right service. Often sessions with people are not about money issues but cover more multifaceted problems. People present with housing, health, family, schooling or employment worries not obviously related to money management or financial capability. Very often people have not previously had the opportunity to be listened to and it can be hard for a support worker to know how best to help
- When young people are using support services in a time of crisis (ie housing pathways) this is often as a result of some form of breakdown, ie financial, familial, housing. This can lead to difficulty stabilising finances as developing financial capability skills is not an urgent priority. The focus is on solving the short-term crisis, and the long-term picture of financial capability can be put to one side.
- It is about creating space for people to reflect on all the issues that affect their financial capability (ie mental health, family situation, facing different transition points) as well as think about their decisions and debts.
- Having a good and trusting relationship between the practitioner and the person receiving support enables issues (financial and other) to be raised in an organic and safe way.
- Information on the impact of intervention in 2, 5 or 10 years and the future to come would be useful and interesting to know. How does financial capability last through changing contexts and social situations?



Attendees

Individual

James **Breed**
 Joanna **Busz**
 Linda **Colclough**
 Emily **Crawford**
 Helen **Fagan**
 Abigail **Gill**
 Jo **Goodman**
 Stephanie **Hayter**
 Christina **Hicks**
 Zanna **Karsan**
 Laura **Knight**
 Sharon **La Ronde**
 Elektra **Lapavitsas**
 Pilar **Lara Cruz**
 James **Lee**
 Jessica **Lee**
 Hannah **Locke**
 Sandie **Louis**
 Giedra **Lukminaite**
 Caroline **Masundire**
 Iona **McArdle**
 Heather **McLoughlin**
 Sara **Mohideen**
 Amanda **Montague**
 Niaz **Murshed**
 Ola **Omishola**
 Evelyn **Omoike**
 Ruth **O'Sullivan**
 Simon **Phillips**
 Peter **Pledger**
 Leah **Rafferty**
 Alastair **Reeves**
 Alex **Robins**
 Eleanor **Sanders White**
 Jon **Scarth**
 Maria **Sergides**
 Lisa **Smith**

Organisation

LB Westminster
 LB Havering
 Rocket Science
 Rocket Science
 Centrepoint
 The Bromley by Bow Centre
 The Money Charity
 UK Youth
 National Skills Academy for Financial Services
 Bath and North East Somerset Council
 RPLC
 Rocket Science
 Crisis
 City Bridge Trust
 UK Youth
 Crisis
 LB Islington
 LB Harrow
 Rocket Science
 LB Waltham Forest
 Rocket Science
 National Skills Academy for Financial Services
 LB Havering
 LB Barking and Dagenham
 Money Advice Service
 Money Advice Service
 Centrepoint
 QSA
 National Skills Academy for Financial Services
 Shelter
 Rocket Science
 Centrepoint
 Rocket Science
 Quaker Social Action
 LB Barking and Dagenham
 Shelter



James **Turner**
Luke **Tyrrell**
Alice **Webster**
Lisa **Woodman**
Jeremy **Yung**

Rocket Science
Financial Conduct Authority
Southern Housing Group

Localtrust