



# Findings in your hands

Evidence from our  
**What Works Fund**  
to improve the nation's  
financial capability

## What Works Fund in numbers



**£11.3 million**

invested in grants over two years



**37,000 people**

of all ages involved in evaluation



**65 projects**

UK-wide, 55 included  
in this review



**3 times**

more UK-based evaluation  
evidence now

For background on our What Works Fund, see page 12.

Policymaker? Commissioner?  
Practitioner or innovator?  
Programme designer, evaluator  
or academic stakeholder?

These findings on improving  
the nation's financial capability  
are for you, whether in the third  
sector, financial services industry,  
a fintech business, social enterprise  
or beyond.

They're just a few examples from a major  
evidence review of **What Works Fund**  
projects across the UK. And they're freely  
available to put into action. To prioritise  
investments for maximum impact. To scale up  
approaches and interventions with the potential  
to reach millions. To spark new projects and  
collaborations, improving the wellbeing  
of individuals and our economy.



## Findings to help children and young people

**13** What Works Fund projects focused on children and young people. Trainer-led group sessions were the most common activity. Other projects covered teacher training, peer-led sessions, one-to-one help and support for parents.

### Finding

#### Group sessions in familiar settings are a good place to start

Evidence from our What Works Fund confirms that trainer-led group sessions in mainstream schools lay the building blocks for financial capability. Projects show positive improvements to:

- students' mindset around financial attitudes to money, especially their confidence
- students' ability to understand financial products and concepts.

For children and young people outside mainstream education, peer-led group sessions work well to boost financial capability. These settings include special educational needs schools, pupil referral units and venues used by young people's charities.

### Finding

#### Training teachers to deliver financial education is doubly effective

We can now see why providing specialist financial education training to teachers is so valuable. Such training has a clear positive impact for students, improving outcomes across their mindset, ability and connection (access to financial products, advice and guidance). Teachers also feel more confident in delivering financial education and evaluating its effectiveness.

But teachers in the classroom shouldn't be the only financial capability 'messengers'. Parents, peers and youth service professionals also play an important role in instilling positive money attitudes and skills during childhood and adolescence. It might be that engaging parents and carers – for example by offering parent workshops or sending home activities for parents and their children to carry out together – could help projects to improve children and young people's financial behaviour, on top of their skills and mindset.

### Insight

While trainer-led sessions lay the foundations for financial capability, a combination of classroom-based and experiential learning – like setting up school savings clubs or supporting young people to open a bank account – might help projects achieve improvements to children and young people's financial behaviour.

### Worth exploring

Asking what's possible to achieve at different age ranges, especially the under sevens, is important. Efforts to date have yet to answer how, during childhood, we can instill the non-cognitive skills – social and emotional – that are so essential for future financial wellbeing.

Go to [www.fincap.org.uk](http://www.fincap.org.uk) to get involved.



## Findings to help young adults

**Eight** What Works Fund projects supported young adults: those who have left school, care or another statutory environment and are starting to be financially independent. These projects tested the effectiveness of trainer-led and peer-led group sessions, one-to-one support and a train-the-trainer programme for youth practitioners.

### Finding

#### Activities must be geared to life right now

Financial capability training, content and materials must be specific to young people's lives to be engaging, relevant, and encourage behaviour change. Sessions need to be tailored and promoted clearly, as young adults of the same age can be in very different places in their lives. For example, some people in their twenties will be living at home with their parents, while others will have moved out, and some will have families of their own.

Focusing trainer-led sessions on particular needs is especially effective. Positive financial capability outcomes include higher levels of financial confidence and willingness to talk about money, as well as becoming better at money management. Weaving in experiential learning helps to drive behaviour change, while tailored sessions and personalised support help to improve financial knowledge and understanding.

### Finding

#### Peer-led interventions are part of the solution

Evidence from our What Works Fund suggests that peer-led group sessions are effective for building engagement with young adults – although young adults also value the voice of experience, and trained advisers are necessary for mentor support and specialist guidance. Projects provide rich information about working with young peer educators in different settings, and ways to jointly produce workshop content and deliver sessions. Effective training is vital for peer educators, as well as pastoral or practical support such as providing help to attend sessions.

### Insight

Encouraging marginalised and vulnerable young adults to fully participate in financial capability training is challenging. Voluntary sessions can mean patchy attendance, while mandatory training can lead to behaviour management issues or disengaged participants. Projects demonstrated how these challenges can be counteracted by using relevant, engaging, flexible content, alongside behavioural management skills for trainers and peer educators.

### Worth exploring

The main evidence gap for this life stage is understanding what works to improve and continue to support the financial wellbeing of young adults. It would also be valuable to look at ways of supporting young adults who are slightly better off, but still at risk of struggling financially.

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## Findings to help working age people

**24** What Works Fund projects concentrated on those of working age: people who have left education or training and could be in the workplace up to retirement, as well as those facing financial difficulties. This adds substantially to the evidence base across face-to-face and digital approaches. One-to-one support was the most commonly tested intervention.

### Finding

#### Life events offer 'teachable moments' to support financial capability

The What Works Fund has reinforced the importance of 'teachable moments' – times when people are receptive to new knowledge, attitudes or skills – and what these mean for financial capability interventions. Building financial capability support into broader responses delivered at these times is effective, and projects highlighted two types of engagement model.

#### Two engagement models

- Around life events: delivered when someone is experiencing a change (for example relating to health, employment or relationships) and tailored to that change.
- Around immediate need: wrapped around interventions that address immediate needs, such as help with housing, health, benefits or debt.

### Finding

#### If we engage people with technology, it can help

Technology is not a simple answer to scaling up financial capability solutions. Projects show varied success when testing the effectiveness of different digital interventions to improve financial capability. There are some positive outcomes around mindset and ability with money apps and online learning tools. Providing personalised, one-to-one support alongside a digital tool helps working age people to engage with, value, and keep using the tool.

### Insight

Digital interventions have the potential to be effective, but What Works Fund projects found that people need help to overcome particular barriers to digital engagement, which include:

- participants' technological confidence and general digital engagement
- participants being unconvinced by an app's value
- unfamiliarity with using apps beyond the most popular ones
- lack of motivation, especially for tasks such as distance learning.

### Worth exploring

For some working age people, income and expenditure can vary every month. This can lead to problems with paying larger fixed outgoings such as rent or mortgage, and turning to credit or missing payments. Helping people to understand this pattern and allowing them the opportunity to 'flex' their outgoings, can help.

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## Findings to help older people in retirement

**Ten** What Works Fund projects helped older people who are drawing income from their private pension or savings, and/or are receiving the State Retirement Pension. Projects mainly tested the effectiveness of trainer-led sessions that focused on financial capability or online skills.

### Finding

#### Trainer-led group sessions can have a positive effect on financial capability - depending on the topic

Many older people, especially those with a lower income, are interested in maximising their income in retirement, be that through checking benefits entitlement or switching utility providers. Projects found that sessions on these topics were more popular, led to improvements in mindset and ability, and drove behaviour change.

There was a greater reluctance among older people to engage with sessions on planning ahead, although some took action around wills or power of attorney. Even small steps here are valuable and, generally, trainer-led sessions increase participants' knowledge about how to access advice and guidance.

One challenge identified by projects is that older people often self-report high levels of knowledge and skills before an intervention. As such, there can be limited room for improvements in mindset and ability. Projects also found that some audiences, such as those with English as an additional language, may initially suffer a loss of confidence after an intervention.

### Finding

#### Online skills sessions engage older people, but they don't necessarily use their new online skills to manage money differently

The right marketing and messaging are important factors in getting older people involved with online financial capability training. Effective 'hooks' seem to be learning about online safety or keeping in touch with friends and family, rather than banking. The challenge is how best to move the conversation onto money management.

The evidence shows positive financial capability changes to mindset, ability and connection. Most especially in terms of increased confidence – and alongside a heightened interest in online banking. There is less evidence of impact on behaviour.

### Insight

Group sessions alone can create interest and build confidence. They can also build ability in terms of knowing where and how to access advice and guidance. In order to drive financial behaviour change these sessions need to be combined with follow-up activities, possibly on a one-to-one basis.

### Worth exploring

Helping older people guard against financial scams is an important, untapped area. This is tested by one What Works Fund project, but as an element of a wider financial capability intervention. We also need to learn more about how to use intermediaries, especially those involved in key transition points.

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## About these findings and the What Works Fund

**Today we know more, so every penny invested can help people more.**

**From childhood to retirement, through our What Works Fund we now have three times more evaluation evidence on how to reach people in the UK and improve their financial capability. To quantity, add quality. Results include robust evaluations, accessible information and telling insights across the life stages.**

Launched in 2016, the programme has to date funded 65 financial capability projects up and down the UK. Partner organisations have targeted all ages using a range of approaches. For the first time, we've gathered substantial evidence on what works, what doesn't, why, for whom and in what circumstances, filling gaps in knowledge by answering some key strategic questions.

Greater understanding is needed in this challenging and complex area. To help more people make the most of their money – including changing financial mindsets and behaviours – activities must be as effective as possible. Every intervention needs to be grounded in evidence. That's why every What Works Fund project was thoroughly evaluated to a consistent benchmark, including several randomised control trials (RCTs). The ambition was single-minded: to turbo-charge what we know about improving people's financial capability.

To support and quality assure each project, we engaged three research and evaluation specialists: Ipsos MORI Public Affairs, the University of Bristol's Personal Finance Research Centre and Ecorys. Our partners also reviewed the programme overall. The findings in this booklet come from their main analysis of the What Works Fund.



### What next for What Works?

The programme's evidence will underpin the Financial Capability Strategy for the UK, which sets out a vision of cross-sector, collective impact to 2025. It will also help shape the commissioning plans of the new Single Financial Guidance Body (SFGB). The SFGB will bring together the Money Advice Service, The Pensions Advisory Service and Pension Wise and will officially take up its delivery functions in January 2019.

The What Works Fund is one of the UK's biggest single investments in financial capability interventions and evaluations. Two in three grantees used the funding to pilot and learn from new approaches. Others evaluated existing work, including scaling up current activity.

Beyond new evidence, the What Works Fund establishes the importance of evaluation and learning, using the evidence to refine activity and plan future projects.



## Findings to help millions more people make the most of their money

For further findings and free resources, go to [www.fincap.org.uk](http://www.fincap.org.uk)

Our reports from the What Works Fund, including evaluation reports on each project, are available to all at the UK Financial Capability Strategy website ([www.fincap.org.uk](http://www.fincap.org.uk)). Online, you can also find out about our Financial Capability Labs project, sign up to our IMPACT principles, use our tried-and-tested Evaluation Toolkit and explore wider evidence and insight on our Evidence Hub.

### Take a look to help deliver your financial capability project.

#### Thoughts from the What Works Fund projects:

“We realised that evaluation using traditional methods was not ideal and that we should use more inclusive, informal methods.”

“You need to fully understand the needs of an individual, their learning capacity, their health situation and lifestyle to deliver an appropriate service that will improve financial capability.”

“There was a much greater demand for financial confidence workshops amongst the target group than we had anticipated.”

“Showing that something did not work is just as valuable as showing that something did.”

“It has given us the ability to collect a wealth of data that we can use to both promote and improve our services.”

## Behind the findings

We would like to thank the wide range of organisations across the UK who generated new financial capability evidence through the What Works Fund, their evaluators and everyone who took part in the evaluations.

Thanks also to our own evaluation and learning partners: Ipsos MORI Public Affairs, the University of Bristol's Personal Finance Research Centre and Ecorys. This partnership helped to develop and deliver the What Works Fund; supported each project including quality assurance; and provided an evidence analysis of the programme as a whole.

For a list of What Works Fund projects and final reports, visit [www.fincap.org.uk/what-works-fund](http://www.fincap.org.uk/what-works-fund)



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