

Background

MyBnk is a charity that designs, develops and delivers financial and enterprise education programmes for 11-25 year olds. Our experts deliver these workshops in schools and youth organisations in England.

Our vision is 'to create a financially capable and enterprise-driven generation'. Our mission is 'to empower young people to take charge of their future by bringing money and enterprise to life'.

Our Theory of Change focuses on the development of an individual's financial and career wellbeing through the provision of financial and enterprise education.

Approximately half of our work is with:

- All young people aged 5-18, but particularly those aged 11-18, accessed through schools, predominantly for financial capability.

Approximately half of our work is with:

- Vulnerable young people aged 16-25, primarily accessed outside of schools, for financial capability, enterprise and employability.

Since inception in 2007 we have worked with more than 135,000 young people through 750 host organisations.

We evaluate every programme we deliver for impact across a range of skills, knowledge and behaviours. MyBnk also tracks how effective participants thought sessions were and the value teachers placed on our aims, outcomes and methodology.

Our flagship schools programme, Money Twist, has been given the UK's highest effectiveness rating of any youth financial literacy project by the Money Advice Service's (MAS) Evidence Hub. MyBnk also received the Impact Award from Project Oracle, The Mayor of London and Metropolitan University's children and youth evidence hub. In 2015 our survival money management programme, Money Works, won the Leaving Care Award from leading youth sector publication, Children and Young People Now.

Throughout this response we have concentrated on giving insights based on our own direct experience of designing and delivering financial education programmes.

Youth Financial Capability Group

MyBnk is a founding member of the Youth Financial Capability Group, comprising of organisations committed to unbiased, relevant and effective financial education. We have worked together to help shape the government's Money Advice Service Financial Capability Strategy for the UK, with a particular focus on the children and youth strand. MyBnk is joined on the group by ifs University College, Personal Finance Education Group, National Skills Academy for Financial Services, The Money Charity and Stewart Ivory (Scotland).

Our programmes:

Financial Education

Money Twist (Key Stage 3 & 4+5)



Award-winning programmes covering practical and relevant everyday financial matters including budgeting, needs vs wants, tax, consumer choice, interest, pensions and inflation.

Sporty Money Twist



An innovative blend of active games and discussion that communicates key financial messages like budgeting, tax and consumer choice in a physical, fun and effective way.

Uni Dosh



A targeted two-hour workshop for those about to leave school or college and considering moving on to university. Offers a comprehensive overview of student finance, bursaries and the cost of living.

Money Works



Money Works is a four-part programme for young adults moving into independent living to confront their money worries.

Money Advice Service



A one-to-one advice service offering independent, sales and jargon-free advice on all matters relating to personal finance.

Enterprise Education

Back My Business



A school-based enterprise experience using real money where young people are challenged to create businesses. They compete for 0% interest loans and MyBnk support in making their idea a reality.

Enterprise-in-a-Box



Featuring exclusive ethical products, this is a step-by-step guide to setting up a social enterprise. Workshops take participants on the journey of making a profit whilst helping people and the planet.

Business Battle



From drawing board to market in one week. Young people create, implement and evaluate their own business in a competitive environment using real money in a real community marketplace.

Mind Your Own Business



An entrepreneurial journey to rocket boost employability skills. This unique accredited programme gives young people hands on experience of developing an idea from conception to marketplace alongside corporate challenges.

Youth-led banking scheme

MyBnk-in-a-Box



Young people are trained to run their own online and on site school bank. A safe, accessible place to save regularly and borrow interest free loans to set up enterprises.

Summary and general comments (referencing questions 7-10)

MyBnk generally supports the direction of the Money Advice Service's (MAS) 2016/17 business plan and the 2016/19 priorities with the key reservations set out below.

We support MAS' aim to become a champion for financial capability and congratulate MAS for launching a detailed and ambitious Financial Capability Strategy for the UK in the last business year. MAS now needs to be more vocal and assertive in supporting and driving financial capability (fincap) and must not allow the fincap objective to decline relative to debt advice.

Specifically we are concerned the budget is being further directed towards debt advice. As leadership and core back office support are allocated exclusively to fincap, adjusted for these costs, the money ratio is nearly 2:1. This shift is likely influenced by the much clearer and measurable outcomes resulting from dealing with problem debt relative to those, longer term, mainly preventative objectives, addressed by financial education and capability interventions.

However, although less easy to measure, prevention is always cheaper than the cure, several times over. Furthermore MAS risks recasting fincap as exclusively financial resilience and, although we concur that MAS needs to concentrate efforts, it should not casually drift into this narrower remit.

As a champion of financial capability, MAS should make sure there are adequate resources to support the full remit. Furthermore, MAS highlights success in financial capability will be dependent on cross-sector collaboration, including relying heavily on the voluntary sector to collaborate with MAS and to delivery on its objectives.

The key risk in the plan is MAS increasingly shifting towards debt and diluting the fincap remit.

Financial capability relevant to young people.

The Business Plan aims to 'strike a balance between three competing categories of need':

- Helping people who are already in severe financial difficulty (the paramount aim of our debt advice work).
- Carrying out preventative work to ensure adults, children and young people have the ability to avoid severe financial problems in the first place.
- Helping people who don't have financial problems, but who could be making more of their money if they took better decisions.

Subject to concerns that fincap is being recast as financial resilience, we support MAS's general approach to segmentation and prioritisation. In particular for young people, we agree with the strategic aims of adding 'post-school young adults aged 16 to 24 who are less resilient to financial shocks, being defined as 'struggling' or 'squeezed'. We are very encouraged that MAS '*will support at least 10 projects testing Financial Education for young people*' and we welcome the support for outside organisations.

MyBnk is interested in participating in pilot interventions based around our survival money management programme, Money Works, designed for vulnerable young adults (16-25 years old) entering independent living. Originally developed for young people not in mainstream education, it has been broadened and deepened so that it is suitable for different cohorts, for example young single mothers, care leavers, offenders and those on social housing waiting lists. It has the potential to scale further and is delivered through over 50 partners, including almost every London local authority. Furthermore, we are working with Lloyds Bank via their Go-On UK project, combining financial capability with digital capability, with a specific concentration on the introduction of on-line universal credit. This could be supportive to MAS' objective *'to develop and deploy a budgeting tool for Universal Credit claimants'*.

We support Aim 6, *'widening and improving financial education'*. Consistent with our detailed response and testimony to the All Party Parliamentary Group for Financial Education's inquiry into effectiveness of money lessons in schools, our view is the priority is widening and improving financial education in secondary schools. MAS's focus on the real issues facing 16-24 year old vulnerable young adults is also welcomed. If resources are restricted we would place these groups ahead of e.g. primary school age children.

To this end, as outlined on page 71 of the plan, we applaud MAS working with the Education Endowment Foundation (EEF) to *'support/fund the evaluation of at least two large control trials of financial education'*. However, our understanding is that MAS is now considering testing only one intervention, and one that, consistent with EEF's objectives, is significantly orientated to improving academic attainment through embedding financial context and examples in maths. We are supportive of testing this approach. But our view is MAS (and EEF) should test multiple approaches and interventions with the objective of improving financial capability per se and to suit different schools and students

Across all ages MAS is to allocate £581,000 towards pilots and £1,681,000 for evidence and evaluation of financial education. We question whether this sufficient. From the information presented we understand this includes the joint project with the EEF. We again highlight the contrast detailed on page 50, which shows 14% of MAS' £30.1 million fincap budget is to be directed to support delivery and a further 20% for pilots; for the larger debt budget, the percentage is 87%

So, although MAS, as stated, *"...will conduct trials, pilots and research into money management skills, sharing the evidence base with the third sector, private sector and Government, along the successful lines of other centres of excellence dedicated to proving and communicating 'what works'"* the risk is that funding limits on these activities, and the narrowness of the evaluations, could leave MAS being able to evidence one or two interventions that work but not 'what works' in general.

The additional aim of MAS to achieve these objectives is *"Helping others to achieve their impact"*. MAS is also to *"continue a programme of work to help not-for-profit providers build their internal evaluation capacity ... to enable providers to measure more consistently the impact of their interventions and ... improve the effectiveness"*. There will be a particular focus on *"improving understanding of the unique financial education needs and barriers faced by particularly vulnerable children and young people"*. This objective needs large-scale collaboration from the voluntary

sector, in particular those at the forefront of financial capability interventions and also to go beyond the social sector to loop in industry. MyBnk and the Youth Financial Capability Group are currently collaborating to assess our collective impact and investment readiness. In principle, organisations such as MyBnk and our partners, would like to provide these interventions, but in practice we find it increasingly challenging to fund consultancy work for MAS at the detriment of frontline delivery of our tried, tested and evaluated financial education programmes for young people.