

Background

MyBnk are a financial and enterprise education charity working with young people, aged 5-25.

Our vision is of a financially capable and enterprise-driven generation. We have co-created with young people and experts a suite of high-energy and high-impact programmes covering topics such as saving, tax, debt, budgeting and university finance.

We work with mainstream and disadvantaged young people through schools, and vulnerable young adults out of school (care leavers, young offenders, single mothers, those on employability schemes etc.) We provide our services in the London area and through a network of operations in the South, South-West and North West. We train, support, and evaluate around 40 Education Officers to deliver this work.



We structure what we do to be relevant and appropriate:-

- **For 5-11 year olds:** Behavioural - introducing money concepts, developing positive mind-sets and habits; involving teachers and families through extension activities.
- **For 11-18 year olds:** Preventative – developing core money knowledge, skills and confidence, structured within a financial journey to build capability.
- **For 16-25 year olds:** Survival - focusing on those entering independent living, in particular the vulnerable, but including students and apprentices.
- **For All:** Inclusive, catering for a variety of special educational needs and circumstances.

Major MyBnk programmes include a financial capability initiative aimed at preventing youth homelessness, *The Money House*; contextualising financial education programmes for young people with sight and hearing loss, *Money Mechanics*; and, with nineteen of the UK's leading investment companies, expanding work with primary schools, *Money Twist KS 2 for Kickstart Money*.

Since inception 10 years ago, our programmes have directly benefitted 190,000 young people in 1,000 institutions. Last year we armed over 26,000 young people with practical money and enterprise skills, including helping young adults move into independent living, and bringing business ideas from drawing board to market place with interest free loans.

We also collaborate and consult domestically and internationally with those that wish to benefit from our expertise in programme development, training, or impact and evaluation. Most recently examples include devising a curriculum for young people in Ghana with Prudential plc, and a specialist project concerning energy poverty.

We continually evaluate the impact of our programmes, currently working with independent evaluators through the *Money Advice Service's (MAS) 'What Works Fund'*. In 2016 MyBnk won a Guardian Charity of the Year Award and The Money House won the Guardian Public Service Award 2016 in the category for Housing. In 2015 our intervention programme, Money Works, received the Leaving Care Award from Children & Young People Now, and in 2012 we won the Prevention of Poverty Award from the Centre for Social Justice.

MyBnk grew rapidly from 2007 with turnover rising above £1 million in the last three years. Approximately 80% of income is from trusts, foundations and donations and 20% is earned income from sales, contracts and consultancy.

The Mayor's position paper comprehensively sets out the negative consequences of a lack of financial inclusion and we do not intend to add to the examples cited. Much of the commentary focuses on lack of access to services and/or inappropriate products. We concur with these manifestations. Our focus in this paper is to focus on the objective of 'ensuring every adult can access financial services in affordable ways that meet their need.' This means considering the positive and aspirational objectives of financial inclusion and, as highlighted in the Scoping Paper, the role of financial education. Our submission concentrates on financial education and is derived from our direct experience.

MyBnk is happy to offer an open invitation to members of the Committee to see one of our sessions in action.

• **The extent of financial exclusion in London**

MyBnk has worked with every London borough. We have delivered Money Works, an eight-hour survival money management programme for vulnerable young adults in or entering independent living. Working directly with local authorities we run The Money House, a simulated living programme in a real flat. At present we have a flat in Greenwich and Newham, serving individuals from within those boroughs and the neighbours and. Our experience is that not enough is done for those not in employment, education or training (NEET), leaving care, young offenders, in pupil referral units, ESOL learners, refugees and asylum seekers, or those with sensory impairment. There are potentially disjointed services across boroughs and within boroughs. For example, Greenwich follows the Positive Pathways model to join housing and youth services coordinating through a physical youth hub. Our experience is this approach facilitates co-working between council departments and third parties. In contrast, Newham's housing and children's services and our key stakeholders work in a regular, but ad hoc, manner. Furthermore, our stakeholders are suffering high-staff turnover meaning that expertise and experience is lost.

We have worked with more than 500 schools in London and have directly experienced the negative impact of restricted and falling school budgets on financial education. As referenced in the Mayor's report, our experience is that, although financial education is on the secondary school curriculum, not every student is getting financial education, and even fewer receive effective and evaluated financial education.

It is not enough for 'something' to be done. The intervention must be relevant – age and situation appropriate, ideally at points of change, - and engaging. **It must meet needs and challenges and**

there needs to be evidence of making a difference. As such, interventions need to be developed with significant input from young people themselves. Finally, interventions must be considered in the context of how the recipient of such is to be reached and who is going to do it, with what training and support. For example, when working with single parents we ensure child-minding is in place; for young adults we fully incorporate digital financial capability; when working with schools we send multiple trainers to exploit 'limited' off-timetable days in the curriculum, often referred to as 'drop-down' days. Elements such as these are often under-planned compared to producing resources. We are concerned that there is too much emphasis on outputs, such as teacher packs, and not enough on outcomes.

Our experience is young people are under-prepared to live independently. This will manifest when they, for example, go to university, take on a first job, or leave local authority care. Specifically, they may lack knowledge of the financial 'game' and the rules they must play by. They tend to lack knowledge of the true costs of living, the low wages they may start on, the deductions that will be made to those wages and/or the benefits they could access, relative to cost of their desired lifestyles. They lack the tools to navigate their financial lives and they may be burdened with negative habits developed in childhood and teenage years. If they get into debt they do not have a good sense of how to prioritise debt repayment.

A key contributor to financial stress for young adults is a lack of affordable housing, for example in Newham, those leaving care are put into the private renting sector, meaning they are subsequently very likely unable to sustain tenancies. For those in jobs or at university, struggling to get by every month, getting into debt and not able to save for their future are the main challenges. For both categories, ill-informed or inappropriate spending and budgeting exacerbates issues. Payment arrears leads to an increased risk of homelessness or at least a poor credit rating. Not accessing the best deals/being uninformed customers will push up costs, not understanding and using effectively the right credit choices can build high-cost debt. A lack of trust and an inability to meet KYC (Know Your Client) requirements means many vulnerable young people we work with do not have a bank account.

Finally, we find that digital natives are not necessarily experts in the digital skills they need to make best use of money. Chaotic lives can lead to spending on, for example, addictions, or being tempted to make money illegally.

- **What has worked well and what areas could be improved?**

Outputs: Provision

Generally, good-quality resources are developed and are available for use from a variety of organisations across the age groups, but, in particular, for secondary schools.

Under-developed is training and delivery, evaluation and the consistency of provision that could bring. Funding to provide such is always a constraint. Schools face competing priorities within a crowded curriculum, and in many cases, this limits the investment in curriculum time and teacher training they are prepared to make to develop expertise in financial education. In instances provision is free for schools at the point of access, it's crucial that is of high quality to make a lasting impact on young people.

In our experience support for financial capability, from an organisation with 'brand recognition' such as MyBnk, is well received by schools and youth organisations. Our approach is to focus very early, at primary school age, looking to talk about money and set good behaviours such as smart-spending and savvy-saving. In secondary schools we work to show the positive power of money and build knowledge, skills and ambition for young people, to motivate themselves to use money positively, and recognise how to avoid the traps. At age16+ the emphasis is on real world living, building their skills and abilities to make informed financial decisions, particularly when they are in vulnerable life stages, on low incomes and/or struggling with costs.

We find that demand tends to outstrip our funded-ability to supply. For example, in the last two months we experienced a surge in demand from London schools as we made available our secondary school programme fully-funded for a limited period, thanks to support from MAS, rather than requiring a contribution towards the cost. We were not able to fill all the demand released.

Although we are successful in attracting corporate funders to collaborate to deliver projects with our experts, such as Money Twist KS 3-5 with backing from Prudential plc, or the Kickstart Money (primary level), these tend to be project specific and/or time limited. Charitable trusts and foundations have a general reluctance to fund provision they regard as statutory.

Facilitating the delivery of financial capability programmes to young people who are financially excluded is a particular challenge. It costs MyBnk money to work with these cohorts as we have to employ a team dedicated to sourcing and maintaining relationships with partner organisations. We are very successful in repeat bookings but signposting and datasets of key workers are scarce. In terms of reach, 46% of our work is with vulnerable young people and those deemed financially excluded. It has risen 11% this year - but we are scratching the surface in terms of need.

Quality & Methodology

MyBnk believes teachers need help, as many simply do not have the time, skills or confidence to tackle something that is not tested or taught or is barely on most of the National Curriculum. Last year the Money Advice Service said just 7% of 7-17 year olds have talked to their teachers about money and only 1/3 of parents talk to their children about it.

Our charity's approach to teaching young people about money is different to the norm. Unlike many providers we don't rely on volunteers and remote online resources. Our independent experts design money skills and enterprise workshops with young people, then, deliver these directly in schools to ensure quality.

MyBnk Education Officers are selected carefully for their ability to engage with young people and young adults. Our team is made up of teachers, youth workers and people who have worked in the financial sector. They are trained in core subject knowledge, group management techniques and the programmes. High and consistent quality is ensured through ongoing professional development modules, like behaviour management and safeguarding coupled with quarterly observation and regular testing of core subject knowledge.

We believe to be impactful and for us to make use of limited time and budgets available, it has to be:

Specialist: Delivered by specialist and experienced trainers.

Unique: Embrace creative and new teaching methods to maximise learning.

Participatory: Young people learn by doing and our Youth Advisory Panel meet regularly to advise and co-create programme content, brand and resources.

Effective: Programmes should be designed to be suitable for a wide range of young people in different settings, allowing for different abilities and learning styles.

Relevant: We use real life stories, examples and videos to bring money and business to life, in a relatable way for young people.

MyBnk takes a holistic approach to education, using real life case studies, colourful resources, games, videos and links to popular culture to bring it to life. We cater for audio, visual and kinaesthetic learners with many extensions and ability variations. Sessions challenge negative attitudes and build self-belief

Outcomes: Impact

Impact measurement is an area we take very seriously. For every session we deliver, we collect impact data from teachers, facilitators and young people. Participants complete baseline and end line questionnaires, and go on to join focus groups and give interviews, to track longer-term impact.

Results this year continue to demonstrate high quality learning outcomes. Our largest impact was in 'Personal Finance', the most technical area, containing, for example, knowledge of tax, insurance, credit and the impact of inflation. Our programmes are currently being further independently evaluated via the MAS 'What Works Fund'. Results will be available in spring 2018.

Programmes are designed to provide short, intensive educational experiences that 'join the dots'; and build up young people's existing capabilities. We are currently trialling this theory with Tomorrow's People on their employability programmes.

We are also certified to a Standard 3 by the children and youth evidence hub, Project Oracle.



- **What role should Government, the charitable sector and business play in promoting financial inclusion?**

For financial education, the government and its agencies, in collaboration with the wider sector can help in:

- Setting objectives for financial inclusion and capability.
- Develop evidence of 'what works' and of quality provision, to guide teachers, youth workers and service commissioners.
- Articulate specific objectives, needs and gaps in provision.
- Encourage and facilitate collaboration amongst a range of stakeholders, in particular intra- and inter-borough departments and services responsible for supporting vulnerable young people.
- Directly commission effective provision and set accountability.

We are encouraged by the progress of the Financial Capability Strategy for the UK, the MAS Evidence Hub, and What Works fund. In spring/summer 2018 the results of significant evaluation will be available. This will be a crucial time for financial education. We hope and expect that such evidence will be used by government and corporates to scale interventions that have good evidence of impact.

The charity and corporate sector, in particular the financial services sectors need to work together to prevent financial exclusion and to provide holistic interventions that are proven to work. Charities tend to be closer to the grassroots and can provide more tailored independent solutions. We can work better with business if these services are integrated into their CSR agendas and outreach offerings. Help also comes with lending expertise, and resources in developing programmes and of course, direct funding to provide these solutions.

However, government is vital to provide a consistent view of and comprehensive support for effective financial education. It is unrealistic to expect corporates to consistently fund, for example, financial education that is on the secondary school curriculum and should be provided, at quality, to all. Corporates tend to concentrate on projects, will demand public relations impact and will likely link financial aid with volunteering aid. Where they provide education themselves they will be driven by a range of corporate objectives; an independent education establishment or charity will have missions and objectives directly related to the good of the young person.

- **How could the Mayor work with the charitable sector and business to support and promote financial inclusion?**

The Mayor can work to support all the general aims outlined in the government section. More specifically, we believe the Mayor is uniquely placed to substantially improve the financial capability of vulnerable young adults and improve their financial inclusion.

The Mayor's Office works with every local council, has deep relationships with the capital's businesses and services and a prominent voice throughout the city. Your support can be a catalyst to expand provision through a network of partner organisations, including local authorities and councils, housing associations, young offender institutions and youth groups, to ensure those most in need are helped, by working with organisations such as MyBnk. With the support of the Mayor's

Office behind the charitable sector as a whole, and MyBnk specifically, there is scope to ensure that provision is consistent, increased and effective, to support greater numbers of young people at a lower cost per beneficiary. A partnership between MyBnk and the Mayor's Office will show London's commitment to supporting young people who are most vulnerable. You have the contacts and influence to encourage and cajole services from housing to leaving care to work consistently and collaboratively within a common goal and framework to achieve this aim.

As a partner MyBnk, would ensure provision for vulnerable young adults will be innovative, engaging, and relate to the Mayor's objectives in the scoping paper in three main ways:

1. Support young Londoners to develop the numeracy skills, and an understanding of finance necessary to leave independently – 'Learning by doing' in a supportive environment gives participants the knowledge, skills, and confidence to take responsibility for their own financial wellbeing and resilience.
2. Unite digital inclusion with financial inclusion – Most of the products and services offered by the financial service sector are now provided online, from banking apps, to budgeting tools, debt advice, and online payments. In 2016, MyBnk partnered with leading digital skills charity, Go ON UK, and Lloyds Bank, to conduct a pilot in Lewisham - incorporating elements of digital literacy, skills, and safety, as an integral part of the MyBnk financial educational programmes. The pilot was hugely successful and the learnings have been included across MyBnk's programmes for vulnerable young people.
3. Robustly evaluated – from an existing strong base, MyBnk is working with the Money Advice Service's What Work Fund, to generate enhanced tangible, observable, and measurable outcomes for both programmes, with results due in spring 2018. Results should generate public interest in the Mayor's office's work, with outcomes shared with all relevant stakeholders.

Recommended links

MyBnk's financial inclusion programmes - <http://mybnk.org/programme-types/financial-education/>

MyBnk Annual Report 2016 - <http://tinyurl.com/yae966oa>

MyBnk case studies - <http://mybnk.org/mybnk-programmes/financial-education-case-studies/>

Mybnk impact videos - <https://www.youtube.com/user/MyBnkChannel/playlists>

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