



MyBnk's Dormant Assets Consultation Response

⚡ Q15 (Why Youth)

MyBnk is a charity that delivers expert-led financial education programmes to 5–25-year-olds in UK schools and youth organisations – directly, virtually, and online. Together with young people, we have created innovative, high impact and high energy workshops that bring money to life. We are now the largest, specialist financial education charity in the UK, delivering financial education to over 300,000 young people since **2007**. MyBnk also has the UK's strongest evidence base on the impact of financial education. This experience is shared with civil society and via consultancy services for other organisations to drive systemic change.

Children and young people are exposed to money and will make money choices from an early age. Early intervention to breed familiarity with money and set positive habits is *linked to positive outcomes in later years, with adult money habits forming from age seven (MaPS, 2013)*. Half of young people worry they will never be financially stable (Prince's Trust, 2021), 18-34-year-olds in the UK are almost twice as likely to be a scam victim than those aged 55 and above (Visa, 2022) and 36% of 11–16-year-olds have gambled in the last 12 months (GamCare, 2021).

Financial education improves financial capability and reduces the incidence of homelessness, particularly for young people in vulnerable circumstances. 72% of primary school students delay spending gratification (Substance, 2021), 59% of teenagers plan to make different spending decisions (Substance, 2018) and less than 2% of young adults face eviction (ERS, 2021) after MyBnk **programmes**.

With the current context of the cost-of-living crisis and the economic fallout of the pandemic disproportionately impacting young people, there has never been a more important time to support this age group. Although £110 m has already been allocated to improving employment opportunities for young people, the aspect of financial education has largely been ignored. We call upon the DCMS to specifically include financial education and (the improvement of) financial capability within Financial Inclusion or, for young people, within Youth, requiring the TNLCF to action in the Distribution phase.

⚡ Q17 (Why Financial Inclusion)

We call upon the DCMS to specifically include financial education and (the improvement of) financial capability within financial inclusion or, for young people, within Youth, requiring the TNLCF to action in the Distribution phase.

Financial Inclusion is described as 'the development of individuals' ability to manage their finances or the improvement of access to personal financial services'. In the Statement of intent for the dormant assets financial inclusion programme (20 March 2018), DCMS, OCS, HMT, DWP, National Lottery and FCA jointly stated:



'... we have to address financial capability and financial inclusion together (our emphasis) if we are to make a difference. This means the use of funds from dormant bank and building society accounts must complement the work of the Money Advice Service – and subsequently the Single Financial Guidance Body,' (now the Money and Pensions Service or MaPS). The intention stated was to 'build upon existing work and findings' and 'support services that respond directly to the needs of the people they serve'.

We endorse the definition, Statement of Intent and building on existing work (to which MyBnk contributed) but are concerned that the financial capability component of financial inclusion is not being built or supported. As far as we are aware, no dormant asset funds have been allocated to financial education and capability, whereas £100 m has been allocated to increase access to fair and affordable financial products. Whilst we appreciate financial inclusion is improved by better access to more affordable goods and services, individuals must be able to make good financial choices to benefit from these. They are confronted by a barrage of advertising, financial tips and guidance linked to spending. **There is a shortage of free or affordable relevant, independent, and proven financial education, such as programmes provided by MyBnk for ages 5-25, aimed at helping people make choices that are in their best interest.**

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Supporting financial education and capability is consistent with the principle of additionality. The government endorses financial education in various forms but does not specifically fund it through the DfE or DWP. MaPS' budget allocated to financial capability has shrunk significantly in the last few years from over £6 million to under £2 million, leading MaPS to emphasise their coordination rather than funding role.

We would be pleased to share evidence of **impact** and to discuss how limited resources could be used to maximise impact and to leverage further support. In the **Joint Policy Position** of the Youth Financial Capability Group, MyBnk focuses on relative need, the opportunity to act, and the ability to scale proven interventions. That means working with children of primary age (to talk about money and set positive habits), young adults who cannot afford mistakes such as care-leavers, those who are NEET, new immigrants (practical strategies to survive and thrive) and young adults entering independence (making money choices now).