

Consultation question 1: What time period should the Financial Capability Strategy cover?

The strategy talks about the changes to take place over the next five years—a reasonable timescale for seeing initial changes take place. The period needs to allow for development across the sectors, implementation, review, and bringing into place further changes based upon the review. Such a timeframe would allow for new programmes to be rolled out and trialled, ongoing evaluation of the impact of programmes, and for government policy and funding to align both with the priorities. In addition it allows for ongoing evaluation, thereby ensuring the strategy stays live. A more major review in five years would allow adequate time to then evaluate its effectiveness.

Consultation question 2: What is your view of the Financial Capability Framework?

The Framework covers a broad range of areas and perspectives, and it is important to see that it has integrated attitudes and motivation as well as skills—the acknowledgement is relatively recent when looking at financial capability. In addition, the inclusion of areas not generally associated with financial capability—such as communication and social norms, is important for ensuring that the framework remains holistic and offers a broad approach to supporting capability.

We feel that it is important to emphasise consumer culture throughout the framework and strategy, to ensure that changes that are implemented take place not just at the individual level, but also looking at societal influences and what can be done to build more positive culture in which to manage one's money. If these things are missed, it risks putting all the onus on the individual, whilst ignoring the impact of wider society.

In looking at the individual frameworks, there are key factors included in that for adults which we would feel are equally important for children and young people, in particular communication and digital literacy. Whilst attitudes to receiving money advice maybe less relevant for children and younger people, attitudes to receiving support and guidance are key for the longer term. Young people are often reticent to admit they need support, and thus this key attitude should be emphasized from a young age. Attitudes to the future are also an important part of aspirations and goals for young people however is not highlighted in the framework for young people. Again focusing on this will support the development of positive attitudes towards money, to them take with them into adulthood.

Finally, for both groups we would argue that critical thinking is a key component to financial capability that is missing from the framework. This skill is crucial in allowing in particular young people and adults, but also older children, to critically engage with consumer culture, advertising & branding, the financial sector, and the pressures they face from family & peers, all of which will influence our ability to manage our money.

Consultation question 3: How far do you agree with the objectives of the Financial Capability Strategy?

The objectives cover a range of areas, enabling the strategy to cover a broad range of factors when looking at its implementation. We agree with those objectives laid out, and we also feel that when looking at the individual, there is more than the two highlighted areas (ie better financial skills & knowledge, and more positive attitudes and motivation). In addition, building confidence is key as this enables these both to be put into place—and whilst this confidence may come from having

better financial skills and knowledge, our experience is that it may also fall outside of this and thus be an area of focus within itself.

The objectives within the strategy focus primarily on the individual and the financial sector. We believe that greater influence needs to be placed on looking at the wider context within which we operate. This includes consumer culture, the financial services sector, and the need to look at ways in which advertising, particularly to those most vulnerable to it such as children, is regulated—whilst also supporting the skills that enable individuals to think critically and make informed decisions despite in the context of these influences.

Consultation question 4: What is your view of the financially capable behaviour domains?

We would agree that all the domains covered are important to positive money management. In addition, we feel that critical thinking is a fifth domain that is crucial for improved financial capability. Critical thinking is key to ensuring the ability to filter outside influences, and make individual decisions even within the context of negative pressures from those around us and society. This includes the ability to critically analyse consumerism and the pressures it places upon us, to make decisions such as healthy credit choices within the context of the range of options pushed on consumers, and to, as much as possible, individuate from the advertising and branding that surrounds us.

Consultation question 5: How important is it to measure financial wellbeing to help measure the impact of the Financial Capability Strategy?

Whilst these are not the only areas that those working within the financial capability sector would want to measure, this is an important tool for looking at general trends regarding financial capability and the direction this is taking across the UK. However it needs to be recognised that the power of influences outside this strategy are difficult to differentiate from the work taking place—for instance the impact of benefits cuts or housing issues which have a direct influence on one's financial situation, and thus would impact there on the ladder one sits. Thus looking at how one might analyse the impacts of these, within any evaluation of financial wellbeing, would help to give a more accurate picture of wellbeing across the UK and of the impact of the strategy.

Consultation question 6: What are your views on the priorities for action that have been identified as a focus for the Strategy? Should any additional areas be added?

We feel that the strategy covers a wide range of groups covering large swathes of the population. It is important to see a focus on influencing social norms, and we would encourage that this includes looking at consumerism for the reasons outlined above.

Our experience is that in addition to these areas, people in states of transition are also a key priority. People facing changes may not be in current financial difficulty, but may be particularly vulnerable to future financial hardship—such as changes of income due to having a baby, changes to family circumstance, bereavement, etc. Ensuring that people are supported at these key moments could help to mitigate future financial hardship.

Consultation question 7: How far do you support the Strategy's aim for children and young people?

We would absolutely agree with the need to emphasize the strategy's focus on children and young people. As discussed within the draft, both skills and attitudes are formed from a young age—thus this needs to be openly supported both within the family where possible, and outside the family, from a very young age.

Once again we feel that building confidence, which whilst part of is also separate to financial capability, is an important point to bring into this aim—thereby increasing the ability to put into practice the skills and mind sets developed as children grow into young people and adults.

Consultation question 8: What is your view of the recommendations for action relating to children and young people? How could they be improved?

The recommendations cover a range of ways to address supporting children and young people, which we absolutely support. We back the call for adding financial education to the primary curriculum, and would encourage that this is looked at carefully to be relevant and engaging, but also to go beyond basic money skills, but also looking at attitudes and values towards money and support a holistic approach towards money. Once again, supporting critical thinking is an important skill for young people.

In addition, parents and carers need to be given the skills to teach about money at home, and look at what behaviours and values they model to their children. Thus whilst this ties into the strategy for adults, it also is a separate group of skills relating directly to confidence in teaching children both within the home and outside, and of ways to model good money management.

The strategy places the emphasis primarily on children / young people, their caregivers, and on learning environments. Looking at the influence of the outside environment such as of the consumer and advertising sector on children, and ways to regulate and mitigate its negative influences, is also a crucial area to examine as part of the strategy. Supporting children and young people to be conscious of and question peer pressure also plays a role within this, again supporting their ability to make individual decisions that contribute towards good money skills.

Consultation question 9: How far do you support the Strategy's aim in respect of preparing for later life?

This is a very important aim, one that ties in with the other aims and thus is quite central to this. The baseline for this, of making ends meet, is very low. Whilst it does leave the space to aim to support people to achieve higher levels, this needs to ensure that striving for more than “making ends meet” is central to its implementation, and looks at ways to ensure confidence in managing the changes people face as they enter later life.

Consultation question 10: What is your view of the recommendations for action relating to preparing for later life? How could they be improved?

Whilst we would agree that these are all very important recommendations, the challenge within implementation is the basic fact that a large number of adults are struggling to make ends meet due

to low wages and benefits, and high costs of living. Thus placing the emphasis on the individual to manage their money better, save more, opt into pensions, and to the pension sector to look at its products, does not address the fundamental mismatch between low incomes and high costs of living that prevents many people from saving for the future, as the emphasis is on managing on a day to day basis. Whilst addressing this mismatch may fall outside the strategy, acknowledgement of this would carry weight to look at how this falls within other government strategies. In addition, it would ensure this is addressed when looking at evaluating the impact of this aim.

Consultation question 11: How far do you support the Strategy's aims for older people?

We support looking at financial capability for older people. However this falls outside our area of expertise within our current financial education work, and thus do not feel best placed to comment on the aim or recommendations.

Consultation question 12: What is your view of the recommendations for action relating to older people? How could they be improved?

Consultation Questions 13: How far do you support the Strategy's aims for people with financial difficulties?

This is an important area to look at. With regards to the way the aim is addressed, once again, the emphasis for this lies with the individual—and thereby makes an implicit assumption that financial capability will enable a majority of people to avoid over indebtedness. This does not address low wages, high cost of living, or consumer pressures. We would argue that whilst financial capability skills are key, so is a wider, more holistic approach to addressing and avoiding financial difficulties.

Consultation question 14: What is your view of the recommendations for action relating to people with financial difficulties? How could they be improved?

As above, looking holistically at how to prevent people from reaching difficulties is key to this in addition to those recommendations laid out. Our experience is that the path to financial difficulties is rarely simply about needing to manage money better, but instead a more complex journey that is not just about the individual but also about the external pressures and changes they face. We feel this wider context needs looking at to truly address financial difficulties.

Regulation of and greater funding for debt advice, so that there is greater equal access to free debt advice across the UK, would also support those facing problem debt, especially in areas where there is less support currently available. In delivering our national facilitator programme, we often hear about the lack of services outside of London, and the range of qualities of services. Thus ensuring easily accessible, high quality advice across the UK would enable people to access free, quality advice that would help in tackling difficulties. In addition, supporting these services to then look at how to help people avoid falling back into financial difficulties in the future is an important next step. For debt advice providers, we have regularly been told that they were drawn to running the Made of Money programme as they want to stop the revolving door of debt advice—something not yet integrated into many services.

Consultation question 15: How far do you support the Strategy's aims in relation to the ease and accessibility of products and services?

Again this is an important aim, one that is particularly important not only for those with access issues or who lack skills such as around digital inclusion, but also for people in more rural areas who may have significantly less options with regards to products and services available to them. Thus the range of access issues covered should ensure it looks at the multiple barriers faced both by individuals and communities.

Consultation question 16: What is your view of the recommendations for action relating to the ease and accessibility of financial services? How could they be improved?

Consultation question 17: How far do you support the Strategy's aims in relation to influencing social norms?

This aim is incredibly important, and we see it is key to balancing the responsibility placed on the individual with regards to financial capability. We would suggest that the important factors of this—as described in the precursor to the statement, be included in the actual aim thereby ensuring that those who read this are aware of the multi faceted aspects of the influences people face.

Consultation question 18: What is your view of the recommendations for action relating to influencing social norms? How could they be improved?

Whilst the aim about social norms invites a wider, more holistic approach which is very much welcomed, these recommendations appear to once again place the emphasis on the individual. Whilst we feel that critical thinking and interventions to encourage to encourage behaviour is important, we would like to see responsibility placed on companies, the media, and the advertising industry to bring about changes which support financial capability.

Whilst particularly key for children and young people who are very vulnerable to advertising, this is also key to adults who also are bombarded with messages from the media, advertisers, and companies looking to sell their products. Giving people, from a young age, critical thinking skills, and the ability to counter such messages is also key. Ensuring this is seen within the wider context of culture, not as “fringe” would help to increase its power. In addition, boosting confidence to make own, educated decisions, in the light of pressure from peers and family, is complex and involves cross working that involves more than education around money management.

Consultation question 19: How far do you support the Strategy's aims relating to evidence and evaluation?

We absolutely back this need to look at evidence and evaluation across the sectors, and are very pleased to see such an emphasis on this throughout the process and the strategy. Through Made of Money's national facilitator training programme we hear repeatedly that organisations lack simple, effective tools with which to monitor their work, and thus welcome the tools we provide as part of

our trainings. Thus we are aware first-hand of the need for quality tools to monitor not only local initiatives, but also to then enable looking at the impact of the strategy across the UK.

Consultation question 20: What is your view of the recommendations for action relating to evidence and evaluation? How could they be improved?

We would welcome seeing these recommendations take shape. We feel that more widely available accessible tools, that are easy to use and extract data from, play a key part of looking at impact. We would encourage that the framework and accompanying tools be easy to use for all sizes of organisations and for the individuals then using them, and that adequate support to setting up systems within organisations and building this collection into daily practice be made available.

Consultation question 21: How would your organisation like to be involved in further development of the Strategy?

QSA has found the process of being involved in the working groups for the Strategy to be very interesting and informative, and have been very pleased to be able to actively support the process. We would thus like to continue this involvement where useful for the Strategy. In particular our expertise around working with families, and children within the context of the family, feels valuable to the development of this key aim. We have nine years experience in working with parents and children around these issues, and in developing resources and programmes to address these needs. In addition, our focus on impact and our good practice in this area means we are happy to share this expertise, as well as any other that is useful to the further development of the strategy.

Consultation question 22: What role do you see your organisation playing in the implementation of the Strategy?

Quaker Social Action delivers a range of financial education projects.

- Made of Money is our longest standing financial education project, working with parents families within east London to offer a holistic approach to financial education whilst training professionals across the UK to deliver financial education within their communities. In addition we target specific groups of particular need, such as our work with women accessing domestic violence services and staff within refuges.
- Futureproof brings the Made of Money model to Haringey residents and professionals, thereby increasing financial capability and capacity within the area.
- Skint! offers a fun, interactive graphic novel and accompanying resources for young people across England, and training for professionals in delivering with young people—in partnership with Groundwork UK and the Scottish Book Trust.
- Our newest project, Moneytalk Bournemouth, brings these models to Bournemouth residents and professionals.

Through these projects, we bring a wide ranging, holistic approach to financial education across the UK—one that addresses not only money skills, but also looks at attitudes and values to money, consumer culture, advertising and branding, and for parents supports their confidence in teaching their children about money.

We will actively deliver financial education, both for individuals, and professionals across the UK. We continue look for areas of need, and ways that we support these needs where appropriate both locally and nationally. For instance our Down to Earth project supports people on a low income in planning a funeral, whilst our funeral poverty campaign works with government, the funeral industry, and the public to find solutions so people on low incomes can access meaningful, affordable funerals.

We will thus be an active part of the implementation of the strategy through our work and through our continued monitoring of its impact, which feeds directly back into our work.