Financial Capability Strategy for the UK

Evidence and evaluation in the UK financial capability sector

Summary

The overall aim of the Strategy's evidence and evaluation strand is **to accelerate learning, and to increase the impact of limited resources devoted to financial capability building, through the consistent evaluation of interventions.** This strand underpins each of the other Strategy workstreams and will be fundamental to the Strategy's success.

It is only by developing a thorough and robust understanding of what interventions[1] are most effective in improving people's financial capability that the biggest impact can be made to people's lives, and resources put to their best use. There is a clear desire among financial capability practitioners and funders for better evaluation to understand their impact, and for a more strategic approach to the use of existing evidence. However, there is currently a lack of appropriate and consistent guidance aimed at this group about how to achieve this in practice. The aim of this integral strand of the Strategy is to harness the increasing appetite amongst financial capability providers and funders to become 'learning organisations'. Learning organisations commit to evaluating the impact of the interventions they fund or deliver; sharing the evaluation results openly with other organisations; and using the evidence to drive decisions about the types of projects that are resourced, and the way in which they are delivered.

The Money Advice Service will work in partnership with other key organisations to support the growth of an evidence and evaluation culture across the sector,[2] and as part of this will lead on the development of a common evaluation toolkit. This toolkit will be developed over the coming months, and a first version will be ready for piloting in early 2015.

In order to achieve the aim of this Strategy strand, the recommendations are:

- Financial capability funders, researchers and providers should commit to the evaluation and evidence principles set out alongside this Strategy. These aim to encourage consistent impact evaluation using standard outcome frameworks and an open sharing of results to create a common understanding of what works.
- Relevant organisations, including the Money Advice Service, financial capability providers, research institutes and academic bodies, should conduct research and evaluation to fill the key evidence gaps.
- Funders to direct funding to programmes that have been shown to work or to new and innovative projects with evaluation built in.
- Providers to commit to using evidence to inform delivery decisions.

1. 'Financial capability sector' refers to all those organisations involved in the provision of interventions designed to improve people's financial capability and wellbeing, either as a sole focus or as part of a wider programme. This includes funders, commissioners, providers and other supporters of those interventions.
2. 'Interventions' covers preventative and educational financial capability programmes; the provision of financial information and practical tools; and tailored money and crisis debt advice. It includes those interventions that focus solely on financial capability as well as those in which it is part of a wider objective (eg. employability programmes).

The importance of intervention level evaluation

Evaluation at the level of individual interventions or projects is crucial the development of a sound understanding of what works most effectively to increase the financial capability of different groups of people, in different contexts, and to change their financial behaviour in a sustained way.[3]

Supporting the further development of an evidence and evaluation culture within the financial capability sector is a key priority for the Strategy. The aim is to embed a commitment to both generating and using robust evidence to drive decisions about the funding and delivery of financial capability interventions. All commissioning and delivery bodies working in this area should share this commitment to evidence and evaluation, regardless of their scale or focus.

The following proposals have been developed with the expert input of members of the Money Advice Service's Research and Evaluation Group (REG),[4] and many other key stakeholders from across the third sector, public sector and financial services industry who have participated in workshops, interviews and meetings. Their expert advice and guidance has been invaluable to the formulation of these proposals.

This is your opportunity to shape the Financial Capability Strategy for the UK's approach to supporting evidence and evaluation in the financial capability sector:

- What is your view of the proposed approach to building a learning culture in the UK financial capability sector? Are there any gaps or alternative options?
- What do you think are the priority evidence gaps in relation to financial capability and could your organisation help to fill any of them?
- Do you have any suggestions for improving the outcome frameworks for children and young people, and adults? Are you aware of any additional evidence underpinning the frameworks that has been missed?
- What support, assistance and resources - such as training, an online data collection tool, accreditation of evaluation activity - would you need in order to use the common evaluation toolkit and embed the resulting learning in your organisation?

3. Intervention level evaluation includes impact, process and economic evaluation (including value for money (vfm), cost-benefit analysis (CBA) and social return on investment (SROI) approaches).
4. Members include prominent research and evaluation experts from across academia, the financial services sector, market research and the third sector.

Context

There are pockets of excellent research and evaluation practice across the sector and significant progress has been made in recent years in the shared understanding of how best to change people's financial behaviour. However, key evidence gaps persist.

The evidence on how best to support people to manage their money and change their financial behaviour for the better has increased over the last few years. There are some excellent examples of rigorous independent and in-house evaluations of financial capability interventions[5] and initial work done by the Money Advice Service suggests that around 7 in 10 financial capability programmes are evaluated or assessed in some way.[6] However, there is still a paucity of robust evidence on what works, for whom, and which approaches represent the most effective and efficient use of resources (see the box below for selected key evidence gaps).[7]

Additionally, it is often difficult to compare the results from existing impact evaluations due to the different ways in which organisations define and measure their outcomes. This limits the evidence base available for effective commissioning and practice.

Key financial capability evidence gaps

- How to make the most effective use of different delivery channels (face-to-face, telephone, digital) for different client groups and types of problem or outcome.
- The cumulative impact of multiple or integrated interventions (eg. integrated debt and money advice).
- The most effective ways to help people overcome optimism bias and start preparing for future expected and unexpected events.
- The relative effectiveness of 'pure' financial capability programmes versus those where financial capability is integrated into a wider intervention (eg. an employability programme).
- The most effective ways to change social norms around spending, saving, and use of credit.
- How best to support parents and families improve the financial capability of children and young people.
- Whether improving a person's communication skills, digital literacy and perseverance leads to a positive changes in their financial behaviour.
- The balance between the supply of and demand for financial capability support across the UK.

5. For example see ***The impact of financial skills training for social housing tenants*** (PFRC/CAB 2012); *An independent evaluation of* ***MyBnk's financial education programmes*** (ISIS Innovation 2011); and the PFRC/Ecorys evaluation of BIG Lottery's ***Improving Financial Confidence*** programme.
6. London Economics research (2013) unpublished.
7. As identified by the UK Strategy working groups, MAS's REG group, and by the evidence assessment to support the development of the financial capability outcome frameworks (Financial Capability Outcome frameworks (NPC/Financial Capability Strategy for the UK, 2014)). This list represents a selection of those evidence gaps suggested and is not exhaustive.

There is a clear desire among financial capability practitioners and funders for better evaluation to understand their impact[8] and how they can improve their services, and for a more strategic approach to the use of existing evidence. However, there is a lack of appropriate and consistent guidance aimed at this group about how to achieve this in practice.[9]

Currently there is still too great a reliance on reporting reach and outputs (eg. the number of training sessions delivered) and measuring customer satisfaction because of the perceived need for significant expertise and resources to carry out impact evaluation.[10]

The solution: a common evaluation framework

A key conclusion from the UK Strategy Call for Evidence was that a common evaluation toolkit for the sector, as well as activity to help support and embed its use, would help to overcome these barriers to robust impact evaluation. The benefits of a common evaluation toolkit for different groups make a clear case for its creation.

Benefits of a common evaluation toolkit

- **UK population:** an increase in evidence-based commissioning and practice will mean that the best outcomes possible can be achieved for the maximum number of people.
- **Providers**: a common toolkit will reduce the resources and expertise required to design robust in-house impact evaluation that enables providers to demonstrate the value they create and continually improve their services.
- **Funders and commissioners:** developments in the evidence will enable greater evidence-based commissioning and improve value for money.
- **Researchers:** a more consistent approach to impact measurement will support greater comparability between evaluation results and maximise the value of research for the wider evidence base.

The overall aim of this strand of the UK Strategy is:

To accelerate learning, and to increase the impact of limited resources devoted to financial capability building, through the consistent evaluation of interventions.

8. The appetite for evaluation and understanding what works came through clearly in the responses to the Money Advice Service's Call for Evidence around the UK Strategy, as well as in many of the stakeholder meetings and workshops that have contributed to the Strategy's development.
9. Several highly regarded evaluation toolkits do exist (for example those produced by the **World Bank/Russia Trust** and the **OECD/INFE**) however these are not tailored to the needs and situation of the UK financial capability sector.
10. While conducting robust impact evaluation can indeed require a significant resource investment, the level of resources required depends upon the nature of the intervention in question and the impact evaluation approach adopted.

Achieving this aim will involve the creation of a culture across financial capability organisations in which:

- evidence about what works is at the heart of all decisions made about the funding and delivery of financial capability interventions;
- rigorous evaluation is seen as a necessity for any new or unevidenced interventions; and
- the resulting learning is proactively shared and acted upon.

The core elements of the proposed approach to building this evidence and evaluation culture, and the progress that the financial capability sector will need to make in order to realise the aim, is shown in Figure 1.

Figure 1: Financial capability evidence and evaluation aim

Realising the aim

The proposed approach to intervention-level evaluation, and to supporting and embedding an evidence and evaluation culture across the financial capability sector, contains four key elements:

1. Strategic research and evaluation
2. Common evaluation toolkit
3. Capacity building, training and support for practitioners and funders (including embedding the high-level 'IMPACT' principles)
4. Evidence and evaluation hub

1. Strategic research and evaluation

A range of organisations and individuals across the financial capability sector are likely to be involved in conducting robust research and evaluation to fill the core financial capability evidence gaps.[11] The nature of each gap will determine who is best placed to deliver research to fill it, the most appropriate methodological approach,[12] and whether the research should be undertaken alone or in collaboration. Details of the initial projects that are being taken forward, and who will be delivering them, will be published in the Strategy later this year.

New evidence gaps will emerge over the course of the Strategy period as new interventions and projects are developed, and the financial services and broader social landscape changes. A review of the key financial capability evidence gaps and identification of research priorities will be undertaken annually.

2. Common evaluation toolkit

A core part of the work being done to encourage more, better and more comparable impact evaluation across the sector involves the development and promotion of a common evaluation toolkit by the Money Advice Service.

The toolkit will focus on impact evaluation for two reasons. First, because the consistent message from financial capability practitioners and funders is that it is measuring their impact robustly is their biggest challenge and the area where they require greatest guidance (rather than, for example, project monitoring, or producing qualitative case studies). Second, this focus reflects the fact that impact evaluation is the main tool for understanding what interventions work best in actually improving people's financial capability and behaviour. It should be acknowledged, however, that many more techniques and approaches can be used to assess the efficiency, quality and value of a service

11. This also includes those identified by the Money Advice Service's Research and Evaluation Group (REG), a panel of financial capability research experts from across academia, and the public, private and third sectors.
12. This could include randomised control trials or quasi-experimental methods.

in the round. For this reason the toolkit will include links to sources of guidance and advice on other types of research and evaluation, including process evaluation and value for money approaches, and may be extended to encompass them in the future.

It is important to note that, whilst the common evaluation toolkit will provide advice and guidance on how to conduct robust impact evaluation of different kinds of interventions, it is impossible - and undesirable - to create a one-size-fits-all approach. In order to ensure they are robust and meaningful evaluations will need to be tailored to the particular objectives, client group and delivery model of the projects they relate to.

Key components

The toolkit will consist of guidance around:

- **What to measure**, in the form of standard outcomes frameworks and measures for frontline services working with children and young people, and adults; and
- **How to measure**, in the form of a step-by-step guide and a suite of practical tools to support the robust use of the outcome frameworks.

The aspiration is that the outcome frameworks are widely adopted by research and evaluation experts as well as by financial capability funders and practitioners. The guidance and practical tools are aimed at funders and providers with limited experience of impact evaluation who want to understand the basics of robust impact evaluation and/or conduct their own. The offer of support to help organisations implement and embed use of the toolkit, and act effectively on the resulting evidence, is covered in section 3 (Capacity building, training and support).

Aims

The main aims of the common toolkit will be to:

- Develop a shared language in which the sector can talk about impact and success;
- Increase the consistency, scale and rigour of impact evaluation across the sector;
- Reduce the resources and level of expertise required to design good impact evaluation; and
- Increase the level of ownership of and engagement with evidence and evaluation within practitioner and funder organisations across the sector.

Approach

A number of other highly regarded evaluation toolkits and frameworks exist in this area, such as the OECD/INFE financial education programme practical evaluation guidance and the World Bank/Russia Trust Fund toolkit for financial capability programmes in low to middle income countries.[13] These toolkits are aimed at a more technical audience and require some degree of research and evaluation expertise, or otherwise are not tailored to the specific needs of the UK financial capability sector. The new toolkit will build on and align with pre-existing approaches and toolkits in order to ensure it is informed by best practice and does not simply duplicate those resources already in existence. These include national and international resources, as well as those from other sectors.[14]

13. For further information see: **OECD/INFE** toolkit and **World Bank/Russia Trust toolkit**.
14. These include **Toynbee Hall's MAP tool** and the **Money Advice Service debt advice evaluation toolkit**; the **OECD/INFE toolkit**, **World Bank/Russia Trust toolkit** and **Canadian financial literacy evaluation resource kit**; and the ***Journey to Employment framework*** (NPC, 2013) and **Public Health England's standard evaluation frameworks** for health interventions.

The evaluation toolkit is being developed collaboratively to ensure that it effectively meets the needs of the various groups at which it is aimed. A wide variety of expertise has been drawn on so far, including professional researchers and evaluators (such as Philanthropy Capital (NPC) and members of the Money Advice Service's Research and Evaluation Group) as well as providers and funders of financial capability programmes through the Strategy working groups and workshops.

Looking forward, the Money Advice Service is committed to building on existing good practice around impact evaluation within the financial capability sector, and to working in partnership with other organisations who are working towards the same goals. In particular, Toynbee Hall are in the later stages of developing their Money, Access and Participation tool, designed for use by organisations who work with adult clients to improve their financial wellbeing.[15] Toynbee Hall created this tool to help those organisations measure their impact in a more robust way. The Money Advice Service is working closely with Toynbee Hall to align their respective tools and approaches, and to understand how to collaborate most effectively to reach their shared evaluation goals.

Scope and Parameters

The ambition is that the common evaluation toolkit will:

- Be applicable to preventative and educational financial capability programmes and generic information provision[16], as well as tailored money[17] and crisis debt advice;[18]
- Be flexible enough for use with a range of intervention types, channels, and client groups, including children and young people, and adults;
- Be a freely available resource for anyone who wants to use or explore it;
- Focus on the understanding and tools needed to conduct basic impact evaluation involving measuring clients' financial capability and behaviour before and after an intervention, with or without comparison to a control group;[19]
- Provide guidance on when to deploy more sophisticated impact evaluation techniques or commission independent research;[20]
- Link to sources of information and guidance on more advanced impact evaluation techniques,[21] and other elements of the monitoring and evaluation process; and
- Evolve iteratively over the life of the Strategy to incorporate different approaches in response to feedback and demand, to ensure it stays relevant and useful.

15. For further information on the MAP tool see **Toynbee Hall's website**.
16. It includes those interventions that focus solely on financial capability as well as those in which it is part of a wider objective (eg. employability programmes).
17. The 'what to measure' outcomes frameworks are predominantly aimed for use by providers of unregulated advice (although some measures could be applicable for regulated financial advisers). Additionally they aren't directly relevant for interventions focusing on intermediaries (such as teachers or community mentors) rather than end beneficiaries. Future versions of the frameworks might be expanded to cover these service types.
18. The new toolkit won't replace but will be complementary to the **Money Advice Service's debt advice evaluation toolkit**.
19. Impact evaluation that does not involve a control group is not viewed by some as able to provide a robust measure of impact. The toolkit is designed to be used with a variety of different services and in a range of contexts including those in which the identification of a robust control group may not be logistically possible or ethically acceptable. It is therefore important that the toolkit can still be used in those cases to provide a more reliable assessment of impact than measures of output or customer satisfaction alone could.
20. For example, quasi-experimental techniques involving control groups, or experimental techniques involving randomisation.
21. For example ***Test, learn, adapt: Developing public policy with randomised controlled trials***, (Behavioural Insights Team, 2012) and **uscreates' social value measurement toolkit**.

The common evaluation toolkit will not:

- Cover process evaluation,[22] qualitative approaches or assessing value for money (at least at the start);
- Replace independent, professional or bespoke evaluation, where it is needed; or
- Be a 'one size fits all' solution suitable for every kind of intervention or project.

What to measure – standard outcome frameworks

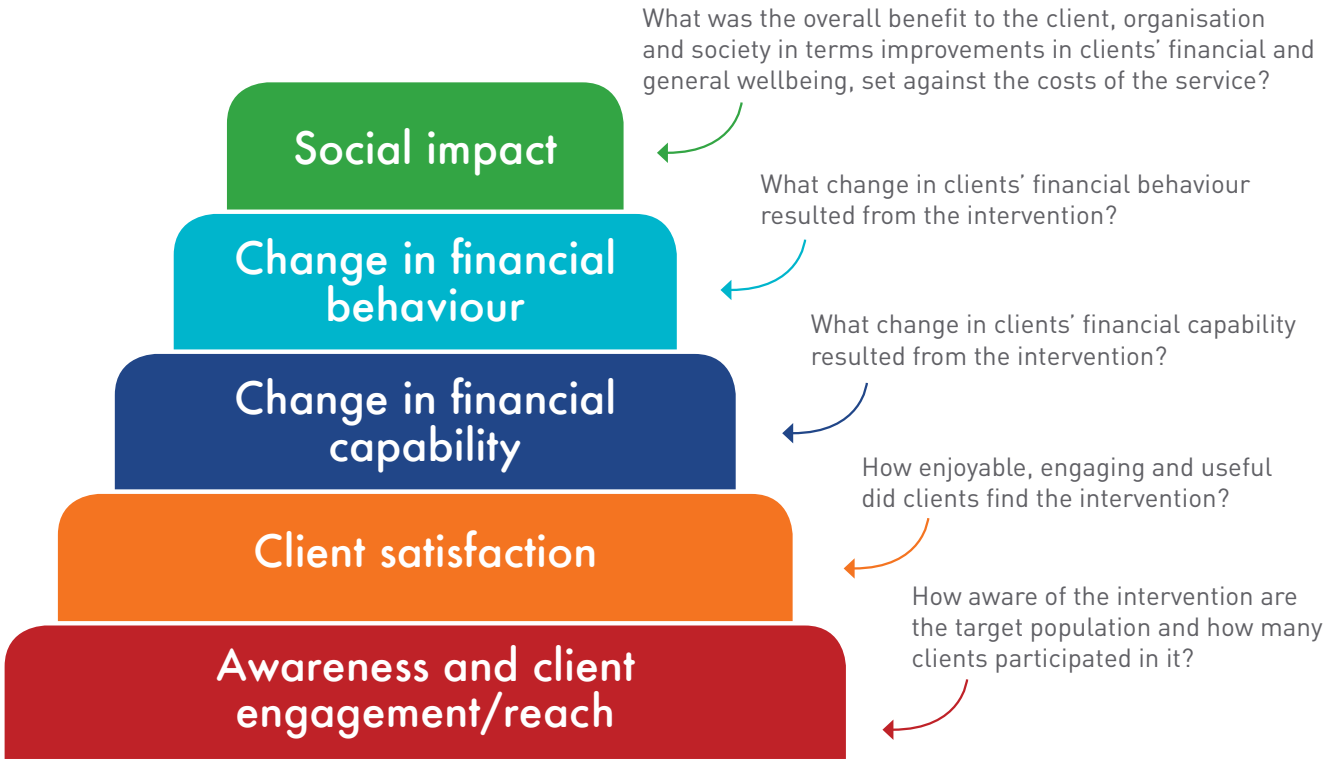
A leading organisation in third-sector impact measurement, NPC,[23] has been commissioned to develop a set of two financial capability outcome frameworks; one for children & young people, and one for adults[24]. The ultimate aim of these frameworks is to:

- Provide guidance to organisations about the outcomes and indicators that evidence suggests are important dimensions of financial capability and financial behaviour change, and therefore should be measured in order to understand their impact; and
- Standardise the questions or other measurement tools used to measure these outcomes to enable greater comparison between individual evaluation results.

Figure 2 is based on Kirkpatrick's model of training evaluation.[25] It depicts the core elements of an individual's engagement with or response to an intervention that could be measured in order to assess its effectiveness. While many organisations currently focus on measuring the first and second steps (awareness, reach and client satisfaction), the outcome frameworks will provide clear guidance on what to measure in relation to steps three (financial capability) and four (financial behaviour). This in turn will help to inform the measurement of step five (social impact).

22. Process evaluation involves qualitative and quantitative research approaches to understand how well an intervention is being delivered, and how the delivery can be improved.
23. For further information see ***Blueprint for Shared Measurement*** (NPC, 2013), and ***Journey to EmploymenT (JET) Framework*** (NPC, 2013).
24. Consideration was given to developing a third outcomes framework specifically for older people. However, following discussion with stakeholders and assessment of the evidence it was decided that the same overarching outcomes apply to older people as to those of working age. Instead, it is likely that different versions of the corresponding measurement tools will be developed that are tailored to clients in different key life stages.
25. *Evaluating Training Programs* (Kirkpatrick, D.L., & Kirkpatrick, J.D, 1994).

Figure 2: Levels of client-focused evaluation



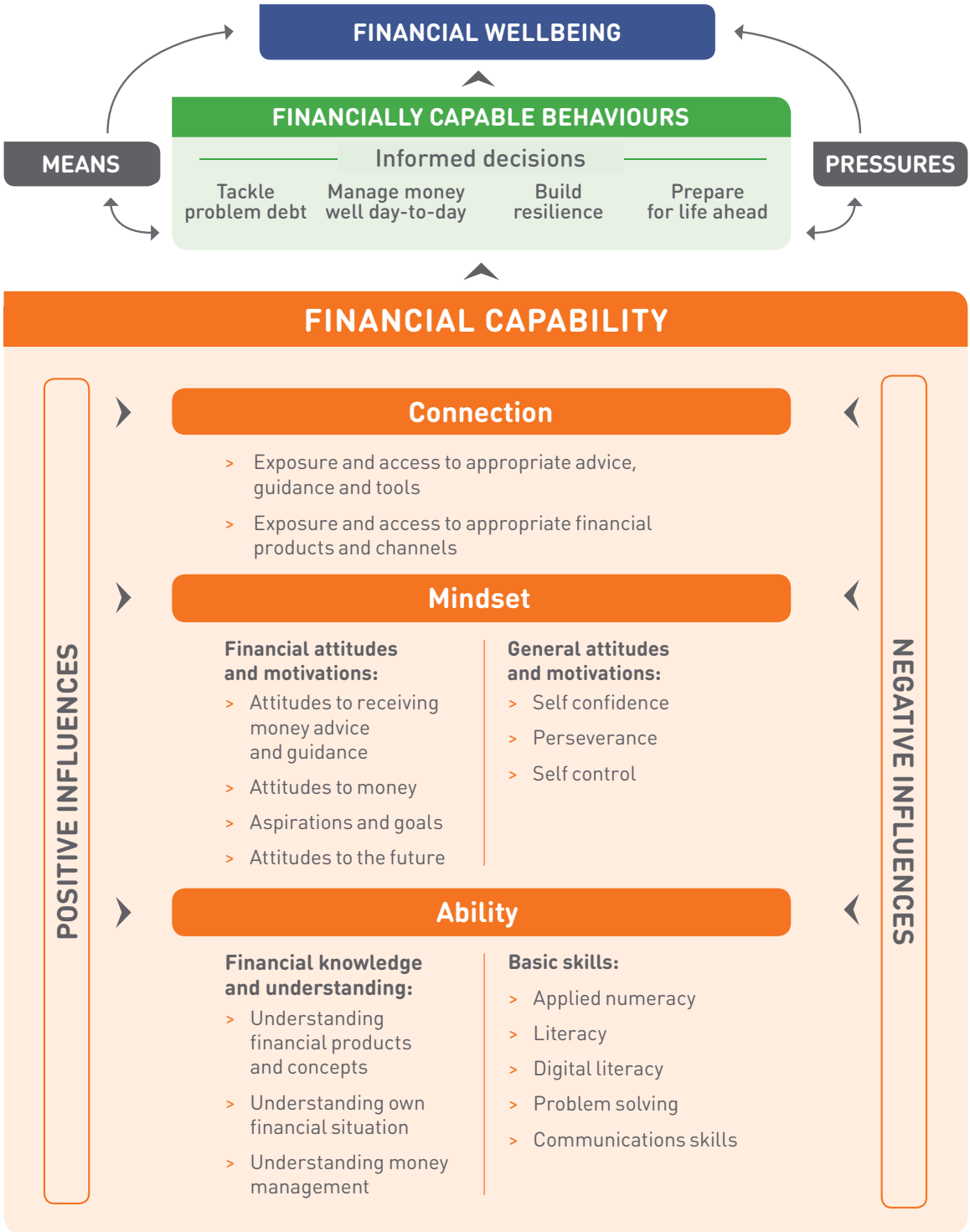
A report containing the draft frameworks has been published alongside the Strategy consultation.[26]

The outcome frameworks are based on the Financial Capability Framework developed as part of this Strategy, and set out indicators of financial capability under each of the overarching outcome areas (ability, mindset and connection) as well as suggested indicators of financially capable behaviour and wellbeing (see Figures 3 and 4).[27] This combination of softer, intermediate outcomes and hard, behavioural outcomes will provide organisations with the flexibility to measure change against the most pertinent outcomes for their intervention, depending on the nature of their programme[28] and resources they have available for evaluation activity.[29]

The frameworks have been informed by a systematic and critical assessment of the evidence around what works and the causal links between soft and hard outcomes. The frameworks will also allow organisations the flexibility to measure outcomes or indicators that do not currently appear in them, if those are deemed an important goal of their intervention.

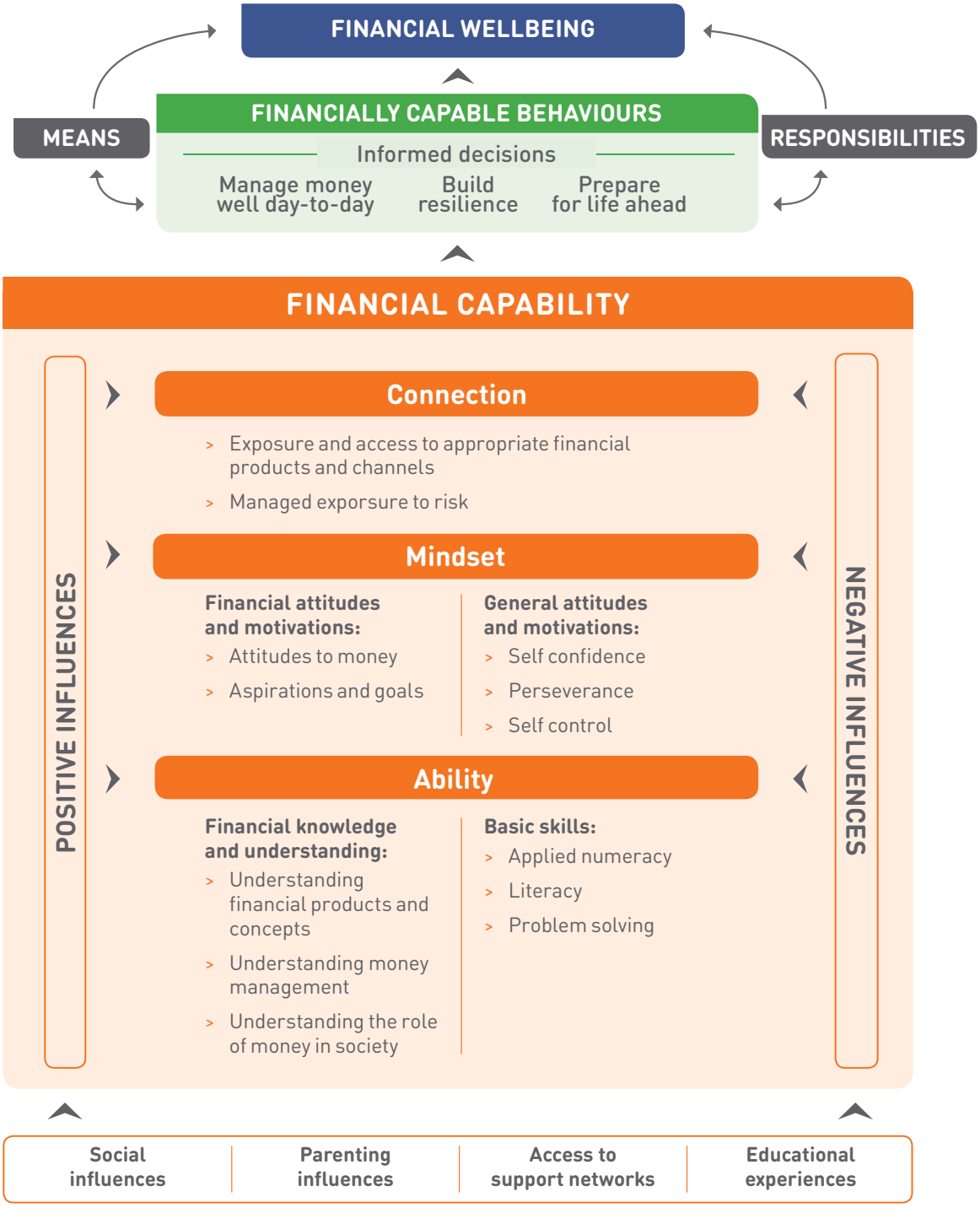
26. Financial Capability Outcome Frameworks (NPC/Financial Capability Strategy for the UK, 2014).
27. These will be developed further during the consultation period.
28. The dosage and duration of interventions will be relevant in decisions about how many outcomes it is feasible for organisations to measure. For example, a long questionnaire will not be appropriate for an intervention taking place over a single short (for example one or two hour) session.
29. Establishing that behaviour change has occurred often requires greater resources than establishing that improvements in ability or mindset have occurred, as behaviour change measurement will usually require post-intervention follow-up research.

Figure 3: Adult financial capability framework (18+)



The children and young people's framework (see Figure 4) reflects the elements of financial capability that young people need in order to manage their money well between the ages of 3 – 17/18, and to ensure they are on track for achieving financial wellbeing in adulthood.

Figure 4: Children and young people financial capability framework (3-17/18)



As described in more detail in the 'Financial capability outcome frameworks report',[30] the two outcome frameworks differ slightly to reflect the important formative influences on children and young people, and because some dimensions of adults' financial experiences are not relevant to those under 18.

Specifically:

- In the children and young people's framework, the external 'pressures' from the adult framework has been replaced by 'responsibilities', reflecting the benefits for children of learning through experience.
- The children and young people's framework does not include 'tackle problem debt' as a financially capable behaviour, since this becomes relevant only once people have access to credit at the age of 18.
- 'Financial wellbeing' for children and young people is not exactly equivalent to financial wellbeing for adults — the definition of financial wellbeing used throughout the Strategy becomes relevant only when people have achieved financial independence.

The Money Advice Service will identify the most appropriate, validated tools to use to baseline and measure progress against each outcome indicator and will publish these alongside the refined outcome frameworks later in the year. It is likely that the majority of these will be survey questions requiring clients to self-report their financial capability and behaviour.[31] Where possible, the measurement tools will be aligned with those in the UK Financial Capability Tracker Survey[32] to enable comparison of clients' capability levels and behaviour against a national or regional average, or an average for the client group in question.[33]

In addition to using it to measure their impact, organisations could also use the process of establishing a baseline to help them better understand the profile and needs of their client base, and (where possible within their delivery model) to tailor advice and support to the specific needs of each client, or to the cohort if the intervention is delivered at a group level.

Greater standardisation in what organisations measure is also the basis for the development of an anonymised, client-level national financial capability dataset. Such a dataset would enable aggregated intervention data to be analysed, allowing more robust conclusions about the relative effectiveness of interventions to be drawn, and facilitating the comparison of results across different types of interventions. A national dataset would require either an online platform where organisations could record their data, or a secure portal through which organisations could upload anonymised data in a standardised format (or both). Toynbee Hall are in the process of developing an online platform for their MAP tool. The Money Advice Service will work closely with them to understand how they might be able to support the creation of a single national dataset.

30. *Financial Capability Outcome Frameworks* (NPC/Financial Capability Strategy for the UK, 2014).
31. Self-reported data has limitations (in other words it may not accurately reflect actual attitudes, behaviour etc.) and therefore it is valuable to triangulate such information with objective behavioural data where possible (for example, social landlord rent-arrears data, data from financial institutions on amounts being saved). Possible exceptions to the self-reported questions are those around skills and knowledge which may be more like test questions if appropriate, and those for young children which may take the forms of behavioural observation with the reporting done by an adult.
32. The Tracker Survey is currently being redesigned and it is anticipated that the next wave will go into the field in 2015.
33. For example, older people or those in social housing (provided the sample sizes allow this to be done robustly).

How to measure

The standard outcomes frameworks will be accompanied by accessible, practical guidance taking financial capability practitioners and funders through every step of the impact evaluation process, from designing an evaluation, to data collection, analysis, and reporting on the results. It will also cover advice on challenging issues such as ethics, attributing causality, and the resourcing implications of evaluation activity in an accessible and non-technical way.

The accompanying set of practical tools are likely to cover:

- Developing an organisational Theory of Change (templates to populate)[34];
- Identifying the most appropriate evaluation method for your intervention type (decision tree tool);
- Collecting and analysing data (template spreadsheets and significance-testing tool); and
- Reporting (outline report template).

Next steps

The next steps involved in delivering and embedding the evaluation toolkit are:

- Following consultation, refine the outcome frameworks for children and young people and for adults, identify measurement tools corresponding to each indicator which align with the Financial Capability Tracker Survey where possible, and publish the final frameworks alongside the final Strategy.
- Develop the step-by-step guidance and practical tools, working closely with Toynbee Hall to ensure the MAP tool and common evaluation toolkit complement and align with each other.
- Encourage organisations to sign up in principle to using the common evaluation toolkit, including outcomes frameworks, and (where relevant) to agree to work with the Money Advice Service to pilot it.
- Pilot both outcomes frameworks, the guidance and the measurement tools with a range of organisations and intervention types in early 2015. A refined, 'v2.0' toolkit incorporating the learning from these pilots will then be published later in 2015. The pilot will also inform what support and training the Money Advice Service will offer organisations wanting to use the evaluation toolkit (see Section 3 below).
- Explore the feasibility and value of creating an aggregated client-level national dataset of financial capability interventions.

34. Organisations are advised to create a 'theory of change' in order to identify the most relevant outcome measures for their intervention. More information can be found on **NPC's website**.

3. Capacity building, training and support for practitioners and funders

While the common evaluation toolkit will go some way to help the sector conduct more and better impact evaluation, the provision of these resources alone is unlikely to create the step-change in evidence-based practice and commissioning that is needed.

The Money Advice Service will develop a programme of activities to help practitioners and funders engage in, and develop their confidence around, impact evaluation and assessing evidence. In doing so they will aim to capitalise on other ongoing initiatives with similar objectives, such as Inspiring Impact[35]. This 10 year international programme aims to improve the effectiveness of the third sector through increased robust evaluation and use of evidence. The Money Advice Service's programme of activities might include:

- Training and support for practitioners in using the common evaluation toolkit to conduct their own impact evaluation, and using evidence more effectively when making decisions about service delivery;
- Training and support for funders and commissioners in using the common evaluation toolkit to understand the impact of the services they fund, and embed evidence more effectively when making funding decisions;
- Identifying and supporting regional evaluation champions; and
- Supporting the development of a virtual 'community of practice' evaluation forum (see section 4 below).

As an initial part of this work, a set of high-level evidence and evaluation principles have been developed for use by financial capability practitioners and funders. These draw on the OECD and Inspiring Impact evaluation principles[36] and are tailored for the UK financial capability sector. Promoting the adoption of these principles will be an important part of the work to support the development of an evidence and evaluation culture across the sector. The forthcoming step-by-step guidance will provide further detail on how to embed these principles in practice, as will the wider training and support. The high-level principles can be found in Annex A.

The Money Advice Service will also explore the possibility of developing an accreditation scheme for impact evaluation activity in order to acknowledge and validate the contribution of provider and funder bodies to the financial capability evidence base.[37]

35. More information can be found on **Inspiring Impact's website**.
36. See ***OECD/INFE high-level principles for the evaluation of financial education programmes*** (OECD/INFE, 2012); ***Funders principles and drivers of good impact practice***; (Inspiring Impact, 2013) and *Code of good impact practice* (Inspiring Impact, 2013).
37. For an example of an evaluation accreditation scheme see ***Project Oracle's approach***.

4. Evidence and evaluation hub

The Money Advice Service is developing an evidence and evaluation hub that will form a core part of the Strategy website from 2015. The hub will provide a central resource for organisations seeking advice, guidance and tools related to conducting impact evaluations, as well as the latest evidence around financial capability and the efficacy and efficiency of different types of interventions.

The hub will be as easy to use and interactive as possible, with illustrative case studies and practical examples, as well as the potential for interactive webinars and live question-and-answer sessions. It will be aimed at people with differing levels of evaluation knowledge, including practitioners and funders as well as professional researchers and policy makers.

The hub will consist of:

- A regularly updated collection of the latest financial capability research and evaluation evidence, summarised and presented in an accessible way for those visitors who do not wish to read the full reports;
- Key indicator data from the UK Financial Capability Tracker Survey and other relevant survey and administrative data, broken down by geographic area and key demographic characteristics;
- The common evaluation toolkit (including the outcome frameworks, step-by-step guidance and practical tools); and
- A 'community of practice' forum for practitioners and funders wanting to seek advice on overcoming challenges and share best practice around evaluation and using evidence.

Summary of plans and roadmap for delivery

The following chart (Figure 5) sets out the key elements of the programme to support the development of an evidence and evaluation in the financial capability sector. It includes anticipated timescales for delivery.

Figure 5: Roadmap for delivery

	Consultation	Publication of Strategy	Strategy delivery
Strategic research to address evidence gaps	> Publish evidence review identifying key gaps > Start discussions with stakeholders about who is best placed to address the gaps	> Set out action plan for undertaking research and evaluation activity to address strategic evidence gaps	> Undertake research and evaluation to fill gaps > Review progress and identify any new evidence gaps at regular intervals
Standard outcomes frameworks for adults and children/young people	> Publish draft frameworks and supporting evidence review	> Publish refined frameworks and measurement instruments along with guidance on how to use them	> Develop and pilot the frameworks with funders and providers > Further refine and publish v2.0 in 2015
Practical, easy to use guidance and tools	> Identify guidance and practical tools and resources needed > Determine best way to meet those needs	> Publish guidance and tools to support implementation and/or > Endorse other tools already available	> Pilot guidance and tools alongside frameworks > Refine as necessary > Role out and embed/ support their use
Capacity building, training and support for practitioners and funders	> Ascertain what additional support practitioners and funders require to adopt and use the evaluation framework	> Set out proposals for delivering any additional support to practitioners and funders	> Pilot the support before refining and rolling out more widely
Evidence and evaluation hub, including best practice forums	> Ascertain what stakeholders need and want from an accessible evidence and evaluation hub > Develop the hub	> Launch the hub > Establish new and/ or support existing forums or communities of practice	> Regularly update and improve the hub as new evidence becomes available > Provide ongoing support for the forums

Recommendations

In order to achieve the aim of this Strategy strand, the recommendations are:

- Financial capability funders, researchers and providers should commit to the evaluation and evidence principles set out alongside this Strategy. These aim to encourage consistent impact evaluation using standard outcome frameworks and an open sharing of results to create a common understanding of what works.
- Relevant organisations, including the Money Advice Service, financial capability providers, research institutes and academic bodies, should conduct research and evaluation to fill the key evidence gaps.
- Funders to direct funding to programmes that have been shown to work or to new and innovative projects with evaluation built in.
- Providers to commit to using evidence to inform delivery decisions.

ANNEX A: UK Financial Capability Strategy: Make an IMPACT!

I

Be an Impact champion:

Both within and outside of your organisation. This involves understanding the importance of placing evidence and evaluation at the heart of your funding and delivery decisions to increase the impact of your services, and championing this approach to others. From incorporating the evidence on what does and does not work into the design and commissioning process, to undertaking evaluation of projects and learning from the results, impact champions are committed to using evidence to maximise the difference they make to clients' lives.

Aspiration: *people working at all levels within financial capability organisations consider evidence and evaluation at every stage of the commissioning and delivery process and see it as an integral part of the work they do.*

M

Mind the gap:

When making decisions about which interventions should be evaluated, consider key evidence gaps along with the need to demonstrate your organisational impact. If there is a lot of evidence to show an intervention works, do you really need to conduct an impact evaluation or can you just monitor the project to ensure its quality? If you know there is a lack of evidence around a particular intervention, consider putting more resources into its evaluation. If you can demonstrate its effectiveness, it will not only help your organisation, but also the rest of the sector.

Aspiration: *when making decisions about evaluation, organisations take into account the existing evidence base and where the major gaps lie.*

P

Properly resource it:

Different types and scales of impact evaluation require different levels of resource. Evaluation should always be appropriate and proportionate to the intervention in question, but whatever approach is taken must be properly resourced in order to ensure it is robust and therefore valuable. Evaluations with appropriate levels of funding and time allocated to them provide real learning and can help make great leaps in the understanding of what works.

Aspiration: *funders and providers properly resource evaluation activity to ensure it is robust and to maximise its value.*

A

Add to the wider evidence base:

By publicly sharing your evaluation approach and results. Impact evaluation helps individual organisations prove the difference they make, but has far greater value when the results are shared openly with the rest of the sector. If both positive and negative findings are publicly reported, other organisations can also learn more about what works and what does not. Negative results which show that efforts have not been as effective as anticipated are just as important as positive ones. Sharing information about your evaluation methods and tools also helps to spread best practice.

Aspiration: *organisations are open about their evaluation approach and findings, and share negative results as well as positive ones.*

C

Consider the whole picture:

When thinking about evaluation it is crucial to consider the whole picture, particularly in relation to three areas:

- **Demonstrating the value and quality of your service.** Impact evaluation is important and the only way to understand what really works to improve people's situations. Case studies, qualitative research and even customer satisfaction all have a role to play too though, and can be a valuable part of evaluating a service.
- **Deciding what to measure to prove your impact.** The areas that are most important are not always the most obvious. Think carefully when designing an evaluation about the full range of ways in which you make a difference and consult widely with stakeholders (including clients if possible) on their views. You can then measure the most significant outcomes using the financial capability outcome frameworks for adults, and children and young people.
- **Interpreting and reporting results.** Placing findings in the context of the wider service, location and client group (eg. if you are based in a very deprived area or one with high unemployment) is important to help you and others understand why you achieved the impact you did.

Aspiration: *organisations take account of the whole picture when planning, designing and reporting on their evaluations.*

T

Take time to understand the results and their implications:

Whether your evaluation results provide a ringing endorsement of your intervention or are not quite as positive as you hoped, taking the time not only to understand but also act on the lessons learned means you can really improve the difference your organisation makes.

Aspiration: *financial capability organisations make learning from and acting on evaluation lessons and new evidence a priority.*