# What works?

# A review of the evidence on financial capability interventions and older people in retirement

A report by the International Longevity Centre

# Contents

# Executive Summary

## About this report

Financial capability is broadly defined as a 'person's ability to manage money well, both day to day and through significant life events, and to handle periods of financial difficulty' (MAS, 2015). It is related to individuals' mind-set, their ability to develop knowledge and skills, as well as to access financial products and services. A plethora of studies has found it to be an essential prerequisite for sound financial decision-making; people with higher financial capability save and plan more for retirement, choose cheaper mortgages, shop around for the best financial products and buy cheaper annuities. They are also less likely to be over-indebted and generally feel less anxious about their financial life.

For these reasons, financial capability programmes are now on the agenda of many governments in advanced economies. However, for those programmes to be effective we need more evidence on what works. Results from three recent meta-analyses show that evaluated programmes did improve longer-term financial behaviour, but the effects of interventions decreased over time. Furthermore, impact depended on a wide range of demographic and other characteristics, and therefore we need more information on what works for different groups and different demographics.

This report, commissioned by the Money Advice Service on behalf of the UK Financial Capability Strategy, aims to fill the gap in the literature on what works by assessing a series of interventions aimed at increasing the financial capability of older people.

The review of evidence on what works for older people focuses on the following domains:

1. Managing money day to day including:
    - Maximising income: support with benefit take-up and pension credits.
    - Safeguarding from fraud.
2. Planning ahead and managing life events including:
    - Mortgages in retirement and equity release.
3. Access to money management tools and guidance, financial products and services online.

## Overview of evidence on financial capability interventions targeting older people

- We do not know what works because there is a lack of high-quality evaluations on interventions targeting older people.
- The vast majority of evaluations explored for this review did not include the focus on impact needed to demonstrate that the related interventions resulted in a behavioural change.
- With a few exceptions, most evaluations were either qualitative, interview-based, or they quantitatively measured the level of satisfaction, or self-perceived confidence amongst participants in the programmes that were delivered.

Overall, we know less about what works regarding this age-group than amongst schoolchildren or working-age adults. More evidence is needed and this can only be achieved by allocating more resources for proper evaluation.

## Managing money day to day

### *General interventions*

Summary

- Some evidence of effectiveness in terms of improving levels of self-perceived confidence in managing money, as well as generally high levels of satisfaction about the evaluated programmes amongst users.
- However, none of the evaluations had a sufficient focus on impact.

Filling the evidence gap

- We need more evidence to demonstrate the effectiveness of these programmes in improving financial capability amongst older people. Currently most evaluations focus on scale and the satisfaction of participants.

The sector should ensure that, from the outset of a programme, sufficient funding is available and focus is given to the robust impact evaluation of interventions including pre and post assessment.

### *Maximising income: Support with benefit take-up and pension credits*

Summary

- Evidence of effectiveness was slightly stronger in this domain with a few medium- to high-quality evaluations showing good evidence of increased take-up of benefits following interventions.
- The interventions were relatively small scale, but evidence collected by those undertaking the evaluations suggests significant income gains were secured for those who accessed advice and that these gains outweighed the costs of intervention.
- Advice delivered within a healthcare setting appeared successful in supporting increased take-up.

Filling the evidence gap

- With the exception of the DWP study, the interventions discussed in this review were all relatively small community-based projects.
- We need more information on whether the small-scale projects are scalable and could therefore maximise incomes across the country as a whole.

### *Safeguarding from Fraud*

Summary

- We found evidence of many initiatives in this domain, but very few evaluated examples.
- There was only one medium-quality evaluation which suggested a specific programme had some positive impact on behaviour, but it is difficult to draw any conclusions on what works from this limited evidence base.

Filling the evidence gap

- It is worth doing more detailed analysis on the programmes and developing a theoretical model for how interventions might induce positive behavioural change in order to reduce the risk of fraud.
- Broader financial capability programmes for older people might consider sessions that provide information on how to avoid fraud and to ensure appropriate evaluations of such sessions.
- The wider literature on financial abuse prevention emphasises the importance of using trusted and local intermediaries to provide support to vulnerable people with simple information. If this approach is built into fraud prevention programmes, such efforts must be properly evaluated.

## Planning ahead and managing life events

### *General interventions*

Summary

- Some evidence of effectiveness, in particular in terms of increasing the number of older people using support and advice services in this area.
- However, there is a lack of robust evidence about whether behaviours of participants actually changed in practice, with many of the evaluations being qualitative.
- In terms of more specific aspects of planning ahead, such as dealing with bereavement and funeral planning, we could find no formal evaluations of interventions.

Filling the evidence gap

- More extensive evaluation of these programmes is needed to quantify the extent to which they influenced behaviours.
- Given that planning for bereavement and funeral costs could be considered one aspect of general planning ability, it would be useful to test the link between general financial capability interventions and improvements in funeral and bereavement planning.

### *Mortgages in retirement and equity release*

Summary

- Most interventions tend to consist of counselling or advice and are relatively successful in helping older homeowners understand costs and benefits of equity release products.
- The interventions are, however, not fully evaluated.

Filling the evidence gap

- More high-quality evaluations are needed to understand the impact of financial capability interventions on attitudes towards equity release.
- Given the strong link between quality of advice received and satisfaction with an individual's choice, we need to ensure that interventions are carried out by the most competent financial advisers.

## Access to money management tools and guidance, financial products and services online

Summary

- Evidence that interventions increased levels of confidence amongst participants in using online tools and feeling more informed about general money management.
- However, evidence in this field is limited – where valuations have been undertaken they have mainly focussed on experience of participation and levels of confidence rather than impacts on behaviour.

Filling the evidence gap

- We found little direct and credible evidence of the impact of interventions designed to address digital exclusion.
- In the past, Age UK has called for more consistent and robust evaluation of digital inclusion interventions "as a matter of urgency, so that we can have a clear picture of benefit, including cost-effectiveness, quality of life and health improvements". We would concur with this view.

## Towards some general principles on what works

Based on our review of evidence on financial capability interventions targeting older people, and in light of the general findings highlighted by the broader literature on financial capability, we believe that interventions should adhere to the general principles listed below.

- **Targeting financial capability programmes:** financial capability interventions have a stronger quantifiable impact if they address specific issues – for example, increase savings or uptake of pension credit.
- Providing **'just in time'** financial capability programmes: programmes that are immediately applicable have a stronger impact, since the effects tend to dissipate over time.
- **Financial capability interventions should exploit peer effects**. This can be achieved by encouraging participants to discuss what they learned with their colleagues, friends and relatives to maximise potential impact.
- **Simplification does not equal education**: while a simplification of language and the elimination of jargon are more than welcome, they are just one route to increase financial capability. For more the most complex financial decisions, assistance assessing options, for example from an independent financial adviser, will remain necessary.
- **Co-ordination is key:** delivery needs to focus on involving older people and several agencies, including but not limited to charities, local authorities and product providers.
- **Robust evaluation should be part of the design of the intervention**: when piloting a financial capability intervention, providers should think about how they are going to assess it from the outset. To really know what works, providers of interventions should include a pre- and post-test assessment.

## Conclusions

- In an increasingly complex financial world, where responsibility for financial decision-making is progressively being shifted onto the individual, financial capability is one of the best safeguards against the risk of poverty in later life.
- However, the evidence on what financial capability interventions actually work is still inconclusive. Most interventions highlighted in this report tended to be small-scale and were not designed within a robust impact evaluation framework, and thus not rigorously assessed. Without rigorous evaluations, we cannot be sure of the actual success of interventions and therefore their cost-effectiveness.
- The overarching theme of this review is that more evidence is needed on what works and this can only be achieved by allocating more resources for proper evaluation. Currently evaluations of programmes targeting older people are few and far between, and where they exist they are relatively limited. As a result, we know less about what works regarding this age-group than amongst schoolchildren or working-age adults.

# Introduction and background

The past decade has seen a proliferation of research papers investigating the relationship between financial literacy – i.e. the basic understanding of personal finance – and financial behaviour, such as saving and investing, mostly concluding that people with higher financial literacy make better financial decisions.1, 2, 3, 4 In 2011, the founder of the Global Financial Literacy Excellence Center, Professor Annamaria Lusardi, and the Executive Director of the Pension Research Council, Professor Olivia Mitchell, gathered a series of studies from around the world, and presented strong evidence of widespread financial illiteracy, especially among the older population.5 The authors claimed that low financial literacy led to poor financial decisions and consequently higher risk of poverty. Because financial mistakes may lead to large losses not only at the individual, but also at the societal level, Lusardi and Mitchell called for extensive, government-sponsored, financial education and capability programmes.6 Since then, many countries have developed national strategies for financial literacy and education, with the focus shifting from the narrowly defined financial literacy to the much broader concept of financial capability – i.e. a combination of awareness, knowledge, skills, attitude and behaviour necessary to make sound financial decisions, increased connection to products and services and ultimately improved individual financial wellbeing.7 The financial capability strategy currently developed by the Money Advice Service in the UK broadens the scope even further and includes the optimal design of products and services, otherwise known as 'choice architecture'.

Financial capability programmes are today a vital topic on many governments' agendas. Financial education has been a priority of the European Commission since 2007 and part of its agenda since 2008.[8, 9, 10] However, while there are no doubts on the positive association between financial capability and financial outcomes, what works to increase financial capability and whether interventions positively affect behaviour remain unclear.

To investigate this issue and determine whether the relationship between financial capability interventions and desired outcomes is in fact causal, a number of scientific experiments have been undertaken in recent years. However, the evidence is still inconclusive. Some claim that, in an increasingly complex financial world, governments have a duty to equip their citizens with the appropriate set of financial knowledge and skills.[11] Others consider financial behaviours – such as having a higher propensity to save – innate and therefore claim that they cannot be learned.[12] Many behavioural economists argue that better results can be reached through choice architecture, i.e. the design of default options exploiting behavioural biases to attain optimal results (for example, opting-out rather than opting in within the context of employer-provided pensions).

The evidence on interventions is still inconclusive because of the substantial heterogeneity in results. In other words, not all interventions work in the same way and for the same types of people, and some financial behaviours are easier to change than others. In particular, financial education interventions may be more successful in helping people manage their day-to-day expenses, rather than changing people's behaviour in relation to retirement saving. Indeed, because many consumers may not save because of behavioural biases, such as the tendency to procrastinate or the lack of self-control, financial capability interventions based on choice architecture have been proven to yield better results (see for example the Save More Tomorrow™ programme by Richard Thaler and Shlomo Benartzi). Furthermore, interventions that work for young people may not work for the old, given age specific financial needs. For this reason, the Financial Capability Strategy has a specific focus on finding out what works.

In this report, we aim to fill the gap by reviewing evidence on financial capability interventions with a specific emphasis on older people, and by assessing interventions according to the Financial Capability Strategy 'standards of evidence'.[13] It should be noted from the outset that, when using the term 'interventions', we refer to a broad range of activities, from simple information printed in a pamphlet, to a workshop or extended course, to the design of products and tools, as those identified in the UK Financial Capability Strategy.[14]

## Why older people?

Before we begin our evaluation process, it is worth mentioning why we believe older people should be targeted differently, and why interventions that work for working-age people may not be appropriate for retirees.

**Older people have different financial needs and fewer coping strategies**

In terms of financial capability and financial needs, older people differ from their younger counterparts along several dimensions: on the one hand, they are faced with specific economic challenges, i.e. "the need to balance their day-to-day spending with the need to manage their income, savings and assets over the entirety of their retirement while navigating life events such as declining health".[15] On the other hand, retirees have fewer economic strategies to cope with unexpected expenditures, as they cannot count on increasing their working hours to earn more money.

A recent World Bank report has shown that, in order to be effective, interventions need to be targeted around a specific outcome and that their impact tends to be short-lived. Therefore, given the age-specific economic challenges, a successful financial capability programme will need to target different age-groups differently.

**Older people have lower financial literacy, but higher capability**

When we consider the distribution of financial capability by age-group, we need to differentiate between literacy and capability, i.e. between the narrow definition, associated with financial knowledge and numerical skills, and the broader definition, including the manifestation of this knowledge in skills, attitudes, and behaviour. Indeed, older people appear to have lower literacy, but higher capability. More specifically, studies focusing on the narrower definition of financial literacy find that older people consistently perform worse, as they fail to grasp essential aspects of risk diversification, asset valuation, portfolio choice, and investment fees.[16, 17, 18] Conversely, studies that embrace a broader concept of financial capability – with measures focused on the behaviours underpinning it – find that people aged 65 and over perform better than any other age-group.[19]

Alongside this review, the Money Advice Service has also published a report analysing the results of its 2015 Financial Capability of the UK survey focusing on older people in retirement. The report finds that older people in retirement show good financial capability in many areas. They manage money well day to day, compared to the working-age population. Few are struggling with bills or commitments and most are happy with their approach to budgeting. However, the picture of financial capability among older people is complex and there are particular sub-groups of older people who have specific financial capability issues. These sub-groups are not mutually exclusive and of course, many of these issues also overlap. Women over 75 have the greatest number of financial capability issues; they tend to live on low incomes, have the lowest skills and knowledge and are least likely to shop around.

# Financial capability interventions: the wider picture on what works

The past few years have seen the development of rigorous systematic reviews aimed at gathering and assessing results from different studies on the impact of financial education programmes. The most common single-issue topic for financial education interventions is 'savings and retirement', and indeed, the greatest number of comparable studies address this issue.

The first systematic review, conducted by researchers at the University of Colorado, used a meta-analysis to extract and compare findings from 188 studies that had engaged 585,168 participants.[20] The researchers drew data from published results and solicited additional information from study authors as needed.

The researchers found the greater the duration of the financial education programme (measured in terms of number of hours of instruction provided) the larger the effects on individuals' behaviours over the long term. However, the effect of these interventions decreases over time. The place the intervention was delivered also had an impact on success. Workplace interventions or career counselling were found to be substantially more effective.

A more recent meta-analysis conducted by researchers at the World Bank, attained more nuanced results.[21] The study extracted information from the same papers used by Fernandes *et al*, but added more recent papers, improved its scientific rigour, and differentiated between outcomes of interest, such as general savings levels, retirement savings, record keeping, and credit performance. Miller *et al* conclude that financial education can affect some financial behaviours, including savings and record keeping, both considered fundamental to good personal financial management, and both potentially behaviours where individuals can exert greater control.

The authors agree with Fernandes *et al* about the relationship between outcomes and time delay of the intervention, as they find a stronger impact on behaviours when the newly acquired knowledge could be applied immediately. For instance, the financial education course run by the Indianapolis Neighbourhood Housing Partnership, Inc. (INHP) was successful in reducing delinquency rates (default on mortgages) among low income households who participated in the programme, and the impact was stronger among the least creditworthy.

However, they diverge from Fernandes *et al* in their assessment of the relationship between program characteristics and impact, due to the nature of the sample and lack of direct comparability. For example, the intensity (number of hours of exposure) of the treatment was weakly correlated with improved financial outcomes in the case of record keeping, but was not significant in the other specifications of the model.

A study carried out by Duflo and Saez – included in both meta-analyses – is of particular interest since it explored the role of social networks in extending the impact of a financial capability intervention. The study presented evidence from a large field experiment examining the role of information and social interactions in employees' decisions to enrol in a tax-deferred account (TDA) and found a significantly higher enrolment in TDA not just among participants in the experiment, but also among their co-workers, compared to workers in departments where nobody received information. Duflo and Saez suggest that social-network effects might play an important role in the decision to contribute to retirement plans.[22]

Among the studies not included in the meta-analysis (because they were conducted after its publication) is an experiment carried out by a group of US researchers. The study was aimed at assessing a financial education programme delivered online through different methodologies: an informational brochure, an interactive visual tool, a written narrative, and a video narrative. The goal of the programme was relatively limited – to inform people about risk diversification – albeit essential for sound financial decision-making. The results showed that video was more effective at improving financial literacy scores, self-confidence and self-efficacy than the written narrative, brochures or web tools.[23]

Most recently, in a meta-regression analysis of 115 microeconometric impact evaluation studies, Kaiser and Menkoff found that financial education has a small impact on financial behaviour and in particular financial literacy, but that its effect depends on a range of demographic and other characteristics. The authors find that mandatory financial education appears to be less effective. Therefore, they argue it is even more crucial for success to increase training intensity and offer financial education at a “teachable moment”.[24]

# Filling the evidence gap on financial capability interventions and older people

Despite including nearly 188 different articles on financial capability interventions, both meta-analyses performed by Fernandes et al and Miller et al give virtually no evidence on interventions for older people. Yet of the many UK organizations providing some kind of financial education or counselling, either at the national or local level, 49% of interventions reportedly target older people.25 This suggests that there is a major knowledge gap about what works for older groups.

## Approach to filling the evidence gap

To fill the evidence gap on financial capability interventions and older people, we have undertaken an extensive literature search. Our approach can be summarised as follows.

1. We brought together relevant literature already known to the research team, the Money Advice Service and the Financial Capability Strategy Older People in Retirement Steering Group.

2. We undertook literature searches using electronic journals and online search engines (including Google and Google Scholar) using key phrases identified from known literature, including: ‘financial literacy and older people’, ‘financial education and older people’, ‘financial capability interventions and older people’.

3. We explored literature referenced in articles found through phases 1 and 2 above

4. Personal contact with Citizens Advice and the American Association of Retired People to explore whether we had missed any key evaluations of interventions.

While we were successful in identifying many evaluated financial capability programmes for older people, this was not an exhaustive search and we appreciate that there may be some important omissions. Consistent with other reviews of financial capability interventions, we have not applied strict quality criteria to the literature reviewed, as this would have limited the evidence available. Rather, we have discussed the approach taken in each of the evaluations we identified through our literature searches.[26]

## Criteria for assessing evidence

In summarising and evaluating the state of the evidence, we have in mind the guidelines set by the Money Advice Service’s ‘standards of evidence’ used on their Evidence Hub. This ranks evidence against a set of criteria for establishing the effectiveness of an intervention. According to these criteria, the essential components for a high-quality evaluation are: that it uses a control or comparison group, i.e. randomised control trials or those using quasi-experimental methods (e.g. propensity score matching, matched areas, difference-in-differences etc).

**High-quality** evaluations must also involve reasonable sample sizes – at least 50 participants in each sub-group (e.g. in both the treatment and comparison group) – and their results be tested for and found to be statistically significant.

**Lower-quality** evaluations are those that explore outcomes amongst the treatment group (i.e. programme participants) only but don’t compare these to a control or comparison group.

**Theory-based** evaluations indicate that the programme has a ‘theory of change’ or logic model (i.e. a description of the activities taking place and how they might achieve the intended outcomes) and testable features, but no evidence of impact yet.

In addition to this criteria, we added three more categories of evaluation which include:

**Medium-quality** evaluations are those with a treatment and control group but with fewer than 50 participants in each sub-group.

**Process evaluations** are those that do not explore outcomes *per se* in terms of behavioural change but do explore the general perceptions of participants regarding the intervention (i.e. whether they were satisfied with the course materials and programme).

**Qualitative evaluations** are those that involve a number of qualitative interviews.

We specify whether the evaluations meet these criteria or not and whether or not the intervention had a positive or negative impact.[a] See Appendix A for detailed information on all of the interventions discussed in the main body of the report. All the evidence provided in this report will be incorporated in the Financial Capability Strategy Evidence Hub.[b]

## Evidence on financial capability interventions targeting older people

While most interventions to improve financial capability have targeted children and working-age adults, there is some limited evidence of success in terms of interventions that have been aimed at improving capability at older ages, as well as evidence of interventions that may not have been specifically targeted at older age-groups but benefited them anyway. This section summarises the state of the evidence on these interventions, as well as some of the wider literature about how we support capability at older ages.

The UK Financial Capability Strategy identifies a number of key areas where improvements in financial capability could make a real difference in terms of managing life events across old age.[27] In this context, we sought to review the state of evidence and literature related to a number of areas. The specific themes are slightly different to those set out in the Financial Capability Strategy framework due to the availability of evaluated examples of interventions found through our evidence search.

- Managing money day to day.
    - Maximising income: Support with benefit take-up and pension credits.
    - Scam prevention
- Planning ahead and managing life events (including bereavement and funeral costs).
    - Mortgages in retirement and equity release
- Access to money management tools and guidance.
- Other holistic interventions.

It is worth noting from the outset that many financial capability interventions are not specifically targeted to one or another of these areas. Indeed, many of the programmes discussed below deal with general financial capability without the specific intention of (for example) preventing fraud or supporting decisions related to mortgages and equity release in retirement. However, by improving financial capability, they may have an impact in these areas.

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[a] For more details see Financial Capability Strategy for the UK: Standards of Evidence: http://www.fincap.org.uk/standards_of_evidence.

[b] http://www.fincap.org.uk/evidence_hub.

# Financial capability interventions and older people

## Managing money day to day

This section discusses interventions around day to day money management. It discusses general money management interventions, interventions that seek to maximise income and interventions that seek to safeguard older people from fraud.

### General money management interventions

The quality of evidence

None of the evaluations could be termed as high-quality under the criteria set out above as all focus on the views of the individuals that experienced the intervention without any reference to a control group. Far more research is needed to explore what actually works in this area including the commissioning of high-quality impact evaluations that include a control or comparison group.

Evidence summary

The review found a number of evaluations relating to financial capability interventions around money management. On a general level, these programmes sought to change the mindset and skills of older people towards money management. In addition, there is some, albeit limited, evidence that the interventions supported increased financial wellbeing through uptake of benefits and help with tax issues. While we discuss specific interventions related to maximising income in retirement later in this chapter, it is relevant that even for the more general money management interventions, advice around benefit take-up appears to be particularly valued. The interventions themselves engaged between 2,400 and 10,000 older people.

The evaluations of the interventions indicate some degree of effectiveness in terms of improving levels of confidence in managing money, as well as generally high levels of satisfaction about the programmes amongst users. For instance, an evaluation of the Help the Aged programme ‘Your Money Matters’ found that overall satisfaction was high, while over three-quarters of clients reported that their financial situation had improved as a result of their involvement in the service. Participants also reported improvements with other aspects of their lives including, and perhaps most interestingly, a positive effect on their emotional health. This programme was also the largest we found which had been evaluated, with nearly 10,000 people experiencing either one-to-one advice or group awareness sessions.[28]

An evaluation of an AARP intervention, ‘Finances50+’, found that participants reported an increase in ‘positive financial behaviours’ such as increasing earnings/reducing spending, and a reduction in ‘negative’ financial behaviours, such as being overdrawn, being contacted by a debt collector etc. Furthermore, the study reported a decrease in levels of anxiety related to their finances, with the proportion saying they were ‘very worried’ about money dropping from 22% to 14% after six months and an increase in the proportion making financial goals. The intervention utilised workshops, with participants being offered the opportunity to work with ‘Money Mentors’ for additional support and motivation.[29]

The Comic Relief-funded ‘Managing Money Better’ was delivered through a combination of online help, a national telephone advice line, peer-to-peer advice and support and a network of local partner organisations providing face-to-face information, advice and support to older people. The programme was evaluated using qualitative in-depth interview techniques to understand the views of participants. The interviews suggested that older people felt more informed to make appropriate choices, reduced anxiety and better knowledge of options as a result of the intervention. In addition, the evaluation concluded that caseworkers were successful in supporting people to maximise their income, particularly through benefits checks, which can have a significant impact on their income and ability to support independent living. Caseworkers also claimed that they were able to secure grants to assist clients in maintaining independent living.[30]

A general finding that emerges from these evaluations and other work on what determines success in this area is the importance of intermediaries (those providing support and advice), as well as developing interventions in collaboration with end users. A review of what works with regards to the provision of financial education – and more specifically the Financial Literacy for Older People (FLOP) curriculum[31] – found that where intermediaries were not interested in a proposed project, it was difficult to get activities off the ground. However once projects were established, few were under-subscribed and levels of retention were high.[32] The study, written for the Department for Work and Pensions (DWP), also found that consultation with participants on their needs at the outset of the project appeared to be an important factor in successful engagement. This includes consultation in the development of the curriculum itself.[33] Indeed FLOP spent its initial development phase working with the potential participants to design provision and determine the content of sessions. The DWP study argued that experience with the FLOP curriculum "showed that the material needed to be wide-ranging and highlighted the importance of not making assumptions of what people need".

Filling the evidence gap

The evidence gathered suggests that while a multitude of small-scale interventions have been undertaken, few have been evaluated and where they have, evaluations explore general perceptions amongst participants about programme delivery, rather than exploring how behaviours have changed in practice. Until there is a concerted effort in this regard, we will not have sound evidence about what works for older people in terms of programme content and delivery channels. This is not to say that the interventions included in our review and more broadly related to money management are not working, but that we need more evidence to demonstrate their effectiveness in improving financial capability amongst older people. More effort must be made from the outset of a programme to ensure sufficient budget for a robust evaluation of the intervention including the use of a control of comparison group.

## Maximising income: Support with benefit take-up and pension credits

The quality of evaluations

While there are multiple evaluations of local projects showing consistently positive impacts, it should be noted that methods to quantify impact vary and many of the figures are indicative rather than precise estimates. Generally, studies do not involve a control group, rather they generally rely on evidence from those providing the services regarding the level of income and benefit take-up gained by participants. It may be the case, for instance, that the individuals who accessed the services would have claimed additional benefits without the support of the advice services. The one exception to this is a DWP study which we detail below. In any case, the sheer volume of evidence on interventions and take-up suggests there is demand for these services and many are likely to be effective.

Evidence summary

There are many examples of interventions in a number of different settings with regard to maximising benefit take-up and support with tax issues.[34]

The Department for Work and Pensions carried out a quasi-experimental study drawing on its own administrative records and those of Her Majesty's Revenue and Customs (HMRC) to assess what works in increasing the take-up of Pension Credit among eligible non-recipients.[35] The study was quasi-experimental since people in the existing dataset could be randomly allocated to three different groups that the researchers were able to compare. The first one, the so-called 'payment group', comprised 2,000 eligible non-recipients who were paid Pension Credit for a few weeks without having to make a claim. At the end of the payment period, people in this group were sent a letter explaining that in order to keep receiving their Pension Credit they would have to make an official claim. The second group, the ‘visits group’, comprised 2,000 eligible non-recipients who were referred to DWP Visiting, who carried out their service of assessing claimants and providing home visits to help with the claims process.[c] The third group, ‘remaining eligible non-recipients’ (ENR) comprised 2,000 people who were not subject to any interventions and acted as a control group.

The findings were particularly interesting as they showed that home visits were the most powerful form of intervention in leading to greater take-up of Pension Credit. More specifically, the study found that by the end of August 2011 (approximately 5 months after the end of the study), 8.6 per cent of the ‘payment group’ had made a successful claim for Pension Credit, compared to 13.1 per cent of the ‘visits group’ and 2.9 per cent of the remaining eligible non-recipients. The ‘payment group’ therefore had a take-up rate of around two-thirds that of the ‘visits group’, but around three times that of the remaining eligible non-recipients (ENRs).

Many of the other interventions that have been evaluated were delivered and co-ordinated at a local or community level involving a number of different partners including charities and voluntary organisations. The interventions were relatively small-scale, but evidence collected by those undertaking the evaluations does suggest that significant income gains were secured for those who accessed advice and that these gains far outweighed the costs of intervention.

In particular, there is evidence that benefit advice delivered in a hospital setting is particularly useful for older people. A report for Age Concern found that healthcare-based advice services obtained £43.71 million in additional benefits during 2006. The authors of the report argue that this figure is actually likely to understate success, because a significant minority of services did not keep figures for the additional benefits gained and verified. The authors found the main reason for failure appeared to be the ending of fixed-term funding rather than any evidence that the services had not delivered or met funders’ expectations. In terms of success, the ability to ensure secure funding, and good links with healthcare professionals and GP practice managers consistently emerged as the most significant factors. Factors which inhibited success included the end of funding and poor links with health professionals.[36]

Similarly, a report for the National Association of Welfare Rights Advisors finds evidence of success when multiple different agencies work together. The authors refer to a review of a three-year (2000–2003) multi-agency welfare rights take-up project in Yorkshire and Humberside, run by the Royal National Institute of the Blind (RNIB) to improve take-up of benefits amongst the visually impaired. The monetary impact was argued to be “substantial” with RNIB estimating that around £916,000 per year of additional income (April 2000 to January 2003) was received by people with sight difficulties and their carers. The RNIB estimated that if people who were awarded extra benefit claimed for an average of three years, then £44 would have been raised for every £1 of funding.

The report includes reference to many other similar initiatives that were also reported to have succeeded in raising benefit income for older people. Similarly, the report notes the example of the Tameside Welfare Rights Service which – operating as part of a wider network of local organisations, including the Pensions Service, CAB and Age Concern – set up a successful campaign in 2002 to promote take-up of the then Minimum Income Guarantee, meeting a target to raise take-up from of MIG from 72% locally to 85%.[37]

Salford University’s Community Finance Solutions Centre, which evaluates many local projects, also finds consistently positive impacts of community-based initiatives on benefit take-up.[38] In one example, they refer to the work of the Age Concern Calderdale and Kirklees (ACCK) Information and Advice Service which offered information and advice for older people and their carers on

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[c] DWP Visiting, in partnership with local authorities and voluntary sector organisations, provide a face-to-face service which is directly targeted on vulnerable customers with particular needs and those with complex or highly sensitive situations which cannot be met in more cost effective ways, for example through self-service and telephony channels.

welfare benefits, grants, housing options and community care issues. In the financial year 2009/2010, the organisation completed over 1,500 benefits calculations and nearly 300 benefits applications. Using cost-benefit analysis, the authors estimate that the services provided by ACCK generated in excess of £600,000 in increased disposable income in the form of increased benefit up-take in the year 2009/2010. That is compared with the relatively limited costs of providing the service – £70,000.

Filling the evidence gap

With the exception of the DWP study, the interventions discussed above were all relatively small community-based projects. We need more information on whether the small projects are scalable and could therefore maximise incomes across the country as a whole. Further evaluation of these projects is therefore needed in order to identify the full extent of benefit take-up and to establish whether such initiatives could be rolled out at a more national rather than just a local level.

## Safeguarding from fraud

The quality of evaluations

There have been many financial capability initiatives aimed at reducing the likelihood of older people becoming victims of fraud. For instance, a recent report by Age UK outlined a number of case studies where banks have been taking action to reduce fraud and scams.[39] But there is very little evaluation of such programmes. Where we have found such evaluations, only one quantified the direct impact on fraud prevention.

Evidence summary

Scam prevention and cognitive decline are highly related to one another and numerous studies have shown that older people are particularly susceptible to both of these challenges.[d] This review was unable to find many evaluated examples of financial capability interventions that focused on fraud and scam prevention amongst older people. It may be the case that some of the programmes outlined above also provided bespoke advice on these issues but this was not reported to be a key aim of the programmes that were evaluated and data was not collected on this theme. There are, however, a limited number of partly evaluated interventions that are relevant in this area.

Perhaps the best example is the 'Daily Money Management' (DMM) programmes in the US which are designed to help people who face difficulty managing their personal financial matters. In order to prevent the devastating consequences associated with the loss of financial independence and stability, social service agencies have developed community-based DMM programmes to assist vulnerable and frail older adults in protecting their financial security and serve as a deterrent to potential elder abuse.

We could find no recent evaluation of whether the programmes actually prevented occurrences of fraud or scams but there was one evaluation of how the programmes delay entry into a care home and the money this saved. The evaluation found case-management programmes "saved $60,000 per individual, compared with nursing home placement". Moreover, the study found that "the incremental costs of DMM are less than $250 per month per individual, making them highly cost-effective. Most importantly for quality of life, individuals are able to remain in their homes and their communities". The ability to prevent scams and fraud was not tested in the analysis but the study did suggest overall cost savings for the individual because it helps keep them at home rather than being referred to a care home.[40] Previous research has also suggested that DMM services help to delay the need for the appointment of a guardian (a mechanism by which courts appoint people to handle the financial and/or personal affairs of individuals who are unable to protect themselves as the result of incapacity).

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[d] See for instance Boyle *et al* (2012) 'Poor Decision Making Is a Consequence of Cognitive Decline among Older Persons without Alzheimer's Disease or Mild Cognitive Impairment'. PLOS One, August 2012, Volume 7, Issue 8, e43647.

The DMM programme is also interesting because it is an example of a multi-agency financial capability project that has been developed at scale to support the most vulnerable in society. While details on the numbers of programmes are scarce, a survey by AARP in the mid-1990s indicated that there were already 360 DMM programmes operating nationwide in the US.[41] Nevertheless, there is little evaluation of DMM in terms of how it changes financial behaviours and in particular whether it succeeds in preventing scams. And indeed, there is a wider issue about whether staying at home is appropriate for some individuals.

A smaller pilot project called 'Striking Back: Elder Financial Abuse Prevention' was developed in collaboration with University of Florida and the University of Tennessee. The authors developed the programme, which includes a Leader's Guide, videotape, practice scenarios, and handouts, to make older people aware of the problem of abuse and provide coping strategies. Pre/post knowledge tests were used to determine if learning occurred as a result of the educational program, and a six-week follow-up evaluation was conducted to determine whether elders had adopted key practices that deter telemarketers. Only 79 people participated in the programme but post-test results amongst those who participated (just 42 of the 79 completed the tests) suggested that they had increased their knowledge with improved scores.42 Unfortunately, we do not have evidence that this model was rolled out more widely despite the broadly positive results from the small pilot.

Another relevant example is the MoneyMinded programme which seeks to raise financial capability across Australia and the South Pacific. This is a wide ranging programme that seeks to improve financial capabilities of people of all ages and since 2003, an estimated 243,646 people have received MoneyMinded financial education. While older people are not a central focus of the programme, it is estimated that around 4.2% are aged over 65. The Australian version of the programme targeted improving general money management, including consumer rights and responsibilities (amongst many others). In an evaluation of the programme it was found that MoneyMinded helped "many" participants to understand their consumer rights and develop confidence and strategies to deal with door-to-door salespeople and utility companies. In this regard, they note that "elderly participants and those suffering disabilities were especially vulnerable to door-to-door salespeople. They discovered that they could put a sticker on the door saying 'no' to door to-door salespeople which helped them feel protected and less fearful of signing up to products they don't need or want".[43]

The possibility that the above programme may have helped reduce fraud is interesting, but unfortunately the evaluation contained no empirical analysis regarding the number of people that either a) felt they had been helped in this regard or 2) made an active behavioural change as a direct result of the intervention. For this reason we cannot be confident that it had any substantive impact in terms of preventing fraud for those who embarked on the programme. This is not to say that the programme and its content around rights and responsibilities was not useful but that there is no conclusive evidence to suggest it shaped behaviours. It is however an interesting example of how content could be built into a wider financial education programme to improve scam prevention but more evidence is needed on its effectiveness.

Broader research on financial abuse prevention highlights the role of financial education programmes and emphasises the importance of using trusted and local intermediaries to provide support to vulnerable people with simple information. Within the literature, the importance of maintaining social networks, screening, training and vetting of care home managers and staff and co-ordination of different agencies are all thought to be critical in protecting the most vulnerable in society.[44]

Filling the evidence gap

On the basis of the evaluated examples, it is difficult to draw any conclusions on what works to reduce scams and fraud. It is worth doing more detailed analysis on the above programmes and developing a theoretical model for how interventions might induce positive behavioural change. Broader financial capability programmes for older people might consider sessions that provide information on how to avoid fraud and to ensure appropriate evaluations of such sessions.

# Planning ahead and managing life events

This section discusses interventions that seek to help older people to plan ahead and manage life events. It considers interventions that help older people manage a range of life events. It then looks at interventions that deal with mortgages in retirement, in particular equity release.

## General interventions seeking to help people to plan ahead

The quality of evaluations

Age UK published a recent report on an evaluation of the financial capability programmes it delivered in the last few years.[45] They found some evidence of effectiveness, however a lack of robust evidence means the impact of the interventions on subsequent behaviours cannot be quantified with precision. In terms of more specific aspects of planning ahead, such as dealing with bereavement and funeral planning, there have been no formal evaluations; however, the sheer numbers of people using the Tell Us Once service and the publicity attracted through the Dying Matters Awareness Week suggests there is significant demand for a broader advice and education campaign around bereavement and funeral costs.

Evidence summary

Age UK has delivered financial capability programmes aimed at helping older people manage finances through life events and plan for later life.

For example, Age UK managed the 'Planning for Later Life' (PLL) programme, funded by Prudential, which ran from April 2012 until December 2015. The PLL programme provided holistic information and advice to older people experiencing significant life events. The programme aimed to promote and deliver information and advice services using a variety of delivery methods including: face-to-face advice; telephone advice; home visits; information guides and use of a Planning for Later Life Toolkit. In its evaluation report, the charity highlighted the success of the programme in terms of increased service usage, and provided some indication of effectiveness in terms of increased income. However, the evidence is mainly qualitative, no control groups were used, and it is therefore difficult to quantify the impact.

There are limited examples of interventions that aim to improve people's ability to plan for and manage the costs associated with funerals. In theory, general financial capability programmes should help in this context by supporting participants to make financial plans and set goals, of which bereavement and funeral costs are two examples. Indeed, planning to cope with specific events, such as death of a spouse, disability or sickness is, arguably, less complex than retirement planning, as highlighted by the Financial Conduct Authority, and therefore does not require a particularly high level of financial capability.[46]

A small-scale project undertaken by Quaker Social Action called 'Down to Earth' aims to give immediate practical support to people on low incomes who are planning funerals.[47] A small number of individuals provide face-to-face and remote advocacy and advice, including help with applications for state support and benevolent funds. Future plans include setting up a hardship fund, providing financial capability support after a funeral, and helping the Church of Scotland adapt the project for Scotland. We could find no detailed evaluation of the project, but the charity has produced estimations of cost savings for its clients and a robust evaluation is going to be published soon. It claims to have supported 824 people since 2010 with clients saving an average of £2,237 on funeral costs, and to have secured £61,531 in statutory and voluntary grants for service users.

Another intervention which is less about advice and more about simplification is the Tell Us Once service. This service is offered by most local authorities on behalf of the Department for Work and Pensions (DWP).[48] The service allows the bereaved person to inform central and local government services of the death at one time rather than having to write, telephone or even attend each service separately. The service also provides information about how to arrange and pay for a funeral. Estimates of use between March and June in a single year were 79,334. The service has been evaluated and has scored highly in terms of ease of use, the helpfulness of staff and whether those using the service would be willing to recommend it to others. We have included this example within our review as it clearly has scale, is simple to use and scores highly on measures of satisfaction. However we have no evidence about whether the service has had an impact on how people ultimately arranged and paid for the resulting funeral and what the counterfactual would have been.

Finally, the Dying Matters Coalition seeks to raise public awareness of dying, death and bereavement in England. It is led by the National Council for Palliative Care, the umbrella charity promoting palliative care for those who need it. As well as organising regular events and workshops with members, the Coalition also hold Dying Matters Awareness Week once a year.[49] While this is not directly aimed at improving people's ability to cope with the financial challenges associated with paying for a funeral, it could, by raising awareness, cause people to make financial plans. There has been no formal evaluation in terms of inducing behavioural change, but the Coalition claims to have received widespread national media attention, while the associated workshops and events are estimated to have reached around 573,100 people in 2014.

<u>Filling the evidence gap</u>

More robust impact evaluation of these programmes is needed to quantify the extent to which they influenced behaviours. Given that planning for bereavement and funeral costs could be considered one aspect of general planning ability, it would be useful to test the link between general financial capability interventions and improvements in funeral and bereavement planning.

## Mortgages in retirement and equity release

<u>The quality of evaluations</u>

Most interventions tend to consist of counselling or advice and are relatively successful in helping older homeowners understand costs and benefits of equity release products. The interventions are, however, not fully evaluated. One study provides experimental evidence on the impact of a simple intervention – a simplified explanation of the features of the product – on the subsequent interest in equity release products, and finds no impact. Given the overall lack of financial literacy among the older population and the extreme complexity of the product, one-to-one counselling appears most appropriate.

<u>Evidence Summary</u>

According to a standard lifecycle model, retired people should be in their 'decumulation' phase, i.e. running down their assets, and therefore unlikely to need loans. However, a large proportion of older people tend to have their wealth locked up in illiquid assets, such as their home, that cannot be readily spent, and therefore may need to access loans in the form of equity release.

Equity release products, such as reverse mortgages or lifetime mortgages, are financial instruments enabling older homeowners to borrow against home equity. They are loans with the home as collateral, however, no payments are required as long as the borrower lives in the home. The mortgage interest is added to the debt and compounded. Only when the house is sold, because the owner moves to another dwelling or passes away, does the bank recover the loan plus interest. An important feature is a no-negative-equity guarantee, which insures the homeowner and the heirs against the risk of the house having a value below the sum of principal plus interest. This risk is for the lender.

Several authors argue that equity release products can be, at least partly, a solution to the challenges of financing later-life needs, such as long-term care. Many older families have substantial amounts of untapped housing wealth, including households whose other retirement resources may be very modest. For instance, a recent report by the House of Lords Committee on Public Service and

Demographic Change estimated that people aged above state pension age in the UK in 2009 own roughly £250 billion in housing wealth available to be released.[50]

The product is, however, fairly complex and many consumers simply do not grasp the full consequences of interest compounding on the size of their loan as it grows exponentially over time.

Anecdotal evidence hints that older people find equity release products difficult to understand and for that reason shy away from using them. Indeed, the economic literature is rich with examples of older homeowners misunderstanding debt contracts or equity release products.

The Homeowner Option for Massachusetts Elders (HOME) project has been evaluated through qualitative interviews and ethnographic methods and showed some indication of effectiveness. Leviton, the author of the evaluation, reported that the programme helped many participants maximise income, however, it may have pushed towards borrowing (doubts about impartiality). The study also showed that that homeowners valued the counsellors' explanations about equity release products and other options, and found extremely useful having all the steps explained to them and seeing the figures 'in black and white'; homeowners often found that they would receive less income than they had hoped, based on the articles they had read.[51]

A survey conducted on Australian older homeowners found a widespread lack of awareness and several misconceptions among home equity conversion mortgage insurance (HECM) borrowers.[52] The study revealed that nearly half of the borrowers interviewed did not know how much the loan would cost over time, about one in five did not know how compound interest worked and more than half did not know what would happen if they breached a loan condition. More worryingly, several borrowers revealed that the lender did not provide adequate information on how interest rates and house-price variation would affect their loan or how their pension may be affected.

For this reason, to ensure that older homeowners make well-informed financial decisions, borrowers in the US are required by law to obtain counselling approved by the Department of Housing and Urban Development (HUD) before they can apply for an HECM loan.[53] However, the quality of the advice received is not consistent. Rodda et al (2000) conducted an evaluation of the Federal Housing Association (FHA) HECM programme in the US. While most of the report is not directly related to financial capability and equity releases, part of it concerned an assessment of the quality of counselling borrowers received from lenders. The evaluation revealed large variation in the quality of counselling, raising some concern. Some borrowers had established a good relationship with their counsellor and were provided with all the necessary information to make a sound financial decision. Some, however, received little information and were not made aware of the potential costs of the product. Finally, some lenders reported that some counsellors are not sufficiently knowledgeable about reverse mortgages, and so add to homeowners' confusion.

In the UK the sale of equity release products is regulated both by the industry – by making membership of the providers' trade body, SHIP (Safe Home Income Plans), conditional on compliance with a strict code of conduct – and by law, by the Financial Services and Markets Act 2000 in conjunction with the FSA (now FCA).[54]

A recent experimental study carried out in the Netherlands claims that lack of knowledge of HECM loans is related to low demand; however, educating potential borrowers did not result in higher demand (not even when the borrower would have benefited from it).[55] By 'educating', the authors meant a relatively simple explanation of a very complex product, and therefore it is perhaps not surprising that they found no significant impact.

<u>Filling the evidence gap</u>

From this relatively limited evidence we can conclude that, while financial advice and counselling are of paramount importance to ensure that consumers make informed choices when deciding to take out an equity release product, the quality of advice varies and will have an impact on the level of borrowers' satisfaction. However, we did not find high-quality evaluations, and therefore more robust evidence is needed.

## Online access to money management tools and guidance, financial products and services

The quality of evaluations

Given a lack of direct and credible evidence of the impact of interventions regarding online access to money management tools and guidance, and financial products and services, we looked at the broader literature around digital exclusion and included reference to a number of interventions. However, even in this field, the evidence is limited. The evaluations of the interventions highlighted below have focused on experience of participation and levels of confidence rather than outcomes. As a result they do not provide sufficient evidence of impact on subsequent behaviour or causality.

Evidence summary

There are few examples of interventions that have been evaluated regarding web-based access to money management tools and guidance. One notable exception was ‘Look after the Pennies’ – an online money management course for the over-55s. The programme was shown to have increased levels of confidence amongst participants in using online tools and feeling more informed about general money management. There was also evidence of generally high levels of satisfaction with the course. While the evaluation focused on individuals’ confidence in using tools, it did not explore whether behaviour amongst participants actually changed as a result of the intervention.[56]

Citizens Advice launched the programme ‘Digital Money Coaching’ in September 2015 for which it won the Unite-IT award for ‘Vulnerable groups at risk of exclusion’, a Europe-wide award presented to Citizens Advice in Belgrade on 24 September 2015. The topics covered range from use of emails, loyalty cards, online payments (including bills) to benefits online, budgeting online, banking and shopping online. While not directly targeting older people, the older population suffers more than other groups from digital exclusion and would therefore be expected to benefit the most from such intervention. Unfortunately, because the programme has been launched so recently, no evaluation of its impact is currently available.

The evidence base regarding digital exclusion mirrors that of the more specific financial capability interventions highlighted in this report. For instance, a summary of evidence written for Age UK on what works with regard to digital exclusion, found “there is little direct and credible evidence of the impact of interventions designed to address digital exclusion”. The authors go on to stress that “evaluated interventions are few and far between and even fewer evaluations provide robust and useable results”.

Despite this assertion, the authors do refer to a limited number of projects that have been evaluated. These include ‘Get Digital, Digital Unite’ (2010–2012) which was a comprehensive, structured learning programme for residents in sheltered housing, working with staff, landlords and wider community, and the Social Impact Demonstrator project (2006–2007) which worked in partnership with UK Online Centres to reach socially disadvantaged people and engage them in ICT activities. With regard to the former, there were reports of increased feelings of confidence amongst participants in using computers and the internet as well as some evidence for reduced isolation and loneliness. The project engaged 12,234 at a cost of £163 per person. With regard to the latter intervention, according to a follow-up survey, confidence in using computers and the internet had improved while it was also suggested that some participants met up with new friends as a result of the programme and some volunteered.

A familiar theme underpinning the evaluations referred to in this report is that they fail to include a control or comparison group and the same is true regarding these digital inclusion interventions. Partly because of this, the Age UK report argues that more consistent and robust evaluation of digital inclusion interventions is needed “as a matter of urgency, so that we can have a clear picture of benefit, including cost-effectiveness, quality of life and health improvements. Current evaluations generally fail to give the evidence necessary to prove the benefits of prevention and social engagement claimed”.

Filling the evidence gap

Consistent with our general findings on evaluations of interventions aimed at improving financial capability, we found little direct and credible evidence of the impact of interventions designed to address digital exclusion.

## Other holistic interventions

Some interventions cannot be put into a specific box – they are aimed at improving wellbeing on a number of different facets – not just financial wellbeing.

One such example is the FirstStop advice service for older people. Provided through a voluntary partnership of national and local organisations, led by Elderly Accommodation Counsel (EAC) and working closely with Care & Repair England (C&RE), it offers free, independent, impartial and fully integrated information and advice on housing, care and related finance. There are three levels of advice – Level 1 which relates to general information through community information points; Level 2 which relates to more tailored information through agencies and helplines; and Level 3 which relates to one-to-one advice.

Since being introduced after the Care Act of 2014, the service has been evaluated with a specific focus on Level 3 interventions. Based on a sample of cases related to Level 3 interventions between April and September 2015 (1268 people), the vast majority were related to improved wellbeing, while a smaller number related to improved financial situation. The rest of the evaluation relied on qualitative interviews and case studies which implied improvements in wellbeing to those interviewed, though once again there is a lack of rigorous evaluation using a control group.[57] Nevertheless, it is an interesting example of providing holistic advice which encompasses a number of different facets related to older people, of which financial wellbeing is merely one.

# Towards some general principles on what works

Based on our review of evidence on financial capability interventions targeting older people, and in light of the general findings highlighted by the broader literature on financial capability, we believe that interventions should adhere to the general principles listed below. The evidence we gathered on financial capability interventions targeting older people cannot be considered 'consistently effective', and therefore we only suggest some general principles on what might work best given this limited evidence. As a consequence, we refer back to some of the lessons learned through the wider literature on financial capability interventions as well as the findings from our evidence review regarding older people.

**Targeted financial capability programmes**: while, in general, older people can benefit from holistic advice, as suggested by the Age UK 'Planning for Later Life' programme, there is evidence that financial capability interventions have a stronger quantifiable impact if they address specific issues – e.g. increase savings or uptake of pension credit – as demonstrated by the two meta-analyses regarding financial capability interventions.

**Providing 'just in time' financial capability programmes**: financial capability programmes that are immediately applicable have a stronger impact, since the effects tend to dissipate over time, as shown by the meta-analyses. A further example can be found in the DWP evaluation of Pension Credit Payment Pilot. Indeed, the DWP home visits raised pension credit take-up rates among the eligible non-recipients partly because they had the opportunity to claim pension credits straight away.

**Financial capability interventions should exploit social network effects** – i.e. peer effects or effects on non-participants – as suggested by Duflo and Saez. This can be achieved by encouraging participants to discuss what they learned with their colleagues, friends and relatives to maximise potential impact (ex. In).[58]

**Simplification does not equal education**: many financial institutions are looking at simplifying the language to help consumers make financial choices. While a simplification of language and the elimination of jargon are more than welcome, they are just one route to increase financial capability. Some financial products are inherently complex (for instance income drawdown or equity release) and a simplified explanation will not induce the desired change in behaviour (as highlighted by Davidoff, Gerhard, and Post). Our review of evidence suggests that for more complex financial decisions, one-to-one sessions with independent financial advisers are likely to remain the best option. Face-to-face is often considered the preferred option for reaching and assisting older people but it is an expensive channel. More experimental evidence is needed to find out what channels are best to deliver different types of information to different types of people.

**Co-ordination is key**: Our review of many small scale interventions showed that the probability of success is higher if the intervention is part of a co-ordinated effort – including several providers as well as groups of older people. In particular, delivery needs to focus on involving older people and different agencies, including but not limited to charities, local authorities, and product providers.

**Robust evaluation should be part of the design of the intervention**: generally, face-to-face interventions are more successful at changing behaviour than emails or informational campaigns (for instance informational campaigns on occupational pensions in Sweden were only successful in the short term; see also Davidoff and Post experimental study). However, all campaigns tend to be costly and therefore, when piloting a financial capability intervention, providers should think from the outset about how they are going to assess it. This review found that the majority of financial capability interventions targeting older people provided at best only some indication of effectiveness. To really know what works, providers of interventions should include a pre- and post-test assessment (a good example is the 'Finances50+' project administered by AARP). Only in this way will we have enough information to know what works.

# Conclusions

In an increasingly complex financial world, where responsibility for financial decision-making is progressively being shifted onto the individual, financial capability is one of the best safeguards against the risk of poverty in later life. Indeed, many Western governments have put financial capability and education programmes at the top of their agenda, and have spent substantial amounts of money trying to increase the level of financial skills across their population. However, while there are few doubts on the positive association between financial capability and financial outcomes, the evidence on what financial capability interventions actually work is still inconclusive.

Furthermore, many financial capability interventions tend to target schoolchildren or working people, rather than older people.

With this report, we have addressed a gap in the literature by providing evidence on financial capability interventions specifically addressed at older people. While we managed to identify several interventions covering most of the issues surrounding older people, we found the level of evidence lacking.

Most interventions highlighted in this report tended to be small-scale and were not designed with a robust impact evaluation framework in mind, and thus could not be rigorously assessed. While we found some indication of effectiveness – with several evaluations of the interventions reporting increased levels of satisfaction, knowledge or confidence among recipients – we very rarely came across high-quality evaluations, in which results of the intervention are compared with a control group. Without rigorous evaluations we cannot be sure of the actual success of interventions and therefore their cost-effectiveness.

Another issue is that many interventions were aimed at improving money management. However, money management is less of a problem for older people, who are found to be better at budgeting and living within their means, as highlighted by the recent financial capability report on older people in retirement referred to earlier. Conversely, older people would benefit from interventions in domains in which their financial capability is much lower, such as choosing financial products, keeping informed or, to a certain extent, planning ahead, as indicated in the 'Financial capability in Great Britain 2010 to 2012' report.

Different delivery methods should be tested to ensure that the most cost-effective approaches are adopted. For example, financial capability interventions for older people in the UK tend to be delivered in the form of face-to-face support (e.g. 'Managing Money Better', 'Look after the Pennies' etc.), which, even if successful, can be rather costly. The US-based programme 'Finances50+' provided evidence in favour of group workshops, which may not only represent a cost saving, but could also exploit social interactions within the group of participants.

The review also found that several financial capability interventions tend to consist of immediate help or guidance provided to older people in vulnerable situations who may have some disability or impairment. In this case, people may need continuous support to ensure regular benefit take-up or to ensure older individuals are consistently able to avoid scams and manage their money appropriately. As a result, continuity of funding for financial capability programmes is critical to maintain services over time – something which contrasts with the reality facing many programme providers.

Finally, our findings perhaps suggest that delivering large-scale financial capability programmes for older people is particularly challenging given the lack of a common institutional setting through which the programme can be delivered. Successful interventions for other age-groups have taken place in schools and the workplace. One exception regarding older people may be the GP or other healthcare settings and indeed, this report has found evidence of success with regards to interventions in this area. One avenue for future interventions might be to consider how interventions within healthcare settings might be made more scalable. Similarly, we can see healthcare settings as trigger points, i.e. suitable places to direct people towards help.

But perhaps the overarching theme of this review is that more evidence is needed on what works and this can only be achieved by allocating more resources for proper evaluation. Currently evaluations of programmes targeting older people are few and far between, and where they exist they are relatively limited. As a result, we know less about what works regarding this age-group than amongst schoolchildren or working-age adults.

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# Appendix

| Title | Outcomes | Standard of evidence | Description of the programme |
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| Your Money Matters – free, confidential and impartial money advice service for older people run by Help the Aged in partnership with Barclays (2009) | Financial capability (mindset) and Financial wellbeing and other (including health and psychological impacts)<br>According to those interviewed they most valued:<br>■ Help with completing benefits forms / applications / appeals<br>■ Help with negotiating with creditors<br>■ Making money problems seem "normal"<br>■ Visiting clients in their homes<br>■ Keeping clients involved and up-to-date on what was happening with their case<br>■ Explaining often complex financial matters in a manner that was easily understood.<br>In terms of impact:<br>■ Satisfaction with the service was high.<br>■ Over three-quarters of clients reported that their financial situation had improved as a result of their involvement in the service.<br>■ Also impact on other aspects of their lives including a positive effect on their emotional health, with a reduction in anxiety and worry (64%) and physical symptoms of this anxiety, such as sleeplessness (8%).<br>"Advisers maximised clients' income. Additional benefits for clients, such as Pension Credits, Attendance Allowance and Disability Living Allowance, were secured. (Many clients expressed the wish that they had claimed for benefits much sooner.) Funds were also secured to enable clients to make necessary home improvements. Clients paid tribute to the resourcefulness of advisers in finding financial aid from sources including organisations helping ex-servicemen and women that they would never have approached themselves". | Indication of effectiveness through a lower-quality evaluation. Researchers interviewed by telephone 77 older people (38 men and 39 women) who had used the Your Money Matters service. There were also 10 in-depth interviews with clients who used the service. While the evaluation explored outcomes amongst the "treatment group" i.e. those who took the course, results were not compared to a control group. | Aim(s): The Your Money Matters programme had three aims:<br>1. To improve older people's knowledge, skills and confidence to manage their money (through awareness-raising sessions).<br>2. To provide practical, individual assistance to older people to overcome money management and debt problems.<br>3. To raise awareness of the issues of older people, debt and money management.<br>Delivery channel(s) and targets:<br>1. 2,000 older people to receive money management and debt advice through one-to-one sessions with dedicated advisers.<br>2. 10,000 older people to attend Your Money Matters group awareness sessions.<br>3. Reduce debt among this group by £1.1m.<br>4. Work with debt advisers and local charity partners to identify £1m of unclaimed benefits.<br>Your Money Matters Advisors also offered all-round help to older people:<br>■ Providing general information about basic budgeting<br>■ Giving advice on benefits and debt counselling and referring clients to SeniorLine<br>■ Directly intervening with creditors on behalf of those who need help<br>■ Helping clients to help themselves where this is appropriate. |

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| 'Finances 50+' – American Association of Retired People. (Jul-2014) | **Financial wellbeing**: participants reported a decrease in levels of anxiety related to their finances, with the proportion saying they were 'very worried' about money dropping from 22% to 14% after six months.<br>**Financial behaviour:** of the 16 financial behaviours measured, there were significant improvements in nine behaviours after both three and/or six months, including:<br>■ Reviewing credit card statements<br>■ Prioritising debt re-payments and reducing levels of debt<br>■ Reducing spending and/or increasing earnings saving.<br>**Financial capability (Mindset)**: the programme was also successful in encouraging participants to set financial goals. Only 42% of participants had a financial goal at the beginning of the study, compared to 63% by the six months follow-up. | One high quality impact evaluation of the programme, done by AARP in 2012 – 2013, has been published. This study involved three surveys of participants – a baseline survey, a three month follow-up survey and a six month follow-up survey. The study used the Financial Management Behaviour Scale (FMBS) to measure financial behaviour change. The study did not involve a comparison group, and we have therefore awarded the programme a rating of 'indication of effectiveness'. | ■ Finances 50+ aims to improve participants' financial behaviours and attitudes and encourage them to set financial goals. It was launched in 2012 in six cities across the US, and is ongoing<br>■ The training covers: budgeting and goal setting, taking charge of credit and debt, and developing a savings plan and protecting assets. It is delivered as three 90-minute interactive workshops<br>■ Workshops are delivered in community settings, and are relatively small (usually 5-15 people) so as to foster dialogue with a focus on practical, 'hands on' learning. Following the workshops, participants are offered the opportunity to work with Money Mentors for additional support and motivation<br>■ The programme is run by the American Association of Retired People (AARP) and the Charles Schwab Foundation who work with partner organisations to train employees and volunteers to facilitate the workshops<br>■ During the study period the financial capability workshops were administered by eleven organisations between September 2012 and December 2013. Over this period, approximately 2,775 people participated in the programme. The majority of the participants were on low incomes. |
| Managing Money Better Programme – a £2.5m Comic Relief funded programme of fifteen projects around the UK. (Jun-2014) | **Financial capability (mindset) and Financial wellbeing**.<br>Results from in-depth interviews suggest: older people being informed to make appropriate choices, reduced anxiety and better knowledge of options.<br>Caseworkers have supported people to maximise their income, particularly through benefits checks, which can have a significant impact on their income and ability to support independent living.<br>Caseworkers have been able to secure grants to assist clients in maintaining independent living e.g. to top up DFGs for home adaptations.<br>People who are supported to move are most commonly downsizing and/or moving into social sheltered housing. | Some indication of effectiveness based on a qualitative evaluation. The evaluation team took a number of steps to measure impact including interviewing the national management delivery team, interviewing local partner caseworkers and managers, analysis of existing data and 28 in-depth client interviews. While the evaluation explored outcomes amongst the "treatment group" i.e. those who took the course, results were not compared to a control group – i.e. results amongst a group | Aim(s): The four main intended outcomes of the MMB project are:<br>■ Improvement in money management skills of vulnerable older people.<br>■ Increase in income of vulnerable older people.<br>■ More energy efficient homes occupied by older people and reduction in fuel poverty.<br>■ Increase income through awareness and take up of grants and benefits and managing money.<br>Partners focus on geographical catchment areas and a 'community of interest' approach, targeting specific client groups:<br>■ BME elders.<br>■ People with long term conditions including older people with disabilities, people experiencing mental health problems including dementia.<br>■ People living in the most unfit accommodation.<br>■ Those self-funding their care.<br>In addition there are four broad themes, at least one of which every local partner is required to prioritise:<br>■ Enabling older people, who are being discharged from hospital, to live in homes which are warm, safe, more energy efficient and affordable.<br>■ Enabling older people to access advice on the best use of their income and assets, if they are considering moving home or going into |

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| | | that did not take the course. The analysis was qualitative and not quantitative. | residential care.<br>■ Enabling older people with long term conditions to manage their money to plan for the future.<br>■ Enabling older people who are evicted or at risk of eviction to receive relevant money advice and increase their money management skills to prevent a recurrence.<br>Delivery channel(s): The service is delivered through a combination of the FirstStop website, national telephone advice line, peer to peer advice and support and a network of local partner organisation providing face to face information, advice and support to older people. |
| Look after the Pennies – online introduction to management for the over 55s.<br>(Jan-2013) | **Financial capability (mindset):**<br>Amongst the treatment group there was evidence of increased confidence in using online tools and feeling more informed about general money management. There was also evidence of high level of satisfaction with the course. It engaged 2412 older learners. | Indication of effectiveness – one medium quality evaluation. Evaluation involved completion of a baseline survey (72 learners) before taking the course and a repeat survey amongst those who had taken the course (40 learners). While the evaluation explored outcomes amongst the "treatment group" i.e. those who took the course, results were not compared to a control group. | The Look after the Pennies programme was:<br>■ Designed to be an introduction to online money management tools for the over 55s.<br>■ Based on a new funding model with funding from Comic Relief matched with funding from Tinder Foundation.<br>■ Experts involved in course content built on partnerships from existing Learn my way module; 'Making Money Work', with some new partnerships also initiated,<br>■ UK online centres were involved at all levels, from mapping content to testing with learners.<br>■ Deciding what's in: High level topics, skills to do things, simple tasks to build learner confidence<br>■ Deciding what to leave out: The detail<br>■ The design: Uses partner's tools such as Age UK Benefit Checker and Money Advice Service Budget Planner. Designed to provide practice for learners.<br>■ Advice on centre delivery: Centres were advised: 'Break down to topics, relate them to learners and include offline activities. Don't necessarily stick to the tools picked out, there are more. If you find others that beat the ones we link to – tell us! Share what you find useful Intend for learners to repeat the module until they feel comfortable' |
| Pension Credit Payment Study DWP | Increase uptake of pension credits among eligible older people. Interestingly, uptake increased more among the "visits" group (i.e. eligible people who received home visits by DWP workers informing them about their rights etc) than among "payment group" i.e. eligible non recipients who received pension credit for a few weeks and then had to claim by themselves. | Effective Significantly higher uptake of pension credit among the eligible population in both treatment groups. Because the DWP adopted a quasi-experimental design, the evidence can be rated as effective. | DWP used administrative data to evaluate the impact of several interventions on pension credit take-up.<br>■ The experiment consisted in comparing two treatments and a control group. The first treatment group "payment" consisted in paying pension credit to eligible non recipients for a few weeks and then sending them a letter explaining how to continue to claim should they want to keep receiving their pension credit; the second treatment, the "home visit" group, consisted in assessment and home visits carried by DWP workers and the third group consisted of eligible non claimant who received neither.<br>■ Results showed that home visits were the most effective way to increase benefit take up. |
| Benefits advice provision in healthcare | **Financial wellbeing – increased benefit take-up**<br>In terms of outputs and outcomes, the survey showed that the healthcare based | Indication of effectiveness, through lower quality evaluation. | Age Concern England commissioned a study into the delivery of benefits advice within healthcare settings:<br>Aim:<br>■ Establish the distribution and scale of advice |

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| settings | advice services obtained £43.71 million in additional benefits during 2006. In the authors' view this understates the success of these projects, because a significant minority of services did not keep figures for the additional benefits gained and verified. This was the equivalent of £260,523 additional benefit per full time adviser, an extra £1,549 per service user and a return of £10.13 per pound spent on the service. Multiplying the estimated £5.8 million being spent on advice services by this figure would suggest that over £58 million in additional benefits were gained during 2006 across England as a result of advice in healthcare settings.<br><br>Distribution of services was very variable. For example, based on the responses received Cornwall had no services, but neighbouring, more prosperous Devon had 21 (but none in North Devon). Hampshire had five, which is five more than neighbouring Surrey. The London Borough of Tower Hamlets had none while neighbouring Newham with a similar socio-economic profile had 35.<br><br>Reasons for success/failure:<br>The main reason for failure appeared to be the ending of fixed-term funding rather than any evidence that the services had not delivered or met funders' expectations.<br>In terms of success, secure funding, and good links with healthcare professionals and GP practice managers consistently emerged as the most significant factors. Factors which inhibited success included the end of funding and poor links with health professionals who would be key to ensuring a good supply of appropriate referrals.<br>Services which had succeeding in obtaining ongoing funding, found that a new challenge emerged – how to manage the demand for the service. | The study did not involve a comparison group, and we have therefore awarded the programme a rating of 'indication of effectiveness'. However the survey of advice providers suggested that it did lead to increased benefit take up – see outcomes. | provision in healthcare settings.<br>▪ An additional aim of this part of the project was to identify critical factors for the success of such projects and to identify the scale of short-term funding.<br>Scale of provision:<br>▪ In 2006 there were 889 General Practices with some form of linked welfare benefits advice provision (of which 523 are CAB-linked)<br>▪ 6,179 hours of advice provision linked to health services, equating to 167 full-time adviser posts (55 of whom are local authority-employed welfare rights advisers).<br>▪ In addition, services have additional posts dedicated to managerial and administrative support. Where services recorded such data, 28,216 people were helped (a significant under-estimate because data were only available for about a third of services). However, as the researchers were unable to gather data on these points from all the advice services (including all the CABs), these figures significantly understate the scale of provision. |
| Westminster Advocacy Service for Senior Residents (WASSR) / Tameside Welfare Rights Advice Services / Royal National Institute of the Blind | Investigation into the value of the Westminster Advocacy Service for Senior Residents (WASSR) concluded that the its involvement as advocate for local older people, especially those suffering from mental health problems has saved statutory services staff time and financial resources worth around £50,000. The research does rely on an untested model for reaching its estimate, meaning the figure should be utilised with caution and regarded as indicative rather than conclusive.<br>The Tameside Welfare Rights Service | **Consistent indication of effectiveness**<br>Multiple evaluations of local projects showing consistently positive impacts of benefits advice – particularly when delivered in collaboration across agencies | ▪ Extensive local involvement of voluntary, community and public service organisations in encouraging take-up amongst potential benefit recipients with Local Authorities, Primary Care Trusts, Health Action Zones involved alongside charitable grant awarding bodies and others in the funding of dedicated Welfare Rights Advice Units, albeit often, partial and temporary funding. |

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| | operating as part of a wider network of local organisations, including the Pensions Service, CAB and AGE Concern, set up a successful campaign in 2002 to promote take-up of the then Minimum Income Guarantee meeting a target to raise take-up from of MIG from 72% locally to 85%.<br>A review of a three year (2000-2003) welfare rights take-up project in Yorkshire and Humberside, run by the Royal National Institute of the Blind (RNIB) to improve take-up of benefits amongst the visually impaired, showed the scope for welfare rights advice and the advantages that could be delivered through multiple agency working. The monetary impact was substantial with RNIB estimating that around £916,000 per year of additional income (April 2000-January 2003) was received by people with sight difficulties and their carers. | including provision within healthcare settings. However, studies referred to did not involve a comparison group, and we have therefore awarded the programme a rating of 'indication of effectiveness'. | |
| Community based financial inclusion interventions (various) | Financial wellbeing – income maximisation<br>In the financial year 2009/2010, the Age Concern Calderdale and Kirklees (ACCK) Information and Advice Service completed over 1,500 benefits calculations and nearly 300 benefits applications.<br>It is estimated that the services provided by ACCK generated in excess of £600,000 in increased disposable income in the form of increased benefit up-take in the year 2009/2010. Costs of provision were £70,000 | **Consistent indication of effectiveness**<br>The CFS develop their own Business Intervention Model (BIM), a cost-benefit analysis methodology developed by CFS for the analysis of financial inclusion interventions. In simple terms, the Calderdale BIM works by calculating the net average benefits accrued to beneficiaries by receiving the financial inclusion services provided net of the costs of delivering the services.<br><br>However, studies referred to did not involve a comparison group, and we have therefore awarded the programme a rating of 'indication of effectiveness'. | The University of Salford's Community Finance Solutions programme has undertaken a number of analyses of interventions intended to reduce levels of financial exclusion in local communities. Included within the analysis of interventions are those specifically targeting older people. For instance, Age Concern in Calderdale and Kirklees and Calderdale Benefits Assessment Unit. The Age Concern Calderdale and Kirklees (ACCK) Information and Advice Service offers information and advice for elderly and their carers on welfare benefits, grants, housing options and community care issues.<br><br>Expanded in 2004 when the organisation, with funding from the Big Lottery Fund, started a dedicated Information and Advice drop-in centre. The advice it offers on benefit uptake ranges from basic benefit checks to casework and specialist advice involving court representation. |
| Daily Money Management | Developed by AARP and others over twenty years ago, DMM programs are | Effective experience to date, | The study methodology is interdisciplinary, drawing from gerontology, nursing, social work, and economics. |

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| (DMM) Programmes in the US | designed to identify sources of financial distress among vulnerable older adults, reduce financial exploitation, address risk behaviours such as unpaid bills and un-deposited checks, and prevent adverse financial outcomes such as cut-off utilities, bank foreclosures, evictions. It should be noted that the intervention of the DMM provider agency either stopped or lessened the impact of the abuse in many cases. | documented by descriptive surveys of programs and clients and case reports, suggests that daily money management programs are a cost effective approach to financial risk reduction among vulnerable seniors, possibly even preventing or delaying the need for institutionalisation. However no evidence on whether it has been effective at preventing fraud. | Detailed primary data were collected from eight NYC agencies providing DMM services along with full case management.<br>In-depth retrospective case record reviews were conducted for 114 community-based clients referred for DMM services during the study period 2001-2006.<br>Overall, women comprised 70% of the sample and two-thirds of clients were 80 years of age and over. Most clients (75%) had a high school education or less. Ninety percent of clients had annual incomes of less than \$20,000. Most DMM referrals were for clients living alone (single, widowed or divorced). |
| Age UK Planning for Later Life | One of the most significant successes for the programme has been the level of income that has been achieved for the older people accessing the service. Almost two-thirds (64%) of the local partners highlighted this as a significant success. During the programme advisers identified a total financial gain of £19,695,409 across 2014 (£8,083,132) and 2015 (£11,612,277). | Indication of Effectiveness through a process evaluation<br>Age UK carried out an evaluation of the programme collecting monitoring data from the partners, through a survey of staff and by case studies, but no formal quantitative evaluation of outcomes has been carried out. | Age UK run the Planning for Later Life (PLL) programme, funded by Prudential, in operation since April 2012 before coming to an end in December 2015. The PLL programme provides holistic information and advice to older people experiencing significant life events. The programme aimed to promote and deliver information and advice services using a variety of delivery methods including: face to face advice; telephone advice; home visits; information guides and use of the Planning for Later Life Toolkit. The Age UK evaluation report highlights the success of the programme in terms of increased service usage, and provides some indication of effectiveness in terms of increased income; however, the evidence is mainly qualitative, no control groups were used, and it is therefore difficult to quantify the impact with certainty. |
| Striking Back: Elder Financial Abuse Prevention | 'Striking Back: Elder Financial Abuse Prevention' developed in collaboration with University of Florida and the University of Tennessee.<br>Evidence that learning had taken place during the session.<br>Individual test scores showed that one-third (14) of the respondents increased their knowledge from pre to post, and 60% (25) made no change in test scores. | Effective through a medium quality evaluation.<br>Pre/post treatment tests plus follow up evaluation.<br>Only issue: very small sample size to begin with, even smaller for the follow up. | The mix-method program evaluation consisted of a pre- and post-knowledge test (quantitative) and a follow-up mock telemarketing call (qualitative). The evaluation was approved by the Human Subjects Committee of the University of Florida (UF) to ensure that no harm would be done as a result of the evaluation methodology.<br>■ Pre-test/Post-test. A pre/post-test was developed for administration prior to and immediately after the educational program. The test measured five key knowledge areas related to financial fraud and ways to prevent it. Participants (elders) were asked to sign a consent form to participate in the pre/post-test. 91% (71) of the elders in the program consented.<br>■ At the beginning of the program the county agent asked participants to answer those five questions that measured knowledge of the best ways to handle unwanted telephone calls or door-to-door sales solicitations.<br>■ The follow-up mock telemarketing call was explained, and participants were also asked to |

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| | | | sign a consent form agreeing to participate in the follow-up phase of the evaluation. A large majority (84%) of the elders consented, with 66 of the 79 elders signing consent forms for the follow-up evaluation.<br>■ Follow up. Six weeks after the program, a randomly selected group of participants (who signed consent forms) were called by a UF researcher and presented with a telemarketing situation to determine if he/she would hang up immediately, as emphasized during training, or at least use one of the thirteen strategies taught.<br>■ The researcher used a script, approved by the Human Subjects Committee, that was prepared for the mock telemarketing call. The researcher called the elders and presented himself as a telemarketer. A debriefing session occurred with the elders immediately after the "mock telemarketing call" to inform the participant of the project, collect qualitative data, and reinforce teaching points.<br><br>Only 79 people participated in the programme but post test results amongst those who participated (42) suggested that they had increased their knowledge with improved scores. |
| Money Minded (2013) for Australia, New Zealand and Asia Pacific | Financial capability (skills and mindset) Significant evidence of take-up amongst general population but more so amongst younger and working age individuals. Of the 43,646 people to use it between 2012 and 2013, just 4.2% were over the age of 65. Some of the modules are different for the Asia Pacific region than Australia and there was no evidence of if and how it impacted on older people.<br>It was reported that "MoneyMinded helped many participants to understand their consumer rights and develop confidence and strategies to deal with door-to door salespeople and utility companies. Elderly participants and those suffering from disabilities were especially vulnerable to door-to-door salespeople. They discovered that they could put a sticker on the door saying 'no' to door-to-door salespeople which helped them feel protected and less fearful of signing up to products they don't need or want". | Some indication of effectiveness, based on process and qualitative evaluation.<br>An online survey developed by ANZ with RMIT University was available for completion by facilitators trained to deliver MoneyMinded in Australia. This allowed some limited analysis of how facilitators and participants felt the programme went rather than quantitative analysis. More detailed impact analysis was compiled for the Asia pacific area but no impact on older people mentioned. The study did not involve a comparison group, and we have therefore awarded the programme a rating of | ■ MoneyMinded is a financial education program developed by ANZ and a range of partners in 2002 and delivered through community organisations across Australia and the Asia Pacific region. Since 2003, an estimated 243,646 people have received MoneyMinded education.<br>■ It is a suite of financial education resources comprised of eight topics separated into 19 workshops which can be tailored to meet the needs of individuals.<br>■ The most common characteristics of MoneyMinded participants in Australia were: sole parents, those who are unemployed, people from Non-English Speaking Backgrounds (NESB) and young people.<br>■ In Asia Pacific area young women in India living in slum neighbourhoods, female micro-entrepreneurs in Indonesia living on very low incomes, university students in Vietnam who were more likely to be from well-off backgrounds, vocational education students in Singapore and groups of ANZ staff earning at least average wages in their countries – Philippines, Taiwan and Indonesia.<br>■ It targeted improving general money management including planning and budgeting, consumer rights and responsibilities, dealing with debt and planning for the future (amongst many others). |

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| | | 'indication of effectiveness'. | |
| Quaker Social Action – Down to Earth Project | Financial wellbeing – reducing funeral costs through planning services<br>Down to Earth has supported 824 people since 2010, and this year has already exceeded its annual target of 220 clients. The team provided 565.3 hours of support last year. The service saves each client an average of £2,237 on funeral costs and has secured £61,531 in statutory and voluntary grants for service users. | We could find no detailed evaluation of the project but the there are estimations of cost savings for its clients. But as we could not find any underlying evaluation we have ranked we have ranked this a process based evaluation with some indication of effectiveness. | **What is the project?**<br>The anti-poverty charity Quaker Social Action's Down to Earth project is the first project in the UK to give immediate practical support to people on low incomes who are planning funerals. The project offers a free advocacy and advice service – everything from months of casework to a five-minute phone call.<br>**How is the project delivered?**<br>Three people provide face-to-face and remote advocacy and advice to people across the UK, including help with applications for state support and benevolent funds. Future plans include setting up a hardship fund, providing financial advice after a funeral and helping the Church of Scotland adapt the project for Scotland. |
| Tell Us Once | Tell Us Once has scored highly in terms of ease of use, the helpfulness of staff and whether those using the service would be willing to recommend amongst others. | Process based evaluation | Service is offered by most local authorities on behalf of the Department for Work and Pensions (DWP).<br>The service allows the bereaved person to inform central and local government services of the death at one time rather than having to write, telephone or even attend each service individually. The service also provides information about how to arrange and pay for a funeral. Estimates of use between March and June in a single year were 79,334. |
| Dying Matters | As Dying Matters awareness week is a campaign there has been no evaluation of its effectiveness in actually changing behaviour or influencing behaviour however it has certainly been successful in attracting media coverage.<br>Regarding its interventions with members it has been found that there was evidence of general satisfaction with the activities undertaken by the coalition :<br>71% rated the impact of their activities as good or excellent.<br>91% of respondents rated our new 'You only die once' leaflet and posters as excellent or good.<br>86% rated the theme of the awareness week as excellent or good. | NA – not inherently about financial capability for funerals but about general awareness raising about death and bereavement. Evidence of good publicity for the project however. | The Dying Matters Coalition is seeking to raise public awareness of dying, death and bereavement in England. It is led by the National Council for Palliative Care, the umbrella charity promoting palliative care for all those who need it. There is a dying matters awareness week every year as well as events for members.<br>**Media work**<br>Over 650 separate pieces of media coverage for Dying Matters and the awareness week, with extensive coverage across both print and broadcast media.<br>Extensive national print coverage, including in The Times (where coverage included an editorial in support of talking more openly about dying), Daily Telegraph, Sunday Express magazine, Guardian, Daily Mail and Metro.<br>Substantial broadcast coverage, including interviews for BBC Breakfast TV, BBC Radio 5 Live and Sky News Radio, as well as discussions across the BBC, independent radio and on ITV's This Morning programme.<br>Dying Matters staff carried out over 25 broadcast interviews on the morning of the first day of the awareness week alone, with many other interviews with people with personal experience and Dying Matters members.<br>**Member engagement**<br>▪ Over 530 events held across England and Wales during Dying Matters Awareness Week 2014.<br>▪ Members who responded reported reaching an estimated 573,100 people in total.<br>▪ Total estimated investment from Dying Matters members was £118,250.<br>▪ 8,835 volunteer hours were contributed. |
| Homeowner Options for | Counselling / advice.<br>Homeowner Options for Massachusetts Elders (HOME) is a | Indication of effectiveness through a medium | ▪ 31 homeowners had received counselling through Homeowner Options for Massachusetts Elders (HOME). |

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| Massachusetts Elders (HOME) – Mortgages in retirement /Equity release (2002) | non-profit agency that has offered counselling agency active since 1984 | quality evaluation.<br>- Small sample size (31 people interviewed), qualitative analysis (in depth interviews using ethnographic methods)<br>- Programme helped many participants maximise income, however, possibly pushed towards borrowing (doubts about impartiality) | ■ The homeowners had considered reverse mortgages as well as other options for solving their financial and housing problems.<br>■ Potential participants were selected from counsellor lists to provide sample variation in gender, age, marital status, mortgage type, time elapsed on the mortgage, and reason for taking the mortgage.<br>■ Counsellors made initial phone calls to determine interest and to ask permission for the interviewer to call.<br>■ The computer qualitative research program The Ethnograph was used for data management.<br>■ Coding was organized under four major domains: meaning of home, financial values, decision-making, and life stage. The first three domains formed the basis of the findings.<br>■ Findings: Homeowners appreciated that counsellors offered reverse mortgage information without pressure.<br>■ Homeowners valued the advisers' explanations about reverse mortgages and other options. In particular, they were happy to see the figures in "black and white" and often found that they would receive much less than what they had hoped for (based on information they had gathered themselves). |
| Evaluation Report of FHA's Home Equity Conversion Mortgage Insurance Demonstration (2000) | Counselling / advice. | Indication of Effectiveness, through a lower-quality evaluation. Focus groups were held in three metro areas (Providence, RI; Seattle, WA; and New Orleans, LA) to collect direct feedback from borrowers on their experiences and satisfaction with the HECM Program. | ■ To ensure that elderly homeowners make well-informed financial decisions, borrowers are required by law to obtain counselling before they can apply for a Home Equity Conversion Mortgage (HECM) loan<br>■ Many participants were very enthusiastic about the impact HECM loans have had on their lifestyles. They are no longer concerned about their financial wellbeing and are enjoying retirement.<br>■ For others, the HECM loan has not dramatically improved their quality of life, but allows them to meet daily living expenses and to stay in their homes<br><br>**Findings**<br>■ Feedback on the quality of counselling from borrowers and lenders suggests that variation in the quality of counselling is a concern;<br>■ The most positive responses came from borrowers who had formed a relationship with their counsellor and the counsellor provided them with the necessary information to make a sound decision.<br>■ The least positive responses were from individuals who felt the counselling sessions did not make them aware of the costs associated with the HECM loan.<br>■ Some of the participants in the focus groups felt that they were not aware of the full costs of these loans and would not have chosen a HECM if they had been better informed of other options. Lenders also report that some counsellors are not sufficiently knowledgeable about reverse mortgages, and so add to |

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| | | | owners' confusion. |
| Digital exclusion interventions –(various) | Financial capability (connection) Increased use and confidence of using online tools generally and amongst care home resident, sheltered housing and landlords amongst others. Some evidence of effectiveness but not demonstrated to be consistently effective. Generally some indication of effectiveness. | Summary of evidence indicating some degree of effectiveness but no detailed evaluation given.<br>Get digital, digital unite (2010-2012) Mixed method: quantitative (online and paper surveys, baseline, progression, outcome), plus qualitative data from 12 case study sites. Only looked at the treatment group not control group.<br>UK Online Centres<br>1m people to be "shifted" online<br>• 430,000 shift (43%)<br>• 1.634m contacts shifted per month (3.8 per person per month)<br>• £157m saved in a year based on £8 saved per contact shifted online<br>Social Impact Demonstrator Project (2007-8)<br>3 stages of data collection: baseline, progression and outcomes.<br>• 4 focus groups and 8 individual semi-structured interviews<br>• 20 individual project evaluations<br>Impact:<br>• Cost efficiency: 12,234 people were engaged at a cost of £163 per person.<br>• Skills & confidence: 60% now happy using computers and internet, 70% now confident.<br>• Employability: | Age UK have undertaken various reviews of evidence on the success of projects aimed at raising the level of digital inclusion. As with evidence regarding financial capability, the general view is that "There is little direct and credible evidence of the impact of interventions designed to address digital exclusion. Evaluated interventions are few and far between and even fewer evaluations provide robust and useable results". Evaluated digital inclusion projects include:<br>Get Digital, Digital Unite (2010-2012)<br>Programme focus:<br>• Digital inclusion through comprehensive, structured learning programme for<br>residents in sheltered housing, working with staff, landlords and wider community.<br>Evaluation measurement:<br>• Impact:<br>• Skills and confidence: 57% of staff have increased confidence in use of ICT,<br>83% of residents have a more positive attitude towards computers and the internet, 88% likely to use a computer/the internet for email, phone calls, search for information, access public services and use social networking sites.<br>• Reduced isolation and loneliness: 50% find it easier to keep in touch, 42% easier to meet new people, 42% contact with family and friends.<br>• Enhanced health and wellbeing: Almost 20% of residents now look after themselves better and know more about their health.<br>UK Online Centres<br>• National coverage through a network of 5,000 centres<br>• Longitudinal daily DI data collection + daily surveys<br>• Products, support, advocacy, research<br>• 4 specialist networks:<br>– Disabled people<br>– Carers<br>– Older people<br>– Into work<br>Social Impact Demonstrator Project (2007-8)<br>Programme focus:<br>• Partnership working through UK online centres to reach socially disadvantaged people and engage them in ICT activities.<br>Reach for IT, Age UK (2010-2011)<br>Programme focus:<br>Tackling the digital exclusion of older people in residential care homes through partnership working with five community-based organisations. Evaluation measurement:<br>Qualitative practice reporting<br>Social Return on Investment (intended) |

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| | | 40% progressed in terms of training and employment etc.<br>• Social capital: 39% met up with new friends and 32% volunteered. | |
| Citizens Advice – Digital Money Coaching | | Not evaluated | Digital Money Coaching is a new and exploratory volunteer role that has been<br>identified as a way to help clients - who may otherwise face digital exclusion -<br>engage with an increasingly online world<br>The Toolkit is provided for all local Citizens Advice bureaux and their partner organisations. It is still in the pilot stages and is still very much a 'work in progress'. |
| First Stop Advice for older people | Various – holistic programme not just related to financial capability but more general wellbeing, housing, adult social care etc. | Based on a sample of cases related to Level 3 interventions between April and September 2015 (1268 people), the vast majority were related to improved wellbeing, while a smaller number related to improved financial situation.<br>The rest of the evaluation relied upon qualitative interviews and case studies which implied improvements in wellbeing to those interviewed, though once again there is a lack of rigorous evaluation using a control group | Provided through a voluntary partnership of national and local organisations, led by Elderly Accommodation Counsel (EAC) and working closely with Care & Repair England (C&RE), it offers free, independent, impartial and fully integrated information and advice on housing, care and related finance.<br><br>There are three levels of advice – Level 1 which relates to general information through community information points, Level 2 which relates to more tailored information through agencies and helplines and Level 3 which relates to one to one advice. |

Money Advice Line 0800 138 7777*
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