

Savings Action Plan 30 September 2017

For more information: enquiries@fincap.org.uk

Savings Evidence Review

Closing the Savings
Gap research

FinCap Lab Savings tests

FAMR / FCA Rules of Thumb

Savings for the Future research Create a better understanding of savings behaviours and trade offs

- MAS research budgeting, managing credit and saving behaviours
- Develop and test meaningful Rules of Thumb on savings and explore links to life events
 - Convene workshop to explore ROT & life events
- Explore partnership opportunities to develop insight into long term /short term savings

Evaluate effectiveness of life event based interventions that are (or could) be utilised to improve saving behaviours

- Identify and document projects linking life events and saving (who/what/where)
- Review evidence/evaluation of these projects are they showing changes in savings behaviour
- Identify gaps in provision and gaps in evidence/evaluation

Refined and evidence based set of savings rules of thumb

Published evidence on savings trade offs

Plans developed to test life events and approaches that might be effective but are not

evidenced

Increased awareness of how life events can be harnessed to change savings behaviours

number of interventions effectively using life events as a trigger to prompt saving

Increased

An effective savings ecosystem enables people to save in whatever way works best for them, leading to saving habits that result in improved resilience and

wellbeing

Increased knowledge of service provision targeting saving behaviours

Increased evaluation and evidence base on effective approaches to change saving behaviours Pilots

Research / Insight

'Lab' tests

Provision Mapping

FCA Sandbox Projects

Engagement with fintech firms

Engagement programme with fintech savings providers to understand barriers (to provision and evaluation)

- Agree framework of discussions/scope of enquiry
- Identify providers to speak to (including partners)
- Undertake a programme of engagement to better understand provision and evaluation barriers
- Develop recommended next steps from inquiry

Evaluate effectiveness of approaches to use technology to support savings

- WWF project: Queens Uni Belfast testing apps with credit union customers
- WWF project: Clarion Housing & Moneybuddy tool (budgeting & saving app)

Write up of findings from fintech and savings inquiry – recommendations on next steps

Evidence on effectiveness of technology in supporting savings Increased knowledge of the barriers to providing fintech savings products

Increased number of effective fintech products supporting savings

An effective savings ecosystem enables people to save in whatever way works best for them, leading to saving habits that result in improved resilience and wellbeing

Increased evaluation and evidence base of effective approaches to using tech to support savings Inputs Activities Outputs Short term outcomes outcomes outcome

Туре	Date	Description
Activities	18 JUL 2017	Peter Brooks, Barclays will lead a work stream with to build out a set of potential rules of thumb under 6 areas of financial behaviours. The plan would then be to break this down to a series of more general primary rules and a series of secondary rules which are more directly actionable but which may differ by life stage. The aim would be to feed some of these to the MAS testing so that at FinCap week we can present developments in the rules of thumb and results of testing.
Activities	18 JUL 2017	Carl Packman, Toynbee Hall will lead a work stream which aims to produce a briefing on: 1) The Market: To describe the FinTech savings environment (Method: to repurpose data gathered by Toynbee Hall for its Savings for the Future report; a review of the Sergeant Review) 2) 2) The Consumer: Insight on consumer characteristics using FinTech savings applications, looking at digital literacy/capability, savings levels, and habits (Method: to repurpose data gathered by Toynbee Hall for its Savings for the Future report; a new literature review compiling themes across demographic types from existing evidence) 3) The Product: To describe the savings FinTech app design principles in relation to a) behavioural insight (e.g. understanding how present bias can interfere with savings levels; using friction to spend down savings); b) the Sergeant Review; c) Financial capability more broadly, and d) consumer 'wants' and gaps in the market. 4) A two hour savings symposium with FinTech providers for 12-15 participants in FinCap Week facilitated by Toynbee Hall held in London, with FinTech savings representatives.
Activities	18 JUL 2017	Greg Davies, Centapse will lead a work stream to draft, refine and publish a short article that looks at the question of how to design an ecosystem of both savings and debt accounts / containers that is: • both behaviourally and financially sound, that • encourages savings and good debt management, • enables money to 'flow' into and out of the system in a way that balances short-term (buffer) needs, with medium term goals, and long-term retirement savings, and • permits the automation of good savings behaviour across the whole ecosystem

