A grayscale photograph of a hand holding several interlocking puzzle pieces. The hand is positioned on the left side of the frame, with fingers gripping the edges of the pieces. The puzzle pieces are scattered across the background, with some overlapping. The overall image has a soft, slightly blurred quality.

MAS What Works Fund BEAT 2 Project

Final Evaluation Report

*On behalf of Changing Lives
and Oasis Aquila Housing*

Funded by



April 2018

Prepared for Changing Lives and Oasis Aquila Housing

BEAT 2 Project: Final Evaluation Report

FINAL

April 2018

New Skills Consulting is a specialist regeneration and research consultancy. Combining expert knowledge with a practical hands-on approach, we help our clients develop and deliver successful projects.

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1 Executive Summary

PROJECT SUMMARY

Focused on supporting vulnerable adults resident within both the urban and rural areas of Tyne & Wear and Northumberland, the aim of the BEAT 2 project was to break the cycle of financial instability and crisis, enabling financially excluded adults to gain financial independence and build resilience to future financial crisis. Delivery was undertaken by a small team of specialist advisors employed by Changing lives and Oasis Aquila Housing. They provided one-to-one financial advice/support on an outreach basis from a wide range of community settings e.g. recovery centres, food banks, or homelessness centres. Project delivery followed a two-stage process of short-term crisis support, followed by long-term development of financial skills.

By the end of March 2018, BEAT 2 had supported 496 adults age 18+ that were either homeless, or exhibited at least one of the characteristics placing them at risk of homelessness (e.g. 20% with rent arrears, 32% with a reduction in income, 56% with substance abuse issues, 66% mental ill health). All clients were within the 'struggling' population segment, as defined by MAS. The main support needs of clients were: help to apply for benefits; help to appeal a benefit decision or sanction; support to increase income; debt advice; and help to improve money management skills.

BEAT 2 also provided financial capability training to 134 frontline staff/volunteers working in other services supporting vulnerable adults (e.g. recovery centres, health organisations, employability services). The training equipped staff/volunteers with the skills and knowledge needed to provide basic financial capability support to their clients, and to refer clients on to BEAT Team Advisors for more specialist support.

EVALUATION APPROACH

The overall research question to be answered by the evaluation was: ***'To what extent does the BEAT 2 project help to improve the financial capability of clients most at risk of facing financial exclusion, within both urban and rural settings across Tyne & Wear and Northumberland?'*** The evaluation focused primarily on gathering outcomes evidence from project clients, and from frontline staff/volunteers undertaking training, using pre and post-intervention surveys. The research took place between March 2017 and March 2018.

- **Clients:** 444 clients (90%) completed a baseline survey on first registering with the project, of which 329 received two or more interventions. 181 of these clients (55%) completed follow-up surveys between one and nine months after receiving support.
- **Staff/volunteers:** 134 staff/volunteers completed a baseline survey prior to undertaking training, of which 61 (46%) completed a follow-up survey between one and six months after completing training.

The surveys captured data to measure change against the following outcomes for clients (NB. these project level outcomes were mapped against four MAS outcomes: financial wellbeing; behaviours; ability; mindset).

- **Outcome 1:** Clients experience a reduction in benefit sanctions, rent arrears and debt.
- **Outcome 2:** Clients have an improved understanding and awareness of their own financial situation, in particular dealing positively with financial difficulties.
- **Outcome 3:** Clients feel less anxious about their financial situation.
- **Outcome 4:** Clients can keep track of income and spending, and create and stick to a viable budget.
- **Outcome 5:** Clients have improved knowledge of financial services and products.

And for staff and volunteers:

- **Outcome 6:** Staff and volunteers have a better understanding of the importance of financial capability and its impact on clients.
- **Outcome 7:** Staff and volunteers have improved financial capability skills and knowledge.
- **Outcome 8:** Staff and volunteers have improved ability to deliver financial capability support to clients.

SUMMARY OF KEY FINDINGS

Outcomes evaluation

- **Financial wellbeing (*Ability to live adequately within means*)** - The project supported clients to resolve benefit problems, restore or increase benefits income, and reduce rent arrears and debt. This improved the ability of clients to live adequately within their means e.g. 51% more clients were resolving benefit problems at the follow-up stage, compared to the baseline.
- **Financial wellbeing (*Finances and emotional/mental wellbeing*)** - The project enabled clients to improve their financial and emotional wellbeing, and reduce their anxiety levels. 37% fewer clients worry a great deal about their financial situation after support.
- **FinCap Behaviours (*Managing money well day-to-day*)** - The project supported clients to improve how they manage their money day-to-day, including taking action to reduce rent arrears and debt. As a result, clients feel they are managing better financially. 75% of clients at the baseline said they were finding it very difficult or quite difficult to manage financially, but by the follow-up stage this had fallen to 43%.
- **FinCap Behaviours (*Dealing with financial difficulties*)** - The project supported clients to take positive steps to deal with financial difficulties, by increasing their income. 28% of clients had applied for new/additional benefits during the past six months, but by the follow-up stage this had risen to 64%.
- **Mindset (*Financial attitudes to managing money*)** - The project improved the mindset of clients, improving their attitudes about managing money and helping them feel more in control financially. At the baseline stage, 43% of clients tended to agree, or agreed strongly, that nothing they do will make much difference to their financial situation, but by the follow-up stage this had fallen to 24% of clients.
- **Mindset (*Financial confidence*)** - The project helped clients become more confident in their ability to manage their finances. 31% of clients reported a significant improvement in their approach to keeping track of their finances (income and spending), between the baseline stage and the follow-up.
- **Ability (*Financial knowledge and understanding*)** - The project helped clients improve their financial knowledge, skills and understanding e.g. % of clients reporting they have a clear idea or some idea about how to create a household budget increased from 56% at the baseline, to 70% by the follow-up stage.
- **Outcomes for staff/volunteers** - The training had a positive impact on improving the financial capability, skills and knowledge of staff/volunteers, across a range of topics matched to the needs of clients including benefits, rent arrears, debt, and money management. The percentage of staff/volunteers reporting good or reasonable skills and knowledge in these areas increased by between 10% and 20% from the baseline to the follow-up.
- **Urban and rural impacts** - There was no evidence from the evaluation that the financial capability outcomes delivered by the project have differed between clients in urban areas and those in rural settings.

Process evaluation

What worked?

- **Face-to-face advice provided by skilled and experienced advisors** - By building trusting relationships over a period of several months, advisors were able to help clients address a financial crisis (e.g. benefit reduction, debt), then continue to work with them to build financial capability and skills).
- **Working alongside specialists to achieve sustainable change** - Financial capability support for this client group should be delivered in conjunction with support from other specialists, such as addiction recovery centres, or mental health counselling. This allows clients to improve their financial capability, at the same time as addressing the underlying causes of their financial situation.
- **Importance of outreach delivery model** - Providing financial advice to vulnerable adults where they are (e.g. recovery centres, supported accommodation, food banks) is the key to engaging and retaining vulnerable clients in financial capability support.

- **Using benefits advice as a 'hook' to engage clients** - Most clients were attracted to the project to get help to resolve a benefits problem. By offering support to resolve benefits problems (and related issues, such as debt and housing), clients can be engaged in a longer-term relationship with an advisor who can then help to develop their underlying financial capability and skills over time.
- **Important role of frontline staff and volunteers** - Working in partnership with frontline staff and volunteers in other projects and services (e.g. addiction recovery centres, mental health counselling) is an effective way to identify clients in need, encourage referrals, and allow frontline staff and volunteers to deal with more straightforward financial problems. Financial capability training helps give frontline staff/volunteers the skills and knowledge needed to provide basic support.

Other key findings

- **Complex needs of client group and significant time required to achieve real change** - Adults who are homeless, or at risk of homelessness, face a range of complex issues (e.g. physical and mental health problems, addictions and issues with personal safety), as well as financial exclusion. These underlying problems must be addressed, in parallel with building financial capability skills, if lasting change is to be achieved. This type of change takes longer than the 13 months available for this pilot project.

Economic evaluation

- The economic evaluation has shown that the **project delivered a positive return on investment**, with every £1 spent on the BEAT 2 project generating £3.63 in financial benefits.

METHODOLOGICAL LIMITATIONS

- The mixed methods approach adopted, including outcome, process, and economic evaluation, is considered to have been appropriate and effective. However, there were some limitations.
- The 13 month period available for pilot delivery has been too short for some clients to achieve meaningful change in financial capability, and for this to be measured by the evaluation.
- The outcomes questionnaires, based on the MAS outcomes framework, did not always work well for this group of vulnerable adults. Many clients found the questions confusing and the survey process too long, resulting in some clients becoming stressed and anxious.
- While the evaluation has been able to demonstrate positive changes in the skills and understanding of staff/volunteers undertaking financial capability training, the sample size upon which the analysis is based (61 matching pre and post-intervention survey responses) was smaller than originally planned.
- In line with the MAS outcomes framework, all of the survey data gathered to measure progress against project outcomes is based on self-reporting by clients at the pre and post-intervention stages. As is the case with all research based on self-reporting, there is a risk that some respondents may overstate the impacts of the support to show themselves in a good light, or they may understate the true impacts, for example where they lack self-confidence and tend to underestimate their achievements. This should be taken into account when considering the evidence of project outcomes.
- It is important to highlight that the resources available for the evaluation research were insufficient to allow for significance testing to be undertaken. While the outcomes evaluation indicates that clients made positive progress against all of the outcomes defined in the Theory of Change, it is not possible to claim that the outcomes achieved are statistically significant because no significance testing has been undertaken. It is important to consider the evidence of project outcomes in this light.

IMPLICATIONS AND RECOMMENDATIONS

- On the basis that the support is clearly needed, it makes a demonstrable difference to some of the most vulnerable adults in society, and delivers a positive return on investment, there is a strong rationale for policy makers and funders to consider how this type of support could be continued in future.
- The BEAT 2 delivery model has proven to be an effective solution to engaging the most financially excluded, vulnerable adults in financial capability support. This could be a valuable engagement tool for policymakers to consider, when seeking ways to boost the financial capability of the most excluded people in society.
- MAS and the financial capability community are asked to consider the following recommendations.
 - Consider supporting a wider roll-out and scaling up of the BEAT 2 delivery model, with a specific focus on meeting the financial capability needs of vulnerable, financially excluded adults, arising directly from current and ongoing welfare reforms.
 - Any roll out should take as its starting point the effective and successful delivery model which has been pilot tested through the BEAT 2 project. However, the delivery model should be improved to include the enhancements identified above. Any commissioning exercise should be co-designed in the first instance with the What Works partners focusing on this specific client group, who can then coordinate input from their wider network of support providers and intermediaries.
 - Depending on the outcomes of the co-design exercise there may be options for either a national programme of financial capability commissioning for vulnerable, financially excluded adults; or local commissioning approaches, where services would be supported by local funders and commissioners, but within a supportive national policy framework that encourages and incentivises the local delivery of financial capability support for this vulnerable, financially excluded client group.

2 Overview of project

2.1 Aims and outcomes

New Skills Consulting¹ was appointed by Changing Lives to undertake an independent evaluation of the 'BEAT 2' Project, which was funded through the Money Advice Service (MAS) What Works Fund (WWF). BEAT 2 was a 13 month pilot, commencing March 2017 and ending March 2018. It was delivered by Changing Lives and Oasis Aquila Housing. The main focus of the evaluation was to address the following key research question:

'To what extent does the BEAT 2 project help to improve the financial capability of clients most at risk of facing financial exclusion within both urban and rural settings across Tyne and Wear and Northumberland?'

2.2 Project activities

Theory of Change

The project aimed to break the cycle of financial instability and crisis experienced by financially excluded adults, delivering a two-stage process of short-term crisis support, underpinned by long-term development of financial skills.

Stage 1 Helping clients achieve stability in the short-term by dealing with immediate financial crisis.

Stage 2 Improving clients' capability to manage and avoid future financial crisis, by developing their skills, knowledge, motivations and attitudes.

In doing so, the project aimed to help clients to gain financial independence and build resilience to future financial crisis. The overarching goal was achieving sustainable financial stability, which enables people to better meet goals, reduce stress and improve quality of life. Improved financial capability will help clients to gain employment, tackle addiction, find suitable accommodation, leave exploitative relationships and remove themselves from harm. It was expected that the project would result in clients experiencing a range of positive outcomes including: reduced rent arrears; reduced benefit sanctions; reduced debt; reduced anxiety about their financial situation; improved understanding of their own financial situation; and improved skills to manage their own finances effectively (see Theory of Change diagram on page 11).

To achieve this the following activities were delivered:

- A small team of BEAT Team Advisors provided specialist, one-to-one financial advice and support to clients facing financial problems.
- Other frontline staff and volunteers from Changing Lives, Oasis Aquila Housing, and other intermediary organisations, received specialist financial training to equip them with the skills and knowledge to provide financial capability support to the clients they support in their day-to-day roles.
- Provision of an e-financial telephone advice service, available to frontline staff and volunteers at Changing Lives and Oasis Aquila Housing, to provide specialist advice about more technical financial issues.

Clients were identified by BEAT 2 project staff undertaking outreach work at a range of community venues, such as recovery centres, food banks, Job Centres, and community centres. Clients experiencing financial crisis were identified at these locations and offered support. Potential clients were also referred to the project by partner agencies and by frontline staff and volunteers at Changing Lives and Oasis Aquila Housing.

¹ Section 6 of the Report – Economic Evaluation – was undertaken by Nick O'Shea, an independent consultant.

2.3 Project context

The National Audit Office (NAO) has found that the North East has been hardest hit by the economic downturn and austerity. On average the reduction in welfare benefits between 2010 and 2015 is £551 for each working-age adult in the region (NAO 2016). The North East also has the highest unemployment rate in the country (Office of National Statistics, 2016) and the lowest average wage (NAO, 2016). For those experiencing homelessness/at risk of homelessness, this exacerbates the financial difficulties they face. Vulnerable groups experiencing addiction, domestic violence, long-term unemployment, or mental health issues are particularly badly affected. This client group is severely marginalised and unable to access the mainstream services designed to help people in financial difficulty. They suffer from extreme financial exclusion and lack the necessary skills and knowledge to improve their financial situation. Financial crisis is a common feature in their lives and is either a cause or result of the issues they face. Clients' lack of financial capability can lead to rent arrears, benefit sanctions, and the need for supported accommodation. This creates cycles of instability and crisis, with financial insecurity at their heart.

2.4 Characteristics and needs of the target audiences

The primary target audience for the BEAT 2 project was vulnerable adults aged 18 plus that are most at risk of financial exclusion, in particular, those who are homeless or 'at risk' of homelessness. Homeless includes those rough sleeping, living in supported accommodation, or 'sofa surfing'. The project defined individuals as being 'at risk' of homelessness where they face one or more of the following: rent arrears; debt; benefit sanctions; or reduction in income (e.g. due to benefit cuts, or loss of job). Other important factors contributing to an individual being placed at greater risk of homelessness include substance abuse, mental ill health, and offending behaviour. It was expected that the majority of clients would be single people, but the project would also support families and couples with the characteristics described above.

By the end of March 2018 BEAT 2 had supported 496 clients. The characteristics and support needs of clients have been analysed using responses to the baseline evaluation survey completed on initial engagement by 444 clients (90%), and the project database (Inform/CPM) which has records for 438 clients matched to the baseline survey respondents. This is the evaluation dataset. A summary of the characteristics and needs of the clients supported, matched to the project's key targeting criteria, is provided in Table 1. It shows that the project has been targeted effectively on the intended groups. All clients supported were either homeless, or exhibited at least one of the characteristics placing them at risk of homelessness (e.g. 20% with rent arrears; 32% reduction in income; 56% substance abuse). However, most clients exhibited multiple risk factors. 97% of clients were aged 18 plus, and all were within the 'struggling' population segment, as defined by MAS.

Table 1: Characteristics and needs of BEAT 2 clients compared to project targeting criteria

Age	18-24 (9%); 25-40 (37%); 41-60 (44%); 60+ (7%); Under 18 (3%)		
Homeless (or threatened with eviction)	Homeless (23%); threatened with eviction (5%)		
Other factors placing people at risk of homelessness			
Rent arrears	20%	Substance abuse	56%
Debt	23%	Mental ill health	66%
Benefits sanctioned	3%	Offending behaviour	14%
Reduction in income	32%		
Personal / family situation	Single (78%); family (15%); couple (7%)		
Geographic area (urban / rural) ²	Urban (78%); rural (15%); unknown (7%)		
Gender	Male (58%); female (42%)		

² It is estimated that approximately 18% of the North East's working age population live in rural areas (North East Farming and Rural Advisory Network (NEFRAN), Rural Growth Prospectus, Sept 2013). At least 15% of BEAT 2 project clients live in rural areas, which broadly reflects the North East average.

Employment status	Permanently sick/disabled (36%); temp sick (18%); unemployed (34%); employed (6%); other (6%)		
Support needs / what did clients want support with on first engagement with project?			
Apply for benefits	34%	Increase income	13%
Appeal a benefit decision/sanction	29%	Housing or tenancy issues	13%
Debt advice³	24%	Understand financial products	2%
Money management	17%	Other	8%

Source: Inform/CPM data (438 clients), Baseline evaluation survey (444 clients)

The BEAT 2 project had a secondary audience, which was frontline staff and volunteers working for Changing Lives, Oasis Aquila Housing, and other support organisations. Staff and volunteers were targeted for training based on two criteria. Firstly, their day-to-day role involved them supporting vulnerable adults within the BEAT 2 target audience; and secondly, that they wanted to improve their understanding of financial capability, and their knowledge/skills to deliver financial capability support to clients.

By the end of March 2018, the project had provided training to 134 staff / volunteers. Their characteristics and support needs have been analysed using responses to the baseline evaluation survey completed by 134 staff/volunteers prior to undertaking the training. This shows the project has been targeted effectively on the intended groups. 100% of those trained work in frontline roles with vulnerable adults. 77% work for Changing Lives or Oasis Aquila, while 23% work for other partner organisations providing support to vulnerable adults (e.g. recovery services, employability providers, health organisations). A greater proportion of trainees were paid staff, and fewer were volunteers, compared to expectations at the start of the project.

Table 2: Characteristics of staff and volunteers compared to project targeting criteria

Status	123 paid staff (92%); 11 volunteers (8%)
Organisation	Changing Lives and Oasis Aquila (77%); other support organisations (23%)
Job role (highest frequency)	100% working in frontline roles - Employment; Asset Coach; Housing Support; Recovery Service; Mental Health; Independent Living; Peer Mentor; Women’s Service Worker.
Training support needs	Benefits: Helping clients apply for benefits (79%); how to appeal a benefit decision (78%) Debt: How to help clients manage debt/negotiate with creditors (64%) Other: Better-off in work calculations (57%); basic financial concepts (51%)
Motivations	Provide better service to clients (76%); update existing financial knowledge to help clients (48%)

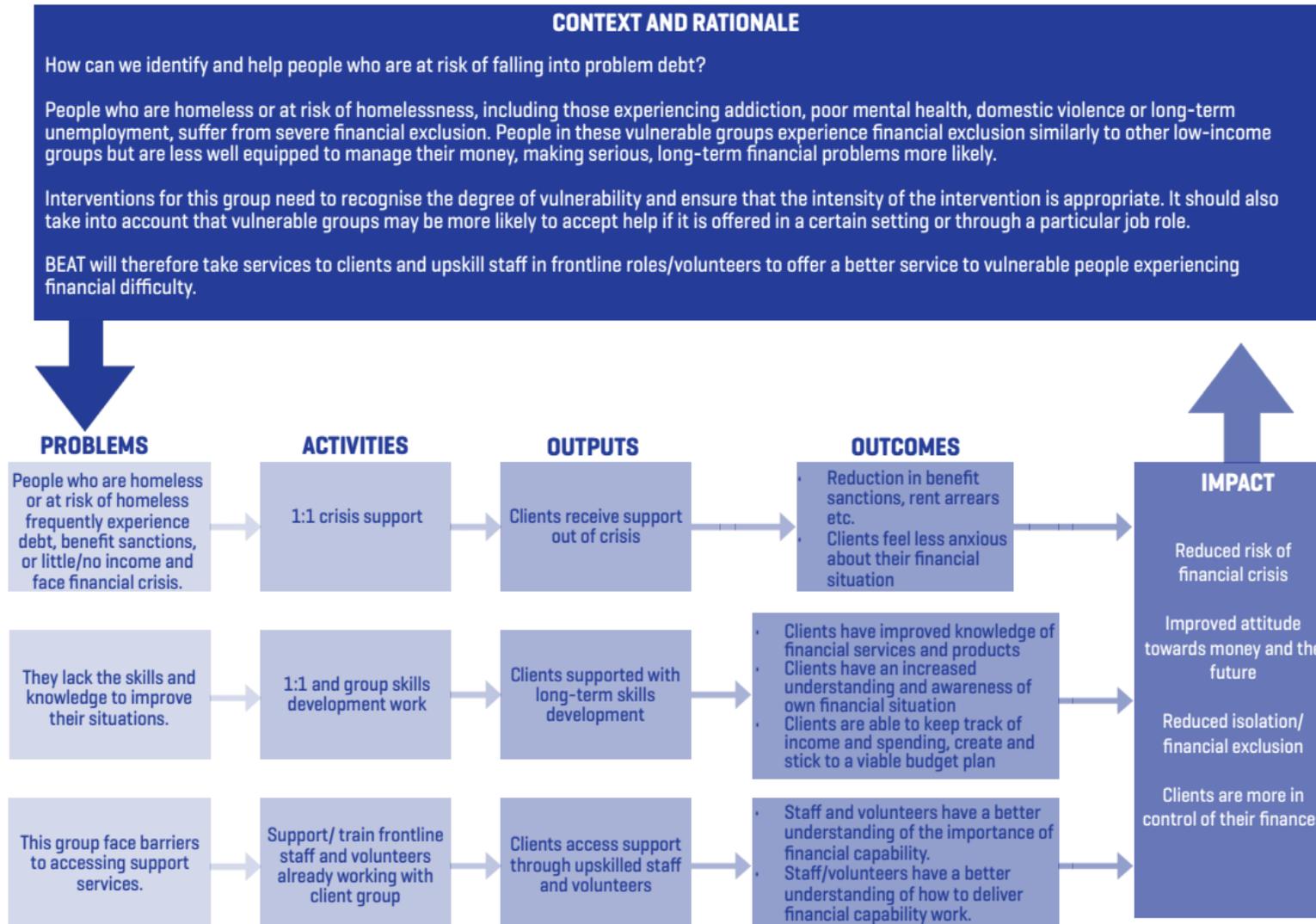
Source: Baseline evaluation survey (134 responses)

2.5 Project changes

Overall, the project was delivered as intended, and there were no significant changes during delivery. The main delivery issue encountered was that the number of staff and volunteers taking up the opportunity to participate in the specialist financial capability training was lower than originally anticipated. There are a number of reasons that may have contributed, including: internal structural changes in the two partner organisations during the project delivery period; lack of time for staff and volunteers to attend the training; and for some individuals financial capability is not high on the agenda in the context of their work so the training was not a priority. Nevertheless, feedback was gathered from those that had participated in the training, and all of those who provided feedback reported that their financial capability skills and knowledge had improved as a result. In addition, three quarters had already been able to use these skills in successfully supporting clients with financial problems.

³ In the context of this project ‘debt advice’ means signposting to specialists and not providing FSA regulated debt advice.

Figure 1: BEAT 2 Project Theory of Change



3 Overview of the evaluation approach

3.1 Introduction

Changing Lives appointed New Skills Consulting as the evaluation partner to assess the extent to which the BEAT 2 project helps to improve the financial capabilities of clients most at risk of facing financial exclusion in Northumberland and Tyne and Wear.

New Skills developed the evaluation framework and evaluation materials in line with the MAS Outcomes Evaluation Framework, ensuring outcomes evidence assesses and measures the impact of BEAT 2 at a project level, while being presented in the format required to feed into MAS's wider national evaluation of financial capability projects.

3.2 Research questions

The overall research question to be answered by the evaluation is:

'To what extent does the BEAT 2 project help to improve the financial capability of clients most at risk of facing financial exclusion within both urban and rural settings across Tyne and Wear and Northumberland?'

Within this broad question, the following more specific questions have been explored:

Outcomes for clients

- What are the main financial capability issues and needs for people experiencing severe exclusion (i.e. homelessness, or people with characteristics that put them at risk of homelessness e.g. addiction, offending, domestic abuse)?
- To what extent does the project address these needs, and impact on improving clients' financial capability (i.e. financial wellbeing, behaviours, mindset, ability)?
- Does the project's impact on financial capability outcomes differ for clients in rural and urban settings?

Outcomes for staff and volunteers

- What are the main needs of staff and volunteers regarding their understanding of, and ability to deliver, financial capability support?
- To what extent does the project address these needs, and impact on improving the understanding and skills of staff and volunteers?
- Does the project's impact on developing understanding and skills differ between paid staff and volunteers?

Delivery model effectiveness and 'what works'?

- Does the project's impact on financial capability outcomes differ between those clients supported by the BEAT Team Advisors, and those supported by frontline staff and volunteers?
- To what extent is the two-stage delivery model, and the intermediary programme, an effective approach to meeting the needs of clients and delivering the financial capability outcomes?
- Which of the project interventions are most and least effective in delivering the financial capability outcomes?
- What are the lessons and implications for a future delivery model aimed at improving the financial capability of people most at risk of severe exclusion? What are the implications for a scaled-up BEAT model?

3.3 Evaluation approach, method and activities

3.3.1 Type of evaluation

The evaluation method includes three elements:

- **Impact evaluation:** to measure the extent to which the project interventions delivered the intended outcomes for vulnerable adults, and staff and volunteers.
- **Process evaluation:** to understand how the delivery model operated in practice and how the various elements of support contributed to the achievement of outcomes.
- **Economic evaluation:** to understand the relative costs/benefits of the project and return on investment.

3.3.2 Approach

The evaluation framework for the BEAT 2 Project is based on the MAS financial capability framework, which provides a tried and tested set of outcomes and indicators against which financial capability interventions can be measured, along with research questions suitable to gather the required evidence of outcomes from beneficiaries. The Theory of Change for the BEAT 2 Project, and the associated outcome measures, were combined with the MAS Financial Capability Framework, to develop an integrated evaluation framework aligned to MAS's objectives.

3.3.3 Method and activities

The evaluation method focused primarily on gathering outcomes evidence from project clients, and from frontline staff / volunteers undertaking training. This included:

- **Clients**
 - Clients completed a **baseline survey** when they first registered with the project but before they received advice or support from a BEAT Team advisor. The BEAT advisors supported clients to complete the baseline questionnaire as part of the initial meeting and assessment. The survey included key indicators and questions taken from the MAS Outcomes Framework, although a small number were adapted slightly to make them more relevant to the project's target client group.
 - Clients were then asked to complete a **follow-up survey** at key intervals after receiving support from the BEAT advisor i.e. at 3, 6 and 9 months. The follow-up surveys included the same questions as the baseline survey, allowing changes in key indicators to be measured over time.
- **Staff / volunteers**
 - Staff/volunteers undertaking the financial capability training completed a **baseline survey** before undertaking the training. The survey included key indicators and questions, originated by the evaluation team, to measure change in the intended financial capability outcomes for staff/volunteers.
 - Staff/volunteers were then asked to complete a **follow-up survey** one month or more after completing the training. The follow-up survey included the same questions as the baseline survey, allowing changes in key indicators to be measured over time.

Other activities included:

- **Economic evaluation.** This assessed the costs and benefits of the project, based on case study examples of the financial impact of the support on a group of 'typical' clients, selected to match the characteristics and needs of the main sub-samples of clients.
- **E-financial system** log for recording enquiries. A system was developed for staff to record the enquiries they receive through the e-financial system each month, so the number and nature of enquiries could be tracked.

In addition, the evaluation included consultations with:

- A total of 56 project clients, including in-depth, confidential telephone interviews with 27 clients, plus 29 clients providing case study examples (case studies are attached at Annex 1).
- 11 project delivery staff and managers within Changing Lives and Oasis Aquila.
- 16 services / projects that have referred clients into the BEAT 2 project.
- 16 frontline staff and volunteers that have benefited from financial capability training.

3.3.4 Outcomes

Outcomes for clients

The Theory of Change identifies five intended project-level outcomes for the clients (vulnerable adults) supported by the project. These project level outcomes map across to the MAS outcomes framework, as illustrated below.

<i>Project-level outcomes</i>		<i>MAS Outcomes</i>			
		<i>Financial Wellbeing</i>	<i>FinCap Behaviours</i>	<i>Ability</i>	<i>Mindset</i>
Outcome 1	Clients experience a reduction in benefit sanctions, rent arrears, and debt.	<ul style="list-style-type: none"> ▪ Ability to live adequately within means 	<ul style="list-style-type: none"> ▪ Managing money well day-to-day 		
Outcome 2	Clients have an improved understanding and awareness of their own financial situation, in particular dealing positively with financial difficulties.	<ul style="list-style-type: none"> ▪ Ability to live adequately within means 	<ul style="list-style-type: none"> ▪ Managing money well day-to-day ▪ Dealing with financial difficulties 		
Outcome 3	Clients feel less anxious about their financial situation.	<ul style="list-style-type: none"> ▪ Finances and emotional wellbeing 			<ul style="list-style-type: none"> ▪ Financial attitudes to managing money
Outcome 4	Clients are able to keep track of income and spending, and create and stick to a viable budget.			<ul style="list-style-type: none"> ▪ Financial knowledge & understanding 	<ul style="list-style-type: none"> ▪ Financial confidence
Outcome 5	Clients have improved knowledge of financial services and products.			<ul style="list-style-type: none"> ▪ Financial knowledge & understanding 	

Outcomes for staff / volunteers

The Theory of Change also identifies three intended outcomes for staff and volunteers participating in the financial capability training. Although the outcomes were not aligned to the MAS framework, they were intended to provide valuable additional evidence about the extent to which the training results in staff and volunteers having improved financial capability understanding and skills, improving their ability to deliver financial capability support to clients. The outcomes are:

Outcome 6	Staff and volunteers have a better understanding of the importance of financial capability and its impact on clients
Outcome 7	Staff and volunteers have improved financial capability skills and knowledge.
Outcome 8	Staff and volunteers have improved ability to deliver financial capability support to clients.

Outcomes 6 and 8 were included in the original Theory of Change. Outcome 7 was added later, on the logic that staff/volunteers must have improved financial capability skills and knowledge themselves, in order to provide effective support to clients.

4 Key findings: Outcome/impact evaluation

4.1 Introduction

The Theory of Change identifies intended outcomes for two separate audiences participating in the project:

- The primary target audience was vulnerable adults aged 18 plus that are most at risk of financial exclusion, in particular those who are homeless or 'at risk' of homelessness (i.e. the project clients).
- The secondary audience was frontline staff and volunteers participating in the financial capability training.

This section of the report provides an analysis of progress achieved towards the intended outcomes, presented separately for clients, and for staff and volunteers.

4.2 Outcomes for clients

4.2.1 Introduction

The Theory of Change identifies five intended outcomes for the clients (vulnerable adults) supported by the project.

Of the total 444 clients that completed a baseline survey before receiving support, 26% (115) received only one intervention, and so were not asked to complete the follow-up survey. This left a total population of 329 (74%) clients who had received two or more interventions. Of these, 181 clients (55%) provided a complete response to the follow-up survey, at some time between one and nine months after receiving support.

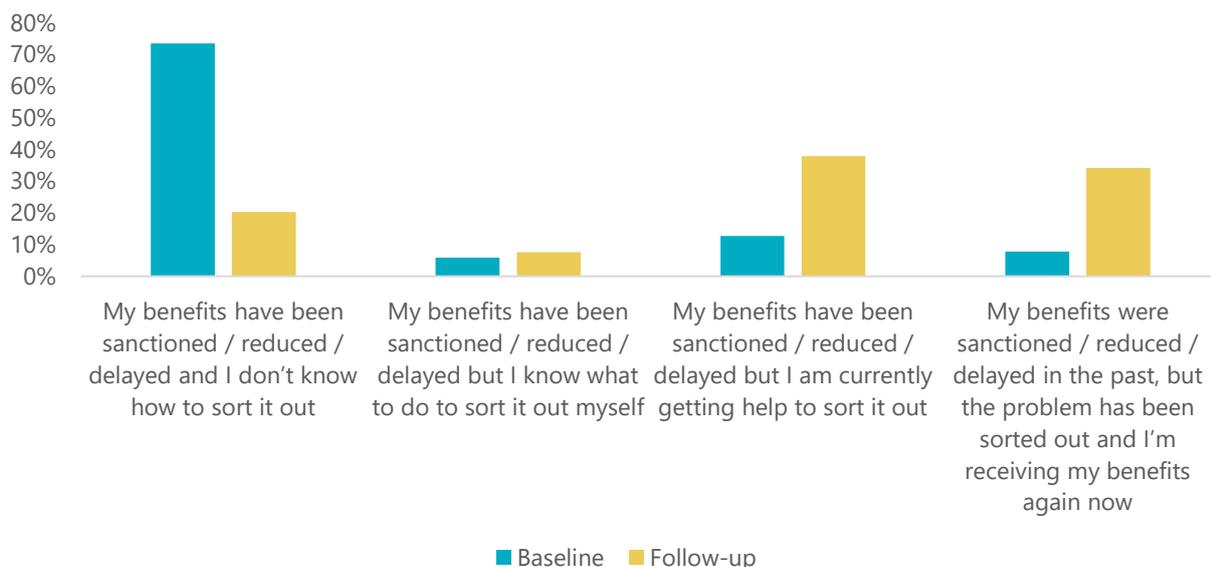
The following outcomes findings are based on analysis of 181 pairs of matching responses, measuring the changes in self-assessment ratings provided by clients through the baseline and follow-up surveys, before and after they received support.

4.2.2 Outcomes analysis

Outcome 1 - Clients experience a reduction in benefit sanctions, rent arrears, and debt

Benefits - Clients were asked whether they had experienced any problems with benefit sanctions or payments during the past month. At the baseline stage, 74% of clients said their benefits had been sanctioned / reduced / delayed and they didn't know how to sort it out, but by the follow-up stage this had reduced to 20% (-54%). Conversely, at the baseline stage 21% of clients said that their benefits had been sanctioned / reduced / delayed but that the problem had been resolved or they were getting help to resolve it. By the follow-up stage, this had increased to 72% of clients (+51%), as the BEAT Team Advisors worked with clients over time to resolve their benefits problems. This demonstrates that clients did experience a reduction in benefit problems (sanctions, reductions, and delays), following support from the project.

Figure 2: During the past month have you experienced any problems with benefits or benefit payments



Source: Baseline and follow-up surveys (181 matching responses).

This is supported by feedback from the client interviews and case studies, which indicate that a significant proportion of clients were experiencing problems with benefits sanctions and payments. In particular clients needed support with PIP assessments and appeals; appeals arising from being moved from ESA to JSA; and help with claiming DLA benefits. For example, one client, having worked all of her life, was forced to give up work due to ill health and started claiming ESA. When her benefit was subsequently changed to JSA her weekly income reduced by £40 and she began borrowing money from a family member to cover her living costs. The BEAT Team advisor supported the client to successfully appeal the decision, ESA was reinstated and a back payment of £900 was made. As well as reversing the reduction in benefits income, the client felt the support had been instrumental in reducing her stress levels, which in turn improved her overall health.

Rent arrears and debt - Clients were asked whether they had rent arrears or were unable to pay the rent, and whether they had reduced debts by getting up-to-date with all bill payments.

% of clients reporting....	Baseline	Follow-up	Change
In the past month, I have been unable to pay my rent	25%	11%	-14%
I am up-to-date with all my bills (I have begun to pay off bills and reduce my debts)	26%	49%	+23%

At the baseline stage, 25% of clients said they had been unable to pay the rent during the past month (i.e. they had rent arrears), but this had fallen to 11% by the follow-up stage. At the baseline stage, 26% of clients said they were up-to-date with all bills, but by the follow-up this had increased to 49% as clients began to pay off bills and reduce their debts.

Feedback from interviews and case studies indicates that many clients had accrued debt, often in rent arrears or as a result of borrowing money from family members. However, as a result of the support from their BEAT Team advisor these clients were making positive progress in addressing the problems. For example, one client said the support **“helped me to manage my debt and I am in a better position now”**; one said she had started to repay her rent arrears; and one client, who had got into debt with a money lender and was

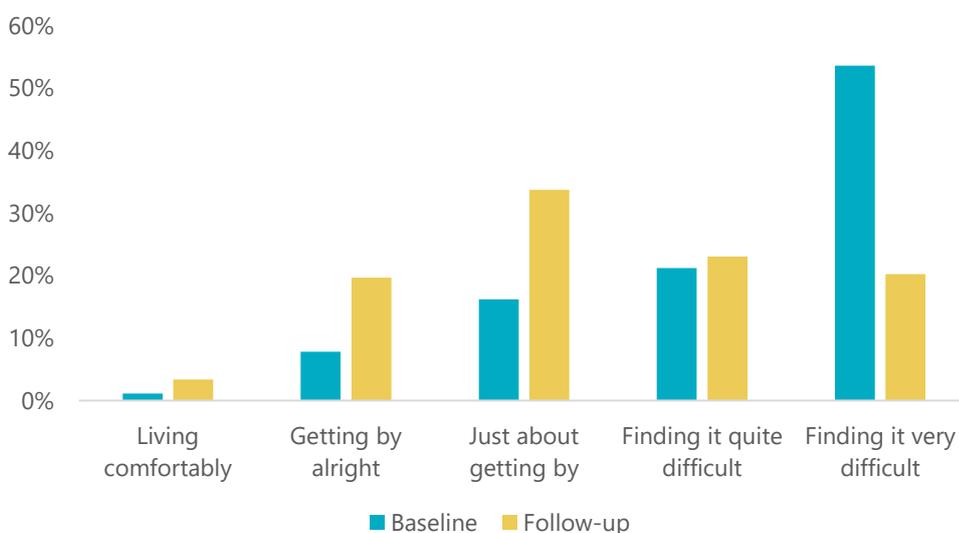
very anxious as a result, said she was repaying the debt and could at last **“see light at the end of the tunnel”**.

FINDING - The project has had a positive impact on reducing benefit sanctions, rent arrears, and debt. The greatest impact has been on benefits, with 51% more clients resolving benefit problems at the follow-up stage, compared to the baseline. The percentage of clients reporting rent arrears reduced by 14% between the baseline and follow-up stages. **The project had a positive impact on two MAS outcomes: Financial Wellbeing** (ability to live adequately within means); **and FinCap Behaviours** (managing money well day-to-day).

Outcome 2 - Clients have an improved understanding and awareness of their own financial situation, in particular dealing positively with financial difficulties

Managing financially - At the baseline stage, 75% of clients said they were finding it very difficult or quite difficult to manage financially, but by the follow-up stage this had almost halved to 43%. Conversely, at the baseline stage 25% said they were getting by or living comfortably, but by the follow-up stage this had increased to 57%. This demonstrates that clients are aware of their financial situation and that the majority feel their situation has improved, following support from the project. It is important to highlight that the financial position of most clients is challenging with more than 40% still finding it quite difficult or very difficult to manage financially, even after support. This reflects the very vulnerable nature of the project’s target audience.

Figure 3: How well would you say you are managing financially these days?



Source: Baseline and follow-up surveys (181 matching responses)

Feedback from interviews and case studies suggests that the majority of clients were struggling to manage financially due to low incomes. Some of these clients felt that they were generally quite good at managing their money, but required help to deal with a specific problem that had arisen due to problems with benefit payments or debt. Having had support to address the problem, they reported feeling more secure financially. However, there were also many clients whose situations were far more complex and chaotic, often as a result of mental health problems or substance abuse. For these clients, achieving a position where they are managing financially may take many months or even years. Nevertheless, feedback highlights that some have started to make good progress toward this aim. For example, one client reported that the support had reduced her anxiety and helped her to address her alcohol problems, as a result of which she had improved her attitude towards money and her approach to dealing with financial problems.

Dealing positively with financial difficulties - There is evidence that clients are taking positive steps to deal with financial difficulties, either by trying to increase income or reduce debt. At the baseline stage, 28% of clients said they had applied for new/additional benefits during the past six months, but by the follow-up stage this had risen to 64%. At the baseline stage, 24% of clients said they had tried to increase their income in some other way (e.g. get a job) during the past 12 months, and by the follow up this had risen to 32%.

% of clients reporting....	Baseline	Follow-up	Change
I have applied for new/additional benefits (in past 6 months)	28%	64%	+36%
I have tried to increase my income in another way (e.g. get a job, claimed grants) during the past 12 months	24%	32%	+8%
I have taken steps to reduce my outstanding debts (during the past month)	21%	27%	+6%

The in-depth telephone interviews and client case studies indicate that supporting clients to review their benefits, appeal decisions, and look at whether they are able to apply for any new/additional benefits is one of the main areas BEAT Team advisors have been working on. For example, one client came to the project having been made redundant at short notice after 39 years with the same company. He had to wait three months for a redundancy payment and in the meantime began accumulating debt. The impact of the redundancy and subsequent financial problems began to affect his mental and physical health, and he was referred to Ways to Wellness by his GP, who then put him in touch with the BEAT project. His BEAT advisor helped him to make benefit claims, which he had never done before, and helped him to understand which benefits he was entitled to. As a result he has now resolved his financial problems. The support from BEAT has made a significant difference to the client, who said: ***“Before [BEAT 2] came into my life to help me, there was no hope. Now I feel better because there is someone to talk to and they listen to me.”***

Client feedback also indicates that, in some cases, the support had encouraged clients to maximise their income by getting a job. For example one client, who had lost her job as a result of her problems with alcohol, said the support from BEAT had helped her to realise that she needed to find another job to “keep her head above water”. At the time of the evaluation interview she had been successful in securing employment and was just about to start her new job.

There has also been a small increase in the percentage of clients taking steps to reduce debts, from 21% at the baseline stage to 27% at the follow-up stage. A number of clients participating in evaluation interviews said they had started to make positive steps towards reducing their debt, as a result of the support. For example, one client reported that he had set up a direct debit to pay his rent arrears and is gradually reducing the debt. He also feels he is now managing his finances better, understands which payments to prioritise each week, and knows the importance of keeping on top of his rent to avoid a build-up of arrears.

However, these improvements are set against a difficult backdrop. To help understand clients’ ability to deal with financial difficulties, they were asked how well they felt they would be able to withstand a financial shock, such as an increase in housing costs or essential bills, or a reduction in benefits income. The mean average scores at the both the baseline and follow-up stages were very low (less than 1 out of 10), although there was a small improvement between the baseline and follow-up stages.

To what extent would you be able to withstand the following financial shocks (0=not at all well, 10=very well)? Mean average score	Baseline	Follow-up	Change
Increase in housing costs or essential bills	0.6	0.9	+0.3
Reduction in benefit payments	0.5	0.7	+0.2

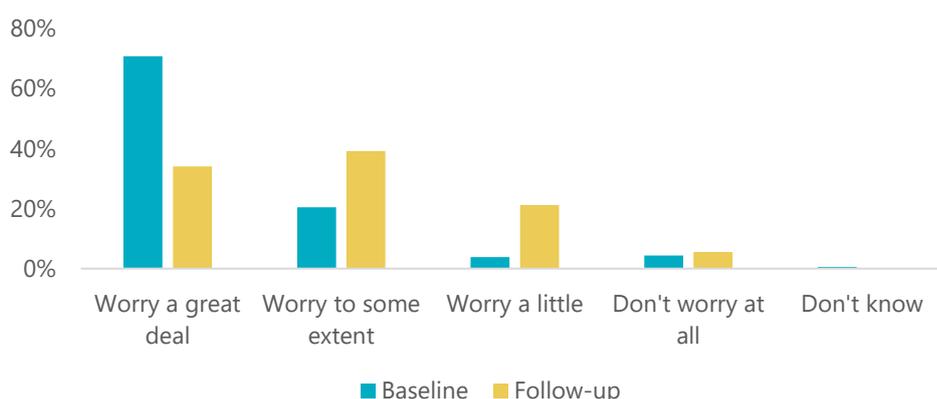
This demonstrates that, while clients feel they are managing better financially, and most are taking positive steps to improve their financial situation, the majority of clients remain in a precarious financial position and have little or no flexibility to deal with an unexpected increase in expenditure or reduction in income. This is the reality for a client group that is struggling to get by largely on benefits income.

FINDING - The project has had a positive impact on how clients feel they are managing financially and the majority feel their financial situation has improved, following support. There have been improvements in the extent to which clients are dealing positively with financial difficulties (e.g. taking steps to increase income or reduce debt). However, most clients remain in a financially precarious situation, largely because benefits are their main or sole source of income. The project has had a **positive impact on two MAS outcomes: Financial Wellbeing** (ability to live adequately within means); and **FinCap Behaviours** (managing money well day-to-day, dealing with financial difficulties).

Outcome 3 - Clients feel less anxious about their financial situation

Feeling less anxious - There is evidence that clients feel less anxious about their financial situation, following support from the project. At the baseline stage, 71% of clients said they worry a great deal about their financial situation, but by the follow-up stage this had reduced to 34%

Figure 4: To what extent, if at all, do you worry about your current financial situation?



Source: Baseline and follow-up surveys (181 matching responses)

Other indicators of anxiety and wellbeing also show positive results. Between the baseline and follow-up stages, there was a 23% reduction in the percentage of clients experiencing stress and anxiety (because of their financial situation), and a 21% reduction in those having difficulty sleeping. The percentage of clients saying they have no health or wellbeing problems (as a result of their financial situation) increased by 16%.

Which of the following, if any, do you experience because of your household's financial situation? (% of clients)	Baseline	Follow-up	Change
Stress and anxiety	83%	60%	-23%
Difficulty sleeping	52%	31%	-21%
I have no health or wellbeing problems (as a result of finances)	4%	20%	+16%

Feedback from interviews and case studies indicates that this has been one of the most significant positive outcomes from the project. Typically clients reported feeling highly anxious and stressed as a result of their financial problems when they first engaged with the project. However, as a result of receiving help from a BEAT Team advisor, this anxiety has reduced. One client said ***"My health was suffering with depression but the support has helped me manage it, as I don't have to worry as much now about my debt"***.

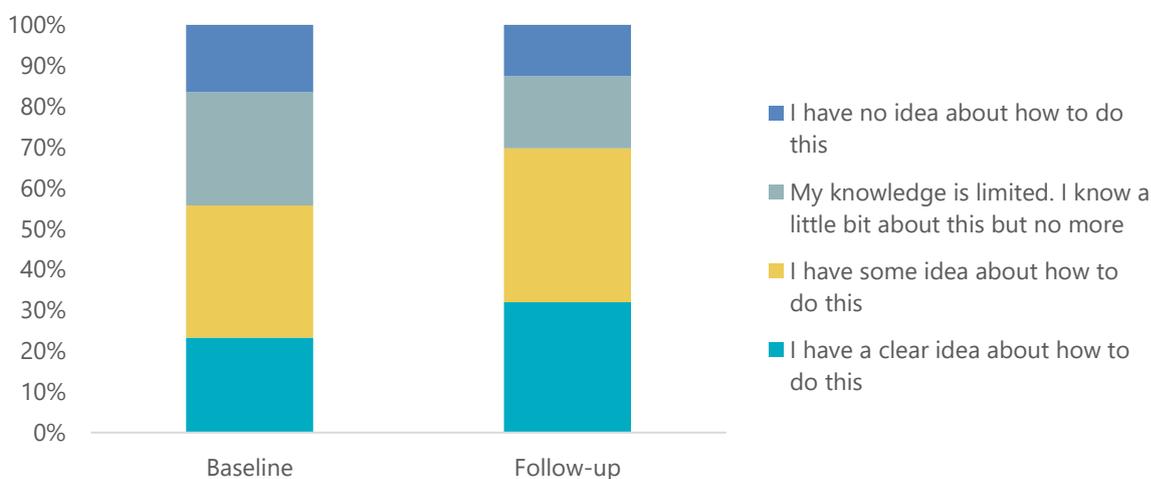
Feeling in control of financial situation - There is also evidence that clients are feeling more in control of their financial situation, following support from the project. At the baseline stage, 43% of clients tended to agree, or agreed strongly, that nothing they do will make much difference to their financial situation, but by the follow-up stage this had fallen to 24% of clients.

FINDING - The project has had a positive impact on reducing clients' anxiety about their financial situation. 37% fewer clients worry a great deal about their financial situation after support, compared to the baseline position, and some clients feel more in control of their financial situation. The project has had a **positive impact on two MAS outcomes: Financial Wellbeing** (finances and emotional wellbeing); and **Mindset** (financial attitudes to managing money).

Outcome 4 - Clients are able to keep track of income and spending, and create and stick to a viable budget

There is evidence that some clients have experienced improvements in their budgeting skills, following support from the project. At the baseline stage, 56% of clients said they had a clear idea or some idea about how to create a household budget. By the follow-up stage, this had increased to 70%.

Figure 5: How would describe your ability to create a weekly or monthly household budget?



Source: Baseline and follow-up surveys (181 matching responses)

Clients were also asked to rate their approach to keeping track of income and expenditure, and how well this works, on a scale from 0 to 10 (where 0 is not at all well, and 10 is very well). Between the baseline and the follow-up stage, there was a small increase in the mean average rating given by clients, which rose from 3.7 at the baseline, to 4.3 at the follow-up stage. For 31% of clients (56 individuals) there was a significant increase (2 points or more) in their rating of their approach to keeping track of finances.

Interview feedback from clients highlighted several instances of improved approaches to budgeting. For example, one client had accrued a lot of debt as a result of alcohol misuse, and was suffering from severe anxiety due to alcohol withdrawal. Her BEAT advisor supported her to develop a debt management plan and to prepare debt management letters to her creditors. The client is continuing to stick to her debt repayment plan and has prepared a household budget, which she reviews regularly. She feels that her financial capability has improved and that she now has a much better attitude towards managing her money.

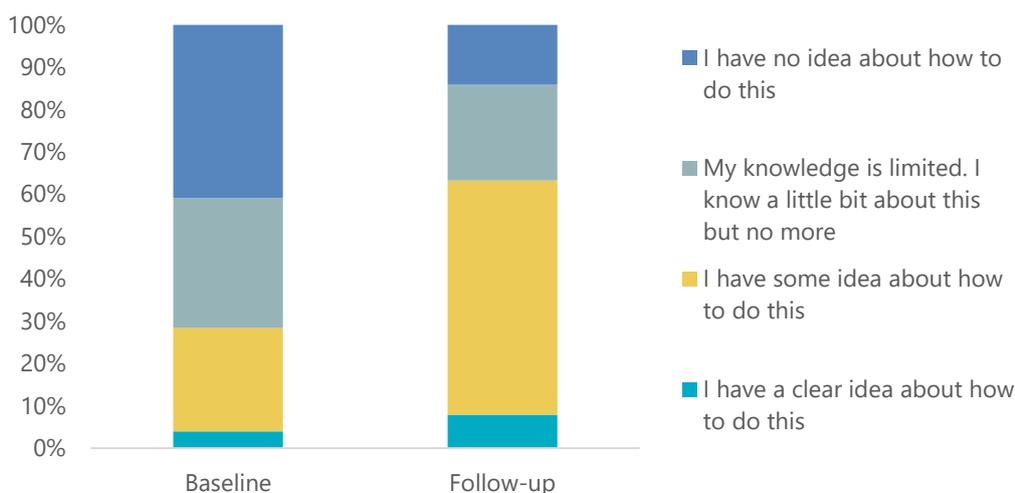
FINDING - The project has had a positive impact on clients' ability to keep track of their finances and create a household budget. The percentage of clients reporting they have a clear idea or some idea about how to create a household budget increased from 56% at the baseline, to 70% by the follow-up stage. 31% of clients reported a significant improvement in their approach to keeping track of their finances. The project has had a **positive impact on two MAS outcomes: Ability** (financial knowledge & understanding); and **Mindset** (financial confidence).

Outcome 5 - Clients have improved knowledge of financial services and products

The project aimed to help improve clients' knowledge of financial services and products. However, in the context of the target client group, this refers more to their ability to check they are receiving the right benefits and to access financial advice from specialist sources such as Citizens Advice, rather than, for example, understanding other financial products such as savings, pensions and investments.

There is clear evidence that clients have improved their knowledge of benefits. At the baseline stage, 28% of clients said they had a clear idea or some idea about how to check they were getting all the benefits they were entitled to. By the follow-up stage, this had more than doubled to 63% of clients. This is consistent with client feedback from the in-depth interviews and case studies. Many clients report that they have received help with benefit assessments and appeals, as well as to apply for a range of other benefits they did not know they were entitled to.

Figure 6: How would you describe your ability to check you are getting all the benefits you are entitled to?



Source: Baseline and follow-up surveys (181 matching responses)

The project also had a positive impact on improving clients’ ability to access financial advice. At the baseline stage, 36% of clients said they had a clear idea or some idea about how to access financial advice. By the follow-up stage, this had increased to 65%. Feedback from evaluation interviews and case studies provided examples of clients being supported to access financial advice and improve their understanding of other financial services. For example, some clients have been supported to access more specialist debt advice to help them consider which options for managing their debt would be the most appropriate. Others have been supported to open basic bank accounts, which has enabled them to have benefits paid into the account and given them better control over their finances.

FINDING - The project has had a positive impact on improving clients’ knowledge of financial service and products. In particular, clients’ knowledge of benefits and how to check they are receiving all the benefits they are entitled to, as well as their ability to access financial advice, have both improved. The project has had a **positive impact on one MAS outcome: Ability** (financial knowledge & understanding).

4.2.3 Summary

These findings allow us to address the key research questions relating to clients, as follows:

Research questions

- What are the main financial capability issues and needs for people experiencing severe exclusion (i.e. homelessness, or people with characteristics that put them at risk of homelessness e.g. addiction, offending, domestic abuse)?
- To what extent does the project address these needs, and impact on improving clients’ financial capability (i.e. financial wellbeing, behaviours, mindset, ability)?
- Does the project’s impact on financial capability outcomes differ for clients in rural and urban settings?

What are the main financial capability issues and needs for people experiencing severe exclusion (i.e. homelessness, or people with characteristics that put them at risk of homelessness e.g. addiction, offending, domestic abuse)?

The earlier analysis in section 2 identified that the main issues faced by clients experiencing severe exclusion are: problems with benefit sanctions, reductions and appeals; reductions in income (resulting from benefits problems, health problems, unemployment, or redundancy); debt problems; and rent arrears. These financial problems are often exacerbated by wider risk factors including homelessness, being threatened with eviction, substance abuse, mental ill health, offending behaviour, and domestic violence. The main support needs of clients were: help to apply for benefits; help to appeal a benefit decision or sanction; support to increase income; debt advice; and help to improve money management skills.

To what extent does the project address these needs, and impact on improving clients' financial capability (i.e. financial wellbeing, behaviours, mindset, ability)?

The outcomes evidence demonstrates that the project has been effective in meeting these needs and in improving the financial capability of clients. It has had a positive impact on all of the MAS outcomes, and the project-level outcomes (included in the Theory of Change), as described below.

It is important to highlight that the resources available for the evaluation research were insufficient to allow for significance testing to be undertaken. While the outcomes evaluation indicates that clients made positive progress against all of the outcomes defined in the Theory of Change, it is not possible to claim that the outcomes achieved are statistically significant because no significance testing has been undertaken. It is important to consider the evidence of project outcomes in this light.

Financial Wellbeing

The project has improved the financial wellbeing of clients, improving their ability to live adequately within their means, and improving their financial emotional wellbeing.

MAS outcome	Project-level outcome/s
Ability to live adequately within means	Reduction in benefit sanctions, rent arrears, and debt
<p>The project has supported clients to resolve benefit problems, restore or increase benefits income, and reduce rent arrears and debt. This has improved the ability of clients to live adequately within their means.</p> <ul style="list-style-type: none"> ▪ 51% more clients were resolving benefit problems at the follow-up stage, compared to the baseline. ▪ % of clients reporting rent arrears reduced by 14% between the baseline and follow-up stages. ▪ % of clients taking steps to reduce debts increased from 21% at the baseline stage to 27% at the follow-up stage. 	

MAS outcome	Project-level outcome/s
Finances and emotional/mental wellbeing	Clients feel less anxious about their financial situation

The project has enabled clients to improve their financial and emotional wellbeing, and reduce their anxiety levels. As a result of improving their financial situation (by restoring benefits, increasing income, resolving rent arrears, reducing debt) clients feel less anxious about their financial situation.

- 37% fewer clients worry a great deal about their financial situation after support.
- % of clients experiencing stress and anxiety (because of financial situation) reduced by 23% between the baseline and follow-up.
- % of clients having difficulty sleeping (because of financial situation) reduced by 21% between the baseline and follow-up stages.

FinCap Behaviours

The project has improved the financial capability behaviours of clients, improving their approach to managing money day-to-day, how they deal with financial difficulties, and how they are managing financially.

MAS outcome	Project-level outcome/s
Managing money well day-to-day	<ul style="list-style-type: none"> - Reduction in benefit sanctions, rent arrears, and debt - Clients understand their financial situation, and are dealing positively with financial difficulties

The project has supported clients to improve how they manage their money day-to-day, including taking action to reduce rent arrears and debt. As a result, clients feel they are managing better financially.

- % of clients reporting rent arrears reduced by 14% between the baseline and follow-up stages.
- % of clients taking steps to reduce debts increased from 21% at the baseline stage to 27% at the follow-up.
- 75% of clients said they were finding it very difficult or quite difficult to manage financially, but by the follow-up stage this had almost halved to 43%. Conversely, at the baseline stage 25% said they were getting by or living comfortably, but by the follow-up stage this had increased to 57%.

Dealing with financial difficulties	Clients understand their financial situation, and are dealing positively with financial difficulties
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The project has supported clients to take positive steps to deal with financial difficulties, by increasing their income.

- 28% of clients had applied for new/additional benefits during the past six months, but by the follow-up stage this had risen to 64%.
- 24% of clients said they had tried to increase their income in some other way (e.g. get a job) during the past 12 months, and by the follow up this had risen to 32%.

However, most clients remain in a financially precarious situation, largely because benefits are their main or sole source of income.

Mindset

The project has improved the mindset of clients, improving their attitudes to managing money, and enhancing their financial confidence.

MAS outcome	Project-level outcome/s
Financial attitudes to managing money	Clients feel less anxious about their financial situation (and more in control of their finances)
<p>The project had improved the mindset of clients, improving their attitudes about managing money and helping them feel more in control financially.</p> <ul style="list-style-type: none"> At the baseline stage, 43% of clients tended to agree, or agreed strongly, that nothing they do will make much difference to their financial situation, but by the follow-up stage this had fallen to 24% of clients. 	
Financial confidence	<ul style="list-style-type: none"> Clients feel less anxious about their financial situation (and more in control of their finances) Clients are able to keep track of income and spending, and create and stick to a viable budget
<p>The project has helped clients become more confident in their ability to manage their finances.</p> <ul style="list-style-type: none"> 31% of clients reported a significant improvement in their approach to keeping track of their finances (income and spending), between the baseline stage and the follow-up. 	

Ability

The project has improved the financial abilities of clients by improving their financial knowledge, skills and understanding.

MAS outcome	Project-level outcome/s
Financial knowledge and understanding	<ul style="list-style-type: none"> Clients are able to keep track of income and spending, and create and stick to a viable budget Clients have improved knowledge of financial services and products
<p>The project has helped clients improve their financial knowledge, skills and understanding.</p> <ul style="list-style-type: none"> % of clients reporting they have a clear idea or some idea about how to create a household budget increased from 56% at the baseline, to 70% by the follow-up stage. % of clients with a clear idea or some idea about how to check they were getting all the benefits they are entitled to more than doubled, from 28% at the baseline stage to 63% at the follow-up. At the baseline stage, 36% of clients said they had a clear idea or some idea about how to access financial advice. By the follow-up stage, this had increased to 65%. 	

Does the project's impact on financial capability outcomes differ for clients in rural & urban settings?

The evaluation has identified no evidence that the financial capability outcomes delivered by the project have differed between clients in urban areas and those in rural settings. In-depth interviews with project clients and delivery staff highlighted that clients in both urban and rural areas face the same financial problems and issues (e.g. problems with benefits, debt problems, health issues), and have the same support needs (e.g. help to appeal a benefit decision, debt advice). Only one potential difference between rural and urban areas was identified by a small number of clients. This was about the specific difficulties in accessing financial

advice and support faced by some people living in rural areas, including the costs and transport difficulties involved in travelling from a home in a rural area to attend a centre offering financial advice. However, for most clients in rural areas this problem was mitigated because the BEAT project delivered support on an outreach basis from a range of accessible venues in rural (as well as urban) areas.

There is a good level of confidence that the changes observed in the financial capability of the clients supported are as a result of the project. This is because the majority of clients consulted for the evaluation reported that the BEAT 2 project was their only source of financial advice and support, and that, without the support they would not have achieved the same positive result.

4.3 Outcomes for staff and volunteers

4.3.1 Introduction

The Theory of Change identifies three intended outcomes for staff and volunteers participating in the financial capability training.

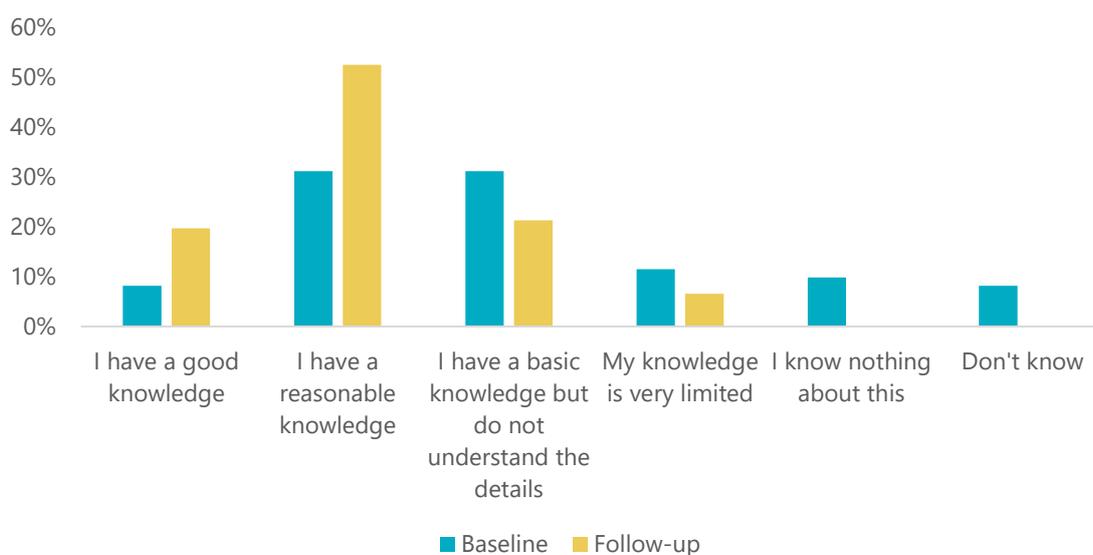
Of the total 134 staff / volunteers completing a baseline survey before undertaking the training, a total of 61 (46%) completed a follow-up survey, at some time between one and six months after the training. The following outcomes findings are based on analysis of 61 pairs of matching responses, measuring the changes in self-assessment ratings provided by staff/volunteers before and after the training.

4.3.2 Outcomes analysis

Outcome 6 - Staff and volunteers have a better understanding of the importance of financial capability and its impact on clients

Staff and volunteers reported that their knowledge and understanding of financial capability has improved following the training. At the baseline stage, 39% rated their understanding of financial capability as good or reasonable, but by the follow-up stage, this had almost doubled to 72%.

Figure 7: How would you rate your knowledge and understanding of 'financial capability'?



Source: Baseline and follow-up surveys (61 matching responses).

Staff and volunteers were also asked about their understanding of the importance of financial capability, and its impact on clients:

	Baseline	Follow-up	Change
How important, if at all, do you think it is that clients have a good level of financial capability?	95% (very or fairly important)	97%	+2%
To what extent do you agree or disagree with the following statement? <i>People who are able to manage money well are more likely to avoid future financial difficulties.</i>	92% (strongly agree / tend to agree)	93%	+1%

This indicates that almost all staff and volunteers already had a clear understanding (before undertaking the training) that financial capability is important for their clients, and the potential positive impacts of good financial capability. This is supported by the consultations with staff / volunteers who reported that, in their day-to-day frontline roles, they see the effects that financial problems, and a lack of capability to deal with them, has on clients.

FINDING - The **project does not appear to have impacted on staff and volunteers’ understanding of the importance of financial capability and its impact on clients, but this is because they already understood its importance anyway, from their day-to-day work with clients.** However, the project has had a positive impact on improving staff and volunteers’ understanding of the meaning and scope of financial capability.

Outcome 7 - Staff and volunteers have improved financial capability skills and knowledge

Staff and volunteers were asked to identify how their knowledge and skills in various aspects of financial capability had changed, following the training. The research focused on the areas of knowledge and skills that are important to the BEAT 2 client group, including benefits, rent arrears, debt, and money management.

Knowledge and skills are ‘good or reasonable’....	Baseline	Follow-up	Change
Benefits			
Different benefits available to clients	52%	66%	+14%
Options available to help clients resolve benefit sanctions	32%	49%	+17%
Rent arrears and debt			
Options available to clients to reduce/manage their rent arrears	42%	59%	+17%
Options available to clients to reduce/manage their debt	34%	56%	+22%
Other			
Budgeting and money management	71%	82%	+11%
Where to go to access specialist financial information	84%	97%	+13%

The **greatest impact** appears to have been on knowledge/skills related to **rent arrears and debt**. At the baseline stage, 34% rated their knowledge/ skills in ‘options available to clients to reduce/manage their debt’ as good or reasonable, but by the follow-up stage this had risen to 56%, a change of +22%, albeit from a low baseline. Meanwhile, the percentage of staff/volunteers with good or reasonable knowledge of ‘options available to clients to reduce/manage rent arrears’ increased by +17% between the baseline and follow-up. There was also a positive impact on knowledge and skills related to **benefits**. The percentage of staff/volunteers with good or reasonable knowledge of ‘different benefits available to clients’ increased by +14%, while the percentage with good or reasonable knowledge of ‘options available to help clients resolve benefit sanctions’ increased by +17%. There was also a positive impact on other aspects of financial knowledge. For example, the percentage with good or reasonable knowledge of **‘where to go to access specialist financial information’** increased from a high baseline of 84%, up to 97%.

FINDING - The training has had a **positive impact on improving the financial capability skills and knowledge of staff and volunteers**, across a range of topics closely matched to the needs of vulnerable adults, including benefits, rent arrears, debt, and money management. The percentage of staff / volunteers reporting good or reasonable skills and knowledge has increased by between 10% and 20%.

Outcome 8 - Staff/volunteers have improved ability to deliver financial capability support to clients

Staff and volunteers were asked to identify how their ability to deliver financial capability support to clients had changed, following the training. This included their ability to assess an individual's financial capability, as well as their ability to support clients across a range of financial issues.

Average ability to <u>ASSESS</u> , on scale of 1 to 10 (1=low, 10=high)	Baseline	Follow-up	Change
Ability to assess an individual's overall financial capability	4.4	5.9	+1.5
Ability to provide support to improve a client's financial capability	4.6	6.4	+1.8

The ability of staff/volunteers to assess individual's financial capability has improved. The ability to assess an individual's overall financial capability increased by +1.5 points (34% increase), and the ability to provide support to improve a client's financial capability increased by +1.8 points (39% increase).

Ability to <u>SUPPORT</u> . I am clear / have some idea about how to....	Baseline	Follow-up	Change
Benefits			
Help clients apply for new or additional benefits	69%	82%	+13%
Help clients appeal against a benefit decision	52%	69%	+17%
Other			
Advise clients on how to develop a budget / manage their money	75%	84%	+9%
Signpost clients to more specialist financial advice/information	67%	84%	+17%
Debt			
I would be very / fairly confident negotiating with creditors on behalf of a client	61%	75%	+14%

The ability of staff/volunteers to support clients across a range of financial capability issues has also **improved**. For example, the percentage of staff/volunteers who are clear or have some idea about how to help clients appeal against a benefit decision increased by +17%, and the percentage that are clear or have some idea about how to signpost clients to specialist finance advice increased by +17%. The percentage of staff that are very or fairly confident about negotiating with creditors on behalf of a client increased by +14%.

FINDING - The training has had a **positive impact on improving the ability of staff and volunteers to provide financial capability support to clients**, across a range of topics closely matched to the needs of vulnerable adults, including benefits, debt, and money management. The percentage of staff / volunteers reporting clear or some ability in supporting clients in these areas has increased by between 10% and 20%.

4.3.3 Summary

These findings allow us to address the key research questions relating to staff and volunteers, as follows:

Research questions

- What are the main needs of staff and volunteers regarding their understanding of, and ability to deliver, financial capability support?
- To what extent does the project address these needs, and impact on improving the understanding and skills of staff and volunteers?
- Does the project's impact on developing understanding and skills differ between paid staff / volunteers?

What are the main needs of staff and volunteers regarding their understanding of, and ability to deliver, financial capability support?

The earlier analysis in section 2 identified that the main needs of staff / volunteers were to develop their knowledge and skills in financial topics which they know (from their day-to-day jobs) are the key issues with which clients need support. This includes benefits (e.g. helping clients apply for benefits, helping clients appeal a benefit decision) and debt (e.g. helping clients manage debt or negotiate with creditors). Staff wanted to understand more about welfare changes, the details of specific benefit types (e.g. Universal Credit, PIP), and the practicalities of how to manage and resolve debt problems.

To what extent does the project address these needs, and impact on improving the understanding and skills of staff and volunteers?

The outcomes evidence demonstrates that the project has been effective in meeting these needs, with the understanding and skills of staff/volunteers showing measurable improvements across all indicators of change, and all relevant aspects of financial capability. The ability of staff/volunteers to apply this new knowledge in practice, by supporting clients with financial issues, also showed measurable improvements. This is supported by feedback from staff/volunteers undertaking the training, three quarters of whom reported that they had already used the knowledge and skills gained to support their clients with a range of financial issues. For example, staff/volunteers said they had been able to successfully support clients to apply for benefits and appeal benefits decisions, as well as having the knowledge to refer clients to further specialist support, such as CAB and debt helplines. Overall, staff and volunteers reported that their improved skills and knowledge had led to a positive impact for their clients, helping them to successfully claim or appeal benefits and to improve their general financial capability.

It is important to highlight that the resources available for the evaluation research were insufficient to allow for significance testing to be undertaken. While the outcomes evaluation indicates that staff/volunteers made positive progress against the outcomes defined in the Theory of Change, it is not possible to claim that the outcomes achieved are statistically significant because no significance testing has been undertaken. It is important to consider the evidence of project outcomes in this light.

Does the project's impact on developing understanding / skills differ between paid staff / volunteers?

There is no evidence that the understanding and skills of paid staff on one hand, and volunteers on the other, have been impacted differently by the project. It appears that the training had a similarly positive impact on the skills and knowledge of both paid staff and volunteers.

There is a good level of confidence that the changes observed in understanding and skills are as a result of the project, because the majority of staff/volunteers consulted for the evaluation reported that the BEAT 2 project training was the only financial capability learning they had undertaken recently.

5 Key findings: Process evaluation

5.1 How is 'success' defined?

Staff are clear that financial capability means a client being in a stable financial position i.e. that their income is stable (e.g. claiming the right benefits with no problems); they are no longer facing financial crisis; they understand how to prioritise their spending on the most important things; they are working to a budget; they know the types of financial products they can safely use; and they know how and where to get help with finances if they need it.

'Success' for BEAT 2 is defined as the positive impacts on the client's financial situation including:

- Addressing and resolving the immediate financial crisis (e.g. benefit sanctions; changes to benefit payments; moving onto Universal Credit; debt management; rent arrears / managing rent payments) helping people to move towards a more stable financial position.
- Building financial confidence / addressing the fear of finances to encourage people to take more control of their money.
- In the longer term, developing skills and capabilities to enable clients to manage their own finances effectively.

Feedback from staff, intermediaries, and clients themselves demonstrate that the project has had a positive impact on the financial situation of its clients, in particular in resolving financial crises and helping to achieve a more stable financial position. Many clients were experiencing financial difficulties due to changes to benefits payments and / or rent arrears, and often simply did not know how to resolve the problems themselves. Direct feedback from clients highlights the success and impact of the support in addressing these problems:

"I needed help and support with my benefits. I was sick of getting fobbed off and being passed from one person to another. Once I got help from [my BEAT advisor] it was all manageable."

"The support has made a massive difference as I won my PIP appeal."

Many clients also report an increase in their confidence in dealing with their finances, and an increased awareness of the need to face financial problems and take more control of their money:

"I feel 100% more confident with managing money. I'm more in control now."

"My life is so much better and I am now more confident when dealing with financial situations and the benefits system."

"I no longer ignore the debt, hoping it will go away."

Whilst feedback from staff and intermediaries indicates that many clients were not in a position to address longer-term financial capability, due to the severity of their problems and chaotic nature of their lives, some clients have been successful in improving their financial management skills. This is reflected in direct feedback from clients themselves. For example, one client stated that her knowledge and skills have improved, and she now regularly reviews her household budget against her benefit payments. Another client told us she is now able to think more clearly about her finances, and has put together a plan of what she has coming in and going out.

In addition, the 'success' of BEAT 2 is defined as being able to help clients address the underlying issues impacting on their finances such as addiction, health, and / or homelessness. This could include, for example:

- Being better able to engage with recovery services to address the wider problems impacting on their finances; and
- Encouraging people in very difficult circumstances to engage at some level with financial problems. This may take time to address fully but has at least started the process.

BEAT Team Advisors reported that they support many clients who are struggling with drug and alcohol problems, at various stages of addiction and recovery. They report that one significant benefit of addressing an immediate financial crisis and removing the problem is that it then enables these clients to focus on other problems and engage more effectively with the recovery service. For example, one client told us that the support reduced her anxiety levels, and this is helping her to overcome her alcohol challenges. And another client said:

"[BEAT] also helped me with stopping drinking. I realised why I was doing it and started to tackle it. I need to keep sober and sort my problems out."

Finally, there are also benefits for frontline staff and volunteers in developing their own financial knowledge and skills to be better able to advise clients. Whilst fewer staff and volunteers had participated in the financial capability training course than initially anticipated, those that had participated reported that it was beneficial. Of those who provided feedback on the training, all felt that their financial capability skills and knowledge had improved as a result, and three quarters had already been able to use these skills in successfully supporting clients with financial problems.

5.2 Project delivery, and the effectiveness of the delivery process in enabling success

Research question: To what extent is the two-stage delivery model, and the intermediary programme, an effective approach to meeting the needs of clients and delivering the financial capability outcomes?

Overall the project has been delivered as anticipated, although there have been some differences. For example:

5.2.1 Stage 1: Addressing an immediate financial crisis

This element of the project has been delivered as planned, and has been effective at supporting clients to address an immediate financial crisis. The majority of clients have presented with financial issues associated with their benefits (e.g. benefit sanction, move to Universal Credit, PIP assessment), while others have problems with debt, or with rent arrears.

It was initially anticipated that most clients may need only one appointment to deal with their immediate financial crisis, however, in reality most needed multiple appointments. This is primarily because most clients presented with a benefits issue, which in many cases can take weeks or even months to resolve. In addition, the target group for the project is people experiencing severe exclusion, including those who are homeless, or at risk of homelessness, recovering from addictions, with an offending background or a history of domestic abuse. As a result, many of these clients experience a range of complex issues which impact on their ability to manage their finances effectively. Consequently, frontline staff spend significantly more time than anticipated to support clients through the immediate financial crisis, and often need to address other issues as well as finance, to enable clients to move to a more stable financial position (e.g. housing / rent payments).

5.2.2 Stage 2: Building financial capability.

Some clients were able to benefit from the two-stage process, receiving support to develop their financial skills and build financial capability. However, many clients were unable or unwilling to engage in this aspect of the support once their immediate financial crisis had been addressed, and staff reported that, in some cases, clients are very far from a position where they are able to think about financial capability. For example, some clients recognise that their addiction or mental health problems are causing financial problems, but are unable to make progress with their financial capability until the addiction or health problem has been addressed. Meanwhile, some clients accept financial difficulties as a way of life and don't necessarily recognise it as a problem; some are too vulnerable or lack the ability to take responsibility for their finances; and some have more pressing issues to deal with.

There are also some clients who are already good at managing money through necessity because their income is so low. For these clients, the main problem tends to be debt because they can't cover all of their outgoings and something always has to give. For example, one client told us he was always able to manage his finances, but his problem was the lack of benefits, which he wasn't aware he was entitled to. In addition, staff reported that not all clients have had the opportunity to move into stage 2 of the process, as it can take several months to sort out their initial financial issue, particularly those moving onto Universal Credit, which can be extremely complex. This indicates that sustained financial capability work takes time.

5.2.3 Outreach delivery

Delivery has taken place on an outreach basis. Staff reported working from a range of sites including recovery centres, food banks, homelessness drop-in centres, and supported housing. This outreach approach appears to have worked well and has generated a high level of demand for the support. This is backed up by feedback from clients who report that the support was really easy to access, and that they were introduced to a BEAT Team advisor via the outreach centre they were attending. A large proportion of the clients attending these outreach centres and / or resident in supported accommodation are experiencing significant financial problems, and the BEAT 2 project is the first opportunity they have had to access specialist, face-to-face support to address these difficulties.

5.2.4 Different needs of clients resident in rural vs urban areas

The majority of staff and intermediaries consulted don't believe there is any difference in need between residents of urban or rural areas, primarily as the benefit changes affect everyone equally, regardless of where they live. However, one intermediary did suggest that there is a difference in access / availability, as people in rural areas may need to travel some distance to access a service, (which can be costly), or to seek support by phone, rather than in a face-to-face meeting.

5.2.5 Financial capability training and the e-financial system

In addition to the two-stage outreach delivery model, support has also been provided for frontline staff and volunteers to develop the skills and knowledge needed to provide financial advice and support to their clients. In addition, an e-financial system was set up to provide frontline staff and volunteers with access to more technical financial and benefits advice on behalf of their clients.

Financial training has been delivered to frontline staff and volunteers, from both Changing Lives and Oasis Aquila, as well as some intermediary organisations working in recovery services, housing or employability projects. However, the number of staff and volunteers taking up the opportunity has been smaller than anticipated. There are a number of reasons that may have contributed to the low take up including: internal structural changes in the two partner organisations during the project delivery period; lack of time for staff and volunteers to attend the training; and for some individuals and organisations financial capability is not high on the agenda in the context of their work so the training was not a priority.

However, of the 16 staff and stakeholders that provided feedback on the training, all were positive about its quality and effectiveness. Attendees were asked to rate different aspects of the training including: quality of the content; the trainer's knowledge; length of the course; and the opportunity to ask questions and extend their knowledge. In almost all cases each aspect was given the highest ratings of 4 or 5. The only aspect to score below this was 'length of the course', which was given a rating of 3 by two attendees and a rating of 2 by one attendee.

The e-financial service was set up to provide telephone support to frontline staff and volunteers, to enable them to better advise their clients about financial or benefit issues. However, BEAT 2 staff reported that this element of the project has, in practice, worked more as a referral system, as clients prefer face-to-face contact with an advisor; frontline staff and volunteers don't always know the right questions to ask to enable them to support a client; and many of the financial problems take time to resolve, for example it can often require several lengthy telephone calls to organisations such as DWP or utility providers to resolve an issue.

5.3 What worked well / less well, and why?

Research question: Which of the project interventions are most and least effective in delivering the financial capability outcomes?

5.3.1 What worked well

Staff reported that the main elements of the BEAT 2 project which have been effective at supporting clients are as follows.

- **One-to-one sessions** between a client and a BEAT Team advisor, that are delivered face-to-face rather than over the phone. The face-to-face contact is particularly valued by clients. Encouraging people to discuss their finances and debts, and the reasons behind them, can be a lengthy process that relies on them developing a trusting relationship with an advisor. In addition, clients are often confused and overwhelmed by their financial problems and very worried about the potential consequences. One-to-one support delivered face-to-face, often in an informal setting, gives the advisors time to explain things properly to clients, provide reassurance that their problems can be sorted, and gain their confidence and trust.
- The **flexible and bespoke nature of the support**. The frontline team of specialist advisors are able to provide the level of support needed to help people address their immediate financial issue, and to move forward to address more entrenched issues and build their financial capability. There is no time limit on how long they can work with a client (apart from the timescale of the pilot), and they can give as many appointments as necessary to help an individual client. On average, it can take between six and nine months to help a client address their crisis and build financial capability. However, in some cases where individuals have severe, entrenched problems and highly chaotic lives, this process can take significantly longer.
- The **skills and knowledge of the BEAT 2 team**, many of whom have a background in benefits or utility companies. They therefore understand the systems; know who to speak to and what questions to ask; and can accompany clients in PIP assessments or meetings with benefits staff. The project staff also report that they have been able to work effectively as a team in sharing their knowledge and making effective use of each person's specialist skills.
- Having a **trusted advisor** to speak and advocate on their behalf is also a highly valued aspect of the service for clients. Many report that they do not understand letters and information that is sent to them, and that they lack the confidence to attend meeting, appeals and assessments on their own. In addition, they find the process of having to make multiple calls to different agencies stressful and often overwhelming. For example, one client told us: *"Dealing with one organisation has helped to keep [my] stress levels manageable."*

- Taking a **step-by-step approach** to the support and dealing with one problem at a time. Many clients feel overwhelmed by their financial problems and have become highly stressed as a result. By breaking the problems down and dealing with one issue at a time, the advisors are able to reduce this anxiety and create a sense of achievement for clients as each issue is resolved.
- The **accessibility** of the project. Delivering the support to clients on an outreach basis, using venues where clients feel comfortable or can access easily, has helped ensure that clients are able to access the support they need. This has been particularly important for clients in more rural areas, as public transport can be costly and complex, especially when living on a limited income (e.g. it was reported that to travel from rural Gateshead into the town centre costs £10 return and involves three buses).
- The **practical nature of the support** has also been effective in helping clients to manage their budget better, for example helping people to better understand Universal Credit / the benefits system, undertaking appeals against benefit decisions.
- In terms of the **specialist training**, the aspects of the support that attendees found most effective were the **quizzes, handouts and Q&A session**. And the most helpful knowledge they had gained was about Universal Credit, PIP assessments, debt management, and sources of further help.

5.3.2 What worked less well

Staff and intermediaries also reported a small number of areas where the project has been less effective, including:

- It has not always been possible to support clients to develop their **longer-term financial capability**. This is partly due to the time involved in resolving the immediate financial crisis; and partly because clients are not at a point in their lives where they are ready or able to develop their financial skills further.
- The **evaluation process** has not worked well for many clients because they find the forms too long and difficult to complete; not all questions are relevant; and in some cases the process has caused stress and anxiety.
- The **short timescale of the pilot** has limited the ability of staff to support clients to address their financial issues and build their financial capability. Due to the significant and entrenched nature of clients' problems and their highly chaotic lives, it will take many more months or even years of support to help them achieve financial capability.
- **Demand has been much greater than anticipated**. However, a lack of capacity and resources within the project has meant it has not been possible to respond to the full scale of demand.
- Demand for the **financial capability training** has been lower than originally anticipated, although for those who did participate it appears to have been beneficial in improving both their knowledge and the support offered to their clients.
- The **e-financial** system has not been as effective as anticipated, and has worked more as a referral system than as a source of technical financial and benefits advice.
- **Delays in the approval and initial mobilisation of the project** created a lot of pressure on the project team to deliver a high volume of client support in a short space of time. It will be important to allow additional time for approval, mobilisation, delivery and exit for any similar projects in future.

5.4 How could these processes be improved in future?

Research question: What are the lessons and implications for a future delivery model aimed at improving the financial capability of people most at risk of severe exclusion? What are the implications for a scaled-up BEAT model?

5.4.1 Improvements to the delivery model

Staff and intermediaries reported that the delivery model is effective, and has worked well. Although if it is to be continued or rolled out on a larger scale there are a small number of improvements to consider, including:

- **More time to work with clients over a longer period.** The target group for this pilot has demonstrated complex needs, and in many cases clients need help to address a wide range of issues before they are in a position to develop their financial capability, such as housing, health, personal safety, addictions. For example, clients with an addiction or mental health problem often know they are spending money on things that harm them and undermine their financial security, but they can't stop until their addiction or health condition has been addressed.
- **More resources** are required to deal with the scale of demand for the support. Demand for the support has been very high from the outreach centres engaged in the project, and there were additional outreach centres that wanted to participate, but the project team did not have the capacity to support them.
- **Embedding financial skills more widely** across the partner organisations, ensuring all frontline staff are able to provide financial advice and support alongside other issues, for example housing advice. This would help clients to understand the relationship between money and other issues, such as managing their budget to be able to pay the rent and reduce the risk of homelessness.
- **Getting the evaluation process right** by making it easier and simpler for clients to complete, and getting input from frontline staff to ensure the questions are relevant to the client group. It was also suggested by some staff that the evaluation is an administrative process that could have been undertaken by another member of staff, rather than taking the time of frontline staff that could instead be spent directly supporting clients.

5.4.2 Lessons learned

Staff and intermediaries reported that the main lesson learned is that there is overwhelming need and demand for this type of service, particularly from this client group. Many clients are unaware of what benefits they are entitled to, and how to apply for them, and there is a high risk, particularly with the changes to the benefits system, that many people will 'fall through the cracks' and be in a worse financial position. This is backed up by comments from clients, which include:

"It will be a huge miss if it's not here. It's helped loads of people."

"The support needs to continue as CAB are fully booked and there is a waiting list. There's nowhere else to go for help."

"I know lots of people who need this support."

Another key lesson is that it can take a long time to work with a client to address their immediate financial crisis, before moving forward to begin building financial capability. It can take an approximate average of nine months' work with a client to really build financial capability and skills, and many clients capable of improving their financial situation and mindset will need more time than this. However, there are some clients whose needs are so complex that they will always need a degree of financial support and may struggle to achieve financial independence and security consistently.

The timescale of the pilot has been insufficient to fully test the delivery model effectively, as some clients have not had sufficient length of engagement to develop their financial capability (beyond resolving immediate crisis which may have taken several months or is still ongoing). For some experience of issues such as addiction, homelessness, and domestic abuse has overridden consistent and effective engagement with the project.

Other **lessons** include:

- While financial capability is everyone's responsibility in terms of support services and their staff, expert support and advice is needed to ensure people can build their financial skills and take responsibility for their own finances after periods of severe social and financial exclusion.
- The BEAT 2 project adds real value to other services working with vulnerable people. The availability of financial expertise, and delivery from the premises of other service providers on an outreach basis, provides a more comprehensive support service to clients, and enables intermediary services to focus on their area of expertise, rather than trying to address multiple issues. This is particularly important due to the significant changes in welfare arrangements across England.
- More training for frontline staff is needed, to begin to build up financial knowledge and skills, but this should be flexible to adapt to the already high workloads of frontline staff.

5.4.3 Implications for a scaled-up model

The majority of staff and intermediaries agree that the approach has been effective and could be rolled out to a wider area, or to more client groups. However, the most important feature of any roll out or continuation would be having the time to work with clients to build up their financial capability by developing suitable skills and changing mindsets and behaviours over the long-term.

Feedback indicates that widening the geographic coverage would benefit some current clients, particularly those that are transient, but need an element of continuity. Other client groups that could be targeted for support include: people with mental health issues; vulnerable older people with memory impairment / dementia; adults with learning disabilities; and working with the Probation Service to support people coming to the end of their sentence and / or those on probation.

It was also suggested that running more regular groups or drop-in sessions may help clients to address issues at an earlier stage, before they have developed into a crisis or a huge problem.

6 Key findings: Economic evaluation

6.1 Financial impact and overview of the BEAT 2 programme

This section offers detailed cost calculations for seven BEAT 2 clients which demonstrate the individual, financial impact of the BEAT intervention. With a sample of seven from 444 clients, it is clear that these are only illustrative examples of the wider caseload. However, they have been carefully selected to be reflective of the main sub-samples of need identified by the quantitative analysis from the main evaluation.

6.1.1 Analysis

Costed case studies that illustrate the main areas of work for the BEAT 2 Team. All names have been changed to protect client confidentiality.

6.1.2 Short Interventions: Resolving financial problems quickly. Case studies A, B, C.

58% of the Team's work involved fewer than five consultations to resolve the financial issue of the client.

- **Appealing benefit decisions (Incidence: 29% of clients)** Case study A – Dwayne. Dwayne lives with his mum, has mental health problems, learning difficulties and is suicidal. He failed his ESA assessment and so had no income. Working with the BEAT 2 team, he submitted a Mandatory Reconsideration, with accompanying medical information. The original ESA decision was overturned. The BEAT Team advisor also applied for PIP to which he was duly entitled. He received £83.10 PIP per week, bringing his total income from £0 to £119.65 per week. **Increase in income, £6,221.80 per annum.**
- **Responding to a change in circumstances (34% helped to apply for benefits)** Case Study B – Donna. Donna was renting privately and was paying rent of £88.95 per week. Unfortunately, she signed the tenancy agreement three weeks before losing her job and the duration of the tenancy was six months. With no salary, the Housing Benefit level she was entitled to (shared accommodation rate) left a shortfall of £28.85 per week. The intervention of the BEAT 2 team was short but effective. Understanding the Welfare System, they applied for Discretionary Housing Benefit to cover the shortfall. **Increase in income: £721.25 per annum.**
- **Clarifying basic financial information (13% received help with tenancy issues)** Case Study C - Gary. Gary was told that his benefit payments were £51 below his monthly rent. BEAT 2 confirmed his benefit payments with Your Homes Newcastle and calculated that this was his full contractual rent. Gary no longer had to pay £51 a month extra. **Increase in income: £612 per annum.**

6.1.3 Longer interventions. Case studies D-G

42% of BEAT 2 clients had four or more appointments with the Team. These longer case studies reflect that in-depth work.

- **Example 2: Practical assistance for a vulnerable person to apply for the correct benefits. (34% helped to apply for the correct benefits)** Case Study D – Carol. Carol is 46 and lives in a local authority tenancy. Her daughter, who has mental health problems and has been violent toward Carol, has been placed in residential care. Carol was then subject to an under-occupancy charge and she no longer qualified for a Carer's Allowance. The fall in her income was £219.05 per week. Despite her poor mental health and suicidal tendencies, Carol was assessed as being fit to work. She made three applications for PIP but was unsuccessful on each occasion. She made the applications alone and without support. BEAT 2's involvement focused on ensuring that Carol was on the correct benefits. They requested a Mandatory Reconsideration of her 'fit to work' status, a new PIP application was completed (this time with medical assessments) and accompanied Carol to her PIP interview (which she spent vomiting because of stress).

As a result of this process, Carol was judged to be eligible for the following benefit payments. **Increase in annualised income: £11,390.**

Table 3: Additional income secured

Benefit	Income Pre-BEAT	Income Post-BEAT
Support Addition payment		£36.55
Severe Disability Premium		£62.45
Enhanced disability premium		£15.75
Enhanced daily living		£82.30
Standard mobility		£22.00
ESA	£73.10	£73.10
TOTAL per week	£73.10	£292.15
TOTAL per annum	£3,801.20	£15,191.80
Difference		£11,390.60

- Example 3: Resolving Benefit Sanctions and Debt amicably. (29% and 24% respectively)** Case Study E – Dave. Dave is 23 and has learning difficulties which means he is illiterate and innumerate. Subject to Universal Credit sanctions for 5 months, he had lost £1,255 in income and at the point of referral, had no food. BEAT 2 supported him to attend a Job Centre appointment to reinstate his Universal Credit and apply for a Hardship Loan. During the sanction period, Dave was unable to pay his debts and a County Court Claim was issued against him. BEAT 2 helped Dave to complete the appeal form and offer a monthly payment. This avoided further action. Dave’s sanction was then extended for a further 18 days without reason, and his Hardship Loan appointment (which he attended without a BEAT Team advisor) was unsuccessful. Because he had an additional fortnight without income, Dave received enforcement letters resulting from arrears built up in previous and current tenancies. BEAT 2 intervened and were able to persuade the landlord to stop proceedings and accept payments beginning as soon as the benefit sanction ended.

Table 4: Cost savings for Case Study E client (Dave)

Issue avoided	Cost savings for Dave
Universal credit sanctions (further 6 months)	-£1,506.00
Hardship loan paid into overdraft	-£109.00
Notice of Seeking Possession leading to eviction	-£2,000.00
Debt written off	-£4,500.00
TOTAL	-£8,115.00

Overall, the financial benefit of the BEAT 2 interventions over the course of a year, was a £223 increase in income and £8,115 of costs Dave avoided – a total of £8,338.

- **Example 4: Stopping Financial abuse (17% received help for money management)** Case Study F – Jane. Jane is entitled to receive benefits including Disability Living Allowance ESA and Disability Premium. Her income was £228.20 per week. However, her mother-in-law, Enid, diverted Jane’s DLA into her own bank account and claimed for Carer’s Allowance – incorrectly posing as Jane’s only carer. Jane lost her Disability Premium payment. The BEAT 2 Team suspended benefit payments to Enid and supplied Jane’s account details to the DWP so her benefits were paid to her account. **Increase in income £7,246 per year.**

- **Example 5: Change in benefit entitlement causes Beat 2 benefit application and back-payments (34% and 29% respectively, 10% combined)** Case study G –James. James is recovering from alcohol dependency and has serious health problems which lead to him being hospitalised several times a month. With limited mobility, he was receiving PIP which paid for a car which enabled him to leave the house. That payment was withdrawn following a DWP assessment. A lack of suitable transport meant that he had to hire a car or miss healthcare appointments. This report does not link changes in healthcare provision to changes in benefit payments. However, where a lack of transport means missing healthcare appointments, which in-turn lead to a hospital admission, it should be noted that:
 - The cost of an ambulance is £254 per attendance;
 - Accident and Emergency average cost per attendance is £148;
 - The cost of the average inpatient stay is £1,849.

Four additional hospital episodes a year would cost the NHS £9,004 as well as being very unhealthy for James.

James was referred to BEAT 2 who investigated his benefit eligibility. The Adviser discovered that James was not receiving Severe Disability Premium and worked with him to make a successful SDP claim. James was awarded £700, including back-payments from the date of application. In addition, as a result of the BEAT 2 intervention, James was informed by DWP that he was entitled to a further back-payment dating from 2013-2017 of £13,000.

Table 5: Financial benefits for Case Study G client (James)

Increased income	Amount
Severe Disability Premium for 2018	£3,252.60
Backdated payments 2013-17	£13,010.40
TOTAL	£16,263.00

The total financial impact for the year is **£16,263**. Avoided healthcare costs are not included in this calculation, but realistically total £9,000.

6.1.4 Breakeven analysis

We cannot extrapolate seven case studies into meaningful proof of what happened for the other 437 clients, however, what is interesting and important with this analysis is the level at which the service breaks even.

The Team breaks-even when the following assumptions are applied:

- BEAT 2 has **no financial impact** for 61% of the client group (271 people);
- It completes effective, short interventions for 35% of the client group;
- The longer case studies represent just over 4 people each (1% of the total).

This equates to projected financial savings of £273k against a BEAT 2 Team cost of £276k (excludes evaluation costs). In fact, in this scenario, just 18, successful complex cases from a sample of 444 people would generate £192k of financial benefits – 70 % of the team running costs. These are extremely pessimistic assumptions and show just how few successful interventions need to be achieved to breakeven. This is estimated to be a significant undervaluation of BEAT 2.

The best estimate: From the evaluation data of the total sample of 444 people, the most likely projection is that the team generated **£1.003m of financial gains, which is £727k net benefit**. This assumes:

- Anyone who had one appointment with the Team (26%) gained no financial benefit;
- 30% of those receiving an intervention of two or more appointments gained no financial benefit;
- 32% of the longer interventions (>4 appointments) had issues other than those reflected in the case studies and so no financial benefit estimation is included;
- This means a total of 48% of clients are presumed to have derived **no financial benefit** from BEAT 2.

This is therefore a **conservative best estimate**. Of those deriving financial benefit from BEAT 2, the sums are highlighted in Table 7 below:

Table 6: Financial benefits of BEAT 2 interventions

Category	Prevalence of issue	Projected proportion of client group (438)	Saving per case study	Caseload Financial impact (70% success rate)
Short intervention: Resolving financial problems quickly: Gary, Dwayne, Donna	n/a	32% (142)	£518.35	£51,553
Practical assistance for a vulnerable person to apply for the correct benefits: Carol	34%	14% (63)	£11,390.60	£505,540
Resolving benefit sanctions and Debt amicably: Dave	7%	3% (13)	£8,338.00	£75,753
Stopping Financial abuse: Jane	17%	7% (32)	£7,246.00	£160,797
Change in benefit entitlement causes BEAT 2 benefit application and back-payments: James	10%	4% (18)	£16,263.00	£209,319

6.2 Conclusion

The initial financial calculations show that the BEAT 2 intervention is extremely likely to have a healthy cost:benefit ratio of 0.275. This means, on average, that every £1 spent on BEAT 2 generated £3.63 of benefits. Whilst noting that the economic case studies are illustrative, they are also representative of the wider caseload statistics on need, **and they exclude any benefits accrued** to 32% of longer interventions who had other needs. The financial gains have been derived by overturning administrative errors, helping vulnerable people to negotiate the benefits system and offering financial management skills. Clearly money well spent.

7 Limitations of the evaluation and future evaluation

7.1 Appropriateness of the evaluation approach

The evaluation adopted a mixed methods approach, including outcome evaluation, process evaluation, and economic evaluation, and the combination of methods is considered to have been appropriate and effective.

- The pre-and post-ratings provided by clients and staff/volunteers via the baseline and follow-up surveys provided an appropriate means of assessing and attempting to quantify progress towards the financial capability outcomes. The ratings demonstrated positive progress against every one of the MAS and project-level outcomes, as predicted in the theory of change. In this sense, the approach to outcomes evaluation was appropriate and effective.
- The process evaluation included confidential one-to-one consultations with a sample of project clients, and staff/volunteers undertaking training, as well as BEAT Team advisors and their managers, and referral organisations and specialist support providers working with the clients. These interviews provided valuable insights into the issues facing clients, their support needs, what worked well (and what didn't work) in meeting these needs, and the difference made by the support. When triangulated with the outcomes research, this qualitative evidence confirmed and validated the outcomes findings generated via the baseline and follow-up surveys.
- The economic evaluation assessed the costs and benefits of the project, based on case study examples of the financial impact of the support on a group of 'typical' clients, selected to match the characteristics and needs of the main sub-samples of clients. This provided a useful measure of the financial impact and return on investment of the project.

7.2 Limitations

While the approach was broadly appropriate and effective, there were some limitations with the evaluation approach.

- **Pilot timescales:** The 13 month period available for pilot delivery has been too short for some clients to achieve meaningful change, partly due to the time required to resolve their immediate financial crisis; and partly because some clients are not at a point in their lives where they are ready or able to develop their financial skills and capability. In many cases clients need help to address a wide range of personal issues (such as housing, health, personal safety, and addictions), before they are in a position to develop their financial capability. The opportunity to work with clients over a longer period of time would have allowed the project hypothesis and Theory of Change to be tested more thoroughly through the evaluation.
- **Appropriateness of the outcomes evaluation process for this client group:** Feedback from delivery staff suggests that the outcomes evaluation process did not always work well for this group of vulnerable adults, for two key reasons. Firstly, many clients found the survey process too long and the questions confusing, and had become stressed and anxious as a result. Secondly, staff believe that not all of the questions were relevant to this particular client group, whose lives are often complex and chaotic. The clients have multiple factors contributing to their stress and anxiety, and addressing one single issue (in this case a financial problem) often does not remove this anxiety or make their lives any less chaotic. As a result they felt that the outcomes evaluation may be too narrow and may not necessarily capture the full range of project benefits. For example, many clients had experienced a range of positive impacts from having their immediate financial crisis addressed, but were still experiencing significant problems and

were some way from being able to address their longer term financial capability. By focusing solely on short-term improvements in financial capability, and less on wider benefits (e.g. improved health and wellbeing) it was felt that the true benefits of the project may be understated. In addition, for many clients it will be a year or more until the full benefits and outcomes are felt, so the relatively short timescale available for the evaluation may also mean that the true outcomes are understated.

- **Alterations to the approach to follow-up surveys:** The original intention was that clients would be asked to complete follow-up surveys at regular, fixed intervals after receiving support from a BEAT advisor (i.e. at 3, 6 and 9 months post intervention). In practice, this highly structured approach was not practical because it wasn't always possible to contact clients at these intervals, or they did not want to complete the survey multiple times. Instead, the aim was to ask clients to complete the follow-up survey on at least one occasion following the final intervention. The result is that the changes measured between the baseline and follow-up survey reflect change over a range of periods, from 3 months up to 9 months, depending on when the client completed the follow-up survey. Nevertheless, the approach used does still allow for client progress towards intended outcomes to be measured.
- **Small sample size for evaluation of the financial capability training:** It was originally intended that the training would be delivered to a total of 360 frontline staff and volunteers. However, in practice the take up was lower than expected, with 134 staff and volunteers undertaking the training and completing the baseline questionnaire. Of these, 61 people also completed a follow-up survey (46% response rate). This means that the pre and post intervention position of staff and volunteers could be measured for only 61 people in total. While the evaluation has still been able to demonstrate positive changes in financial capability skills and understanding, following the training, the sample size upon which the analysis is based is smaller than originally planned.
- **Control group:** Ideally, the evaluation would have included a control group of financially excluded, vulnerable adults who were not receiving financial capability support. This would have allowed changes in the financial capability of the project participants to be compared with those among a similar group of non-beneficiaries, which may have helped in identifying the extent to which changes in clients' financial capability can be attributed to the project interventions. Unfortunately, it did not prove possible to identify a robust comparator group. After exploring several options, a potential group was identified at a supported accommodation centre in York. However, on further exploration it was identified that some of the clients of the centre were receiving financial advice from an advisor, and so this was not a viable comparator group.
- **Self-reporting of outcomes:** In line with the MAS outcomes framework, all of the survey data gathered to measure progress against project outcomes is based on self-reporting by clients at the pre and post-intervention stages. As is the case with all research based on self-reporting, there is a risk that some respondents may overstate the impacts of the support to show themselves in a good light, or they may understate the true impacts, for example where they lack self-confidence and tend to underestimate their achievements. This should be taken into account when considering the evidence of project outcomes.
- **Significance testing:** The resources available for the evaluation research were insufficient to allow for significance testing to be undertaken. While the outcomes evaluation indicates that clients made positive progress against all of the outcomes defined in the Theory of Change, it is not possible to claim that the outcomes achieved are statistically significant because no significance testing has been undertaken. It is important to consider the evidence of project outcomes in this light.

7.3 Plans for further evaluation

- **Remainder of the BEAT 2 project:** The project will continue to deliver support to some clients up to June 2018. Evaluation activity will continue during this period, and the evaluation report will be updated accordingly.
- **Transferability of the evaluation approach:** The evaluation method is now tried and tested and has generally worked well in practice. Changing Lives and Oasis Aquila Housing will be able to use the established evaluation framework, method and materials for the evaluation of any similar financial capability projects in the future.

8 Implications and recommendations for policy and practice

8.1 Key lessons

The evaluation has highlighted a number of important lessons about delivering this type of activity, to this client group.

- **One-to-one contact between clients and advisors** - Feedback from both clients and staff highlights that **one of the greatest strengths of the BEAT 2 delivery model is the one-to-one support, delivered face-to-face** rather than over the 'phone. Encouraging people to discuss their finances and debts, and the reasons behind them, can be a lengthy process that relies on them developing a **trusting relationship with an advisor**. In addition, clients are often confused and overwhelmed by their financial problems and very worried about the potential consequences. One-to-one support delivered face-to-face, often in an **informal community setting**, gives the advisors time to explain things properly to clients, provide reassurance that their problems can be resolved, and gain their confidence and trust.
- **Using outreach to engage and support vulnerable clients** - Delivery of BEAT 2 has taken place on an **outreach basis** and this appears to have been instrumental in **enabling so many clients to access the support**. BEAT 2 project staff have engaged with clients and delivered support from a range of sites including recovery centres, food banks, homelessness drop-in centres, and supported housing. A large proportion of the clients attending these outreach centres, as well as those resident in supported accommodation, experience significant financial problems. However, they are generally not aware of what financial support may be available to them and would not know how to look for this type of support. Therefore, the BEAT 2 project is the **first opportunity they have had to access specialist, face-to-face support** in an environment where they feel comfortable, to address these financial difficulties.
- **Complex needs of client group and significant time required to achieve real change** - The pilot has demonstrated that many people in the target client group often lead **chaotic lives and face a range of complex needs**, such as homelessness, physical and mental health problems, addictions and issues with personal safety. Generally they will engage with the support as a result of an immediate financial crisis (e.g. reduction in benefits, threatened with eviction), that may take several weeks or months to resolve. Furthermore, the complex issues they face mean they are often **some way from being in a position to develop their longer-term financial capability**. For example, clients with an addiction or mental health problem may be aware that their spending is inappropriate, but will not be able to address this until their addiction or health condition has been addressed. Therefore, due to the significant and entrenched nature of clients' problems and their highly chaotic lives, in many cases it may require **many months or even years of support to enable an individual to improve their financial skills and capability**. This suggests that, **to achieve meaningful and sustainable changes in financial capability amongst this client group, projects and services will need much more time to work with clients, over a much longer period (a minimum of two years, but ideally longer)**. The 13 months available for delivery of this pilot project was well short of the time required to achieve meaningful changes in financial capability, given the significant challenges faced by these clients.
- **Working alongside specialists to achieve sustainable change** - **Financial capability support for this client group should be delivered in conjunction with support from other specialists, such as addiction recovery centres, or mental health counselling services**. Clients facing addiction or mental health problems, for example, will not be in a position to change their financial behaviour until their underlying

addiction or health condition has been addressed, as this is the main cause of their financial problems. The evaluation identified examples of clients receiving financial support from the BEAT 2 project, in conjunction with support and counselling from specialists such as addiction recovery centres, or mental health counselling. **Some of these clients were making good progress in addressing their underlying problem, at the same time as improving their financial situation and financial capability.**

- **Embedding financial skills more widely among frontline staff and volunteers** - It has proven **more difficult than anticipated** during the project to **engage frontline staff and volunteers in financial capability training**. This may be because these staff are focused on supporting clients and it is difficult to find the time to attend the training. It may also be that financial support for clients is not considered part of their day-to-day role, therefore it may not be seen as a priority and the potential benefits it could have for service delivery may not be recognised. Nevertheless, the evidence from BEAT 2 from those who undertook the training indicates it has had **positive benefits both on the skills and knowledge of the staff, and their ability to support their clients more effectively**. There may, therefore, be benefits in ensuring that all frontline staff are able to provide financial advice and support alongside other issues, for example housing advice. This would help clients to understand the relationship between money and other issues, such as managing their budget to be able to pay the rent and reduce the risk of homelessness. However, evidence from the BEAT 2 project suggests that a **more focused campaign of awareness raising** may be necessary to highlight the importance and potential benefits of staff developing their skills and knowledge in order to engage them in training in higher numbers.

8.2 Implications

The evaluation has highlighted some important implications for financial capability policy and practice.

- **A strong case to continue this type of support in future**
 - The BEAT 2 pilot has demonstrated that there is a huge need for financial capability support among financially excluded and vulnerable adults. Approximately 500 clients were supported by the project in Tyne & Wear and Northumberland, but there is so much demand in the local area that this could easily have been exceeded if the pilot had additional resources and advisors. Much of the need is being driven by changes to the benefits system, which is causing severe hardship and anxiety for many of the most vulnerable people in society, who currently lack the knowledge and skills needed to resolve the problems they face and navigate through increasingly complex systems.
 - The evaluation has shown that the project made a real difference to the clients supported. It delivered positive improvements against all of the intended MAS financial capability outcomes, including financial wellbeing, behaviours, mindset, and ability. As a result of the support, clients improved their financial situation (e.g. increasing income by resolving benefits problems), reduced financial anxiety, improved attitudes towards money (e.g. taking positive steps to pay off debts, feeling more in control financially), and improved their financial skills (e.g. creating a household budget, improved understanding of other sources of financial support)⁴.
 - The economic evaluation has shown that the project delivered a positive return on investment, with every £1 spent on the BEAT 2 project generating £3.73 in financial benefits.

⁴ It is important to highlight that the resources available for the evaluation research were insufficient to allow for significance testing to be undertaken. While the outcomes evaluation indicates that clients made positive progress against all of the outcomes defined in the Theory of Change, it is not possible to claim that the outcomes achieved are statistically significant because no significance testing has been undertaken. It is important to consider the evidence of project outcomes in this light.

- On the basis that the support is clearly needed, it makes a demonstrable difference to some of the most vulnerable adults in society, and delivers a positive return on investment, there is a strong rationale for policy makers and funders to consider how this type of support could be continued in future.
- When the project closes at the end of the WWF Funding, it will leave a huge gap in support among vulnerable people that really need help. It is likely that some will 'fall through the net' and suffer real hardship.
- **Potential for welfare reform to stimulate take-up of financial capability support** - Evaluation evidence demonstrates that there is a very **high level of need for this type of service**, among the target group of vulnerable adults. The **main driver of need is the current programme of benefit reforms**, in particular the roll out of Universal Credit and Personal Independence Payments (PIP). This is creating real hardship and problems for vulnerable people as they transfer between benefits; have their benefits reduced or stopped altogether; or appeal against benefit decisions. Most clients have been attracted to the BEAT 2 project to get help with a benefits problem. In some cases, after resolving the initial problem, BEAT Team advisors have continued to work with clients to help build their financial capability (understanding, skills, mindset, behaviour) with the aim of improving their financial resilience and independence for the future. However, both clients and staff confirm that people in this target group would be unlikely to seek out help to improve their financial capability per se; they are driven mainly by a need to resolve an immediate financial crisis. However, by offering support to resolve benefits problems (and related issues, such as debt and housing), clients can be engaged in a longer-term relationship with an advisor who can then help to develop their underlying financial capability and skills over a period of time. Therefore, **the BEAT 2 delivery model could offer an effective solution to engaging the most financially excluded people in financial capability support. This could be a valuable engagement tool for policymakers to consider, when seeking ways to boost the financial capability of some of the most excluded people in society.**

8.3 A potential future delivery model

The evaluation evidence indicates that the BEAT 2 delivery model is an effective means of addressing financial crises, and then building the financial capability, of some of the most vulnerable adults in society. The key components of an effective delivery model have now been identified and tested, and include:

- One-to-one advice, support and encouragement from an experienced BEAT Team advisor.
- Two stage process, focusing first on engaging the client, building a trusting relationship and resolving the immediate financial crisis. Then moving on to support those clients who are able and willing to improve their financial skills and capability.
- Outreach delivery model, providing support to vulnerable clients where they are (e.g. recovery centres, supported accommodation, food banks).
- Working in conjunction with specialist services (e.g. mental health, recovery services) so clients are building their financial capability in parallel with addressing the underlying causes of financial problems.
- Working alongside trained staff and volunteers in other projects and services working with the client group, to identify clients in need, encourage referrals, and allow frontline staff and volunteers to deal with more straightforward financial problems. This would be backed up with a programme of financial capability training for staff and volunteers.
- A telephone helpline facility (based on the e-financial system), providing an initial, basic assessment of need, then referring clients to an experienced advisor for face-to-face support.

Given the right resources, this model has clear potential to be rolled out more widely to address the huge level of need that exists among the target clients. However, learning from the delivery of BEAT 2 indicates that any future delivery model would need to include the following improvements:

- The service would need to be **delivered over a longer time period** (at least two years, but ideally longer) to be effective in achieving meaningful and sustained improvements in clients' financial capability.
- More **resources and additional advisors**, to respond to the huge level of need.
- **Developing the financial capability skills of more frontline staff and volunteers**, across more referral and specialist support organisations (e.g. housing providers, recovery centres). This would enable some clients to receive a basic level of financial support earlier, which in some cases may help avoid a financial crisis.
- Improve the efficiency of delivery, and maximise impact, by undertaking some **preventative, awareness raising work** with clients, for example by running regular groups or drop-in sessions to help clients address issues at an earlier stage, before they develop into a crisis.

8.4 Opportunities to mainstream and / or scale-up

There is a clear case to scale-up the project, extending its delivery to other geographic areas across the UK, particularly those impacted most significantly by current and ongoing benefit reforms. There may also be scope to extend the approach to target other severely financially excluded groups, such as people with learning disabilities, or offenders approaching the end of a sentence. The model is highly replicable based on the key delivery model components described above.

It is recommended that any scaled-up model would need to be led and operated by an organisation with a strong infrastructure, a track record in working with this client group, and a reach into different geographic areas of the country. This is to ensure a consistent approach to the quality of service delivery to clients and a demonstrable track record in working with people experiencing severe social and financial exclusion.

Any further scaling-up of the project would also need to be flexible, given the significant and ongoing changes in the national welfare infrastructure. For this reason, it may be difficult at this time to justify implementing the delivery model within mainstream financial capability services, because the environment is very unsettled and the delivery model may need to change again in future to respond to ongoing changes.

Therefore, a project-based roll out of the delivery model should probably be favoured at this stage. This could be based on local commissioning of services, but within a national policy framework that encourages the local delivery of financial capability support for this vulnerable, financially excluded client group. In an ideal world, there would be a specific national commissioning exercise, focused on developing the financial capability needs of vulnerable, financially excluded adults, arising from current and ongoing welfare reforms. We recognise that the recent announcements about the £55m joint programme between the Big Lottery Fund and DCMS, using dormant account monies, may go some way to achieving this, and would encourage all evaluations from the What Works Fund to be included in the current co-design approach for these programmes.

8.5 Recommendations

MAS and the financial capability community are asked to consider the following recommendations.

- Consider supporting a wider roll-out and scaling up of the BEAT 2 delivery model, with a specific focus on meeting the financial capability needs of vulnerable, financially excluded adults, arising directly from current and ongoing welfare reforms.
- Any roll out should take as its starting point the effective and successful delivery model which has been pilot tested through the BEAT 2 project. However, the delivery model should be improved to include the enhancements identified above. Any commissioning exercise should be co-designed in the first instance with the What Works partners focusing on this specific client group, who can then coordinate input from their wider network of support providers and intermediaries.

- Depending on the outcomes of the co-design exercise there may be options for either a national programme of financial capability commissioning for vulnerable, financially excluded adults; or local commissioning approaches, where services would be supported by local funders and commissioners, but within a supportive national policy framework that encourages and incentivises the local delivery of financial capability support for this vulnerable, financially excluded client group.

9 Sharing and learning activity

9.1 Activities to date and their impact

To allow for early sharing of learning from project delivery, the evaluator was asked to prepare a comprehensive Interim Evaluation Report, assessing emerging impacts and early lessons about what works in improving the financial capability of the target client group. The interim research covered the period from the start of the project in March 2017, up to October 2017. The learning from this evaluation has been shared within Changing Lives, as well as with external partner organisations.

Within Changing Lives

- The report was shared with the Changing Lives Executive Team to discuss findings to date and inform strategic thinking on the future of financial capability activities across the organisation. This was supported with a presentation to all staff at Changing Lives Head Office (including the Executive Team), by the BEAT Project Team Leader.
- The evaluators also attended several BEAT team meetings, during which emerging lessons were discussed with the Beat Team Advisers and Managers, and potential refinements to service delivery were identified and implemented.
- The evaluation lessons are being used currently by Changing Lives' Research and Evaluation Manager, working in conjunction with the Business Development Team, to build an evidence base and develop project proposals which can be used to seek support from other funders for the continuation of the BEAT delivery model. The Business Development Team is actively seeking out potential funding opportunities for project continuation / roll-out, for example feeding into the Big Lottery Fund co-design process for their proposed programme for fair, affordable and appropriate financial products and services.
- The learning has also been shared with financial inclusion staff working across the wider Changing Lives organisation, to inform their work. For example, the learning was used by a newly appointed Financial Inclusion Worker in York to assist with her financial inclusion project.
- In November 2017, as part of Financial Capability Week, the learning from the BEAT 2 project was shared across the organisation, via our intranet, based on an article we published entitled 'A Day in the Life of a Financial Capability Worker'.

With partner organisations

- Client case studies from the evaluation have been shared with local partners, such as local authorities and Job Centre Plus, to illustrate the issues and barriers faced by the client group, and to help lobby for changes locally in how vulnerable people are supported through the benefits and housing systems in particular.
- BEAT Team Advisers have attended several local working groups with a role in financial inclusion, to promote the service. During these meetings, key learning points from the evaluation were shared with partners. This included: Newcastle City Council Financial Inclusion Group, North East Money Advice Group (NEMAG), DWP, and the 'Be The Change' Universal Credit and Welfare Reform Group.
- We have shared the interim evaluation learning with Crisis, the national charity for homeless people. This helped inform their thinking about policy gaps and solutions to establishing how financial education and debt management can contribute to preventing, relieving, and ending homelessness.

9.2 Future activities

- When the 'What Works Fund' research (including this report) is published on the MAS Evidence Hub, there will be an opportunity to disseminate our evaluation learning to a wider audience. Backed up with the credibility of the 'What Works Fund', we will take a targeted approach to working with our financial capability partners locally, regionally and nationally to share our learning, as a means of informing future policy, programmes and service delivery.



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