

# UK Strategy for Financial Wellbeing

## Delivery Plan for Northern Ireland



Money &  
Pensions  
Service

## Stakeholders Engaged

With thanks to people from the following organisations for their support and input into the virtual round tables in Northern Ireland, helping to identify and shape the activities in this delivery plan.

Advice NI

Alchemy Technology Services

BITC

BT

CAAND

CCEA

Christians Against Poverty

CIPD

Consumer Council Northern Ireland

COPNI

Housing Rights

Inspire Wellbeing

Manufacturing NI

MindWise

Newry Credit Union

NI Ambulance Service

NIACRO

NILGA

Northern Regional College

Pivotal Think Tank

Post Office

Queen's University Belfast

Reed in Partnership

STEP

Bank of Ireland

The CBI

The Department for Communities

The Department of Education

The Department of Health

The Department of Finance

The Federation of Small Businesses

The Irish League of Credit Unions

The Women's Support Network

Ulster University

Young Enterprise NI

## Who is this delivery plan for?

From pocket money to pensions, this document is for all organisations with an interest in supporting or improving the financial wellbeing of the people of Northern Ireland. This delivery plan, and the equivalent versions in Scotland, Wales and England, provides context, background information and a framework for the next three years on how organisations with wellbeing programmes can work together on impactful financial wellbeing activities that will help people in need, especially the most vulnerable.

- **EMPLOYERS:** all different types of employers, from SMEs to multinationals, across all sectors and their representative organisations and trade bodies such as the CBI, FSB and trade unions
- **LIFELONG LEARNING:** formal and informal education providers for children and adults, parents, care givers and other educational support services
- **ORGANISATIONS FOCUSED ON INDIVIDUAL AND COMMUNITY WELLBEING:** Community and special interest groups, the Health and Social Care network, charities, housing associations, advice agencies and community groups
- **CREDITORS & FINANCIAL SERVICES:** funders, providers and innovators
- **THINKERS & DECISION MAKERS:** policy makers, influencers, regulators, local, national and UK Government and other decision makers

All information and evidence related to the UK Strategy, National Goals and cross-cutting themes can be found in the UK Strategy for Financial Wellbeing<sup>1</sup> published by the Money and Pensions Service.

## About the Money and Pensions Service

The Money and Pensions Service (MaPS) is an arm's-length body, sponsored by the Department for Work and Pensions and funded by levies on both the financial services industry and pension schemes. MaPS helps people – particularly those most in need – to improve their financial wellbeing and build a better, more confident future.

Under the Financial Guidance and Claims Act 2018, MaPS is tasked with working with others, including financial services, devolved administrations and the public and voluntary sectors, to develop and coordinate a national strategy to improve the financial capability of people and their ability to manage debt, and to improve the provision of financial education to children and young people. MaPS has developed this delivery plan based on the input and ideas from multiple cross-industry stakeholders across the UK and presents it as part of our coordination function.

As coordinator of the Strategy, MaPS will encourage and enable others to lead initiatives and will contribute to projects led by others. We will also provide a reporting and governance framework and will continue to provide data and insights to support the identification and development of new ideas to improve financial wellbeing across the UK, with a focus on those most in need.

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# Foreword by Sir Hector Sants

We know that financial wellbeing is good for individuals, regions, nations and society as a whole. Much like physical and mental wellbeing, there isn't one individual action that we can take to improve it, nor is MaPS – or any one organisation – able to make all the systemic changes needed. Instead, it will require a collaborative approach, working with partners and stakeholders, to change people's relationship with their money and pensions and develop the skills and confidence they need to feel more in control of their financial futures.

MaPS' role, as set out in the Financial Guidance and Claims Act 2018 under which we were established, is to coordinate a national strategy to improve:

- the financial capability of members of the public
- the ability of members of the public to manage debt
- the provision of financial education to children and young people.

For me, this means bringing together in one place a simple, clear set of common goals for financial wellbeing, identifying the actions needed and providing a structure around which these can be understood and their impacts measured. We did this when we published the UK's first Strategy for Financial Wellbeing in January 2020.

But this was just the first step – in the months that followed we established Challenge Groups to help us to debate and shape the key recommendations for each agenda for change and cross-cutting theme. The Challenge Groups comprised 140 key stakeholders from organisations across the UK, including representatives from Northern Ireland on each group, who are working every day to improve people's financial wellbeing. Despite the difficulties presented by the pandemic and everyone's very busy schedules, it was reassuring to see the priority given by our partners to the Strategy and the development of the delivery plans, including this one for Northern Ireland, which show how we will collectively translate the goals and ambitions set out in the Strategy into tangible actions.

Building on this work, we hosted 14 virtual round tables in Northern Ireland (NI) to identify the specific challenges, opportunities and needs from an NI perspective. The round tables discussed each of the agendas for change and cross-cutting themes with valuable input and insight from 100 individual attendees from 40 external stakeholder bodies to understand the recommendations for the people of Northern Ireland.

The development of this delivery plan was a truly collaborative effort, and I would like to thank everyone who contributed to the Challenge Groups for their ideas, openness and commitment throughout a very difficult 2021. I would specifically like to thank the independent Chairs of the Challenge Groups for their leadership throughout the process and for helping to steer the process and the quality of the input and discussion in the groups. And, of course, the MaPS team, for bringing it all together.

## **Sir Hector Sants**

Chair, Money and Pensions Service



# Executive Summary

## The delivery plan for Northern Ireland

Financial wellbeing is about feeling secure and in control. It is about making the most of your money day-to-day, dealing with the unexpected, and being on track for a healthy financial future. In short: financially resilient, confident and empowered.

*We are confident that this plan will significantly increase the financial wellbeing of people across Northern Ireland. It aims to specifically help those most in need of support, including those in vulnerable financial circumstances.*

### Priorities for Financial Wellbeing – Northern Ireland



#### Financial Foundations

2030 NATIONAL GOAL

**60,000**   
more  
(up from 155,000)

children and young people getting a meaningful financial education.



#### Nation of Savers

2030 NATIONAL GOAL

**35,000**   
more  
(up from 254,000)

working-age 'struggling' and 'squeezed' people saving regularly.



#### Credit Counts

2030 NATIONAL GOAL

**37,000**   
fewer  
(down from 164,000)  
people often using credit to buy food or pay bills.



#### Better Debt Advice

2030 NATIONAL GOAL

**35,000**   
more  
(up from 30,000)

people accessing debt advice.



#### Future Focus

2030 NATIONAL GOAL

**120,000**   
more  
(up from 560,000)  
people understanding enough to plan for, and in, later life.

According to Money and Pensions Service (MaPS) research, poor financial wellbeing is affecting many families across Northern Ireland (NI). 28% of adults in NI have less than £100 in savings to fall back on, with 26% of adults reporting they would need to borrow money to pay, or could not pay, an unexpected bill of £300. 61% of adults in NI don't know enough to plan for their retirement. And 49% of children in NI do not get a meaningful financial education<sup>2</sup>. The UK Strategy for Financial Wellbeing introduced five agendas for change and set national goals to address these problems, while acknowledging that it would take considerable effort from the private sector, government and the third sector to improve the financial wellbeing of people across NI and the UK by 2030<sup>3</sup>. The Strategy committed to prioritising people most in need, especially those most vulnerable to financial insecurity. We have worked with organisations and experts to understand the needs of consumers and the barriers to financial wellbeing that we must address to help more people make the most out of their money and pensions.

The publication of the Strategy coincided with the start of the Covid-19 pandemic, and there is still work to do to truly understand the short, medium and long-term impact on people's personal finances. However, what the pandemic has made clear is that too many people do not have enough financial resilience, particularly those who were vulnerable before the pandemic whose financial wellbeing has been impacted most. There is also no doubt about the links between financial wellbeing and people's physical and mental health.

This delivery plan for NI will outline the key sector-wide activities that are required for us to achieve the National Goals together. The financial wellbeing context in NI is described in **Chapter 1**, which lays out the challenges we face, and the opportunities presented by our Strategy. Our collective aim is to achieve or exceed all the National Goals over the next ten years and to improve the financial wellbeing of people, especially those most in need. MaPS has a key role to play in coordinating the implementation of the Strategy, but it will take a united effort from government, the private sector and charities to achieve this.

**Chapter 2** provides an update on how the Covid-19 pandemic has influenced our approach. It includes information on the **Crisis Response Measures** initiated in parallel with the drafting of this plan, and how these will help people whose financial wellbeing and resilience has been most affected by Covid-19.

The delivery activities described in **Chapter 3** set out the challenges we face, and the opportunities presented by our Strategy in the Covid-19 recovery phase. This chapter is the focus for this document, where we discuss the impact that the delivery activities can have, both on people in need and on each National Goal, with specific attention paid to those most in need and especially vulnerable groups.

The recovery phase covers the next 24–36 months and represents the key commitments and immediate priorities for the sector to focus on. However, the overall Strategy covers the next 9 years, and **Chapter 4** describes how we also need to consider the longer-term ambitions for the strategy and includes the initiatives, possible innovations, research and trials that will help us achieve sustainable change by 2030.

A quick-reference table of these two phases of activity, including foundation work that needs to be started now, is included at the end of this executive summary.

Responsibility for leading and driving these activities will be shared by key partners with a common purpose for improving financial wellbeing. MaPS' main role is to convene and orchestrate the Strategy, and success will be determined by partners taking the lead, collaborating with each other, co-creating new initiatives and inspiring others to contribute. For example, the financial services sector taking the initiative to create a savings charter to collectively drive up the number of regular savers, or employers and employer groups learning from each other and implementing best practice to support an improvement in their employees' financial wellbeing.

The success of the financial wellbeing Strategy and this delivery plan will depend on how well we work together and how existing delivery mechanisms and systems can be leveraged, including:

- facilitating new or improved delivery coordination between money guidance and the health and social care system to ensure people with money and health problems get the mix of support that's right for them
- engaging workers and their families through their employers
- learning from and utilising existing networks, systems or community groups to access people who are most in need
- supporting people' rights to access good quality, independent, client-focused advice.

<sup>2</sup> Unless otherwise stated, all data and statistics in this plan are taken from the UK Strategy for Financial Wellbeing, January 2020

<sup>3</sup> [moneyandpensionsservice.org.uk/uk-strategy-for-financial-wellbeing](https://moneyandpensionsservice.org.uk/uk-strategy-for-financial-wellbeing)

MaPS will also act as a focal point for reporting on the impact that the collective efforts of all partners are having in helping to achieve the goals. In addition to regular industry surveys, Appendix A describes how we will monitor progress towards achieving the goals and the indicators we will base this on.

During the development of the NI Delivery Plan, the levels of engagement, innovation, desire for collaboration and passion for financial wellbeing have been truly inspiring. We hope that this will continue, and that this delivery plan will act as a catalyst for a multi-sector movement that promotes financial wellbeing, generates new ideas and helps people, especially those most in need, to feel more confident about their personal finances and enables them to build healthy financial lives<sup>4</sup>.

CRISIS RESPONSE measures <sup>5</sup>	Delivery activities to support RECOVERY <sup>6</sup>		Ideas and initiatives that FOCUS ON THE FUTURE
2020–2021	2021–2023	Strategy Review & re-prioritisation 2023/24	2024–2030
Activities and initiatives <b>already in place</b> as a response to Covid-19 that aim to help people through the effects of the pandemic	The key delivery activities for the next 24–36 months that will help us <b>build back better</b> from the pandemic and <b>lay strong foundations</b> for an improvement in financial wellbeing		Innovations and new projects that will help us achieve or exceed the national goals by 2030
See Chapter 2	See Chapter 3		See Chapter 4

<sup>4</sup> More information can be found at <https://moneyandpensionsservice.org.uk/wp-content/uploads/2020/11/Building-Northern-Irelands-financial-wellbeing-after-Covid-19.pdf>

<sup>5</sup> The crisis response measures are based on 13 key recommendations published by the independent Challenge Group Chairs in October 2020 that could be implemented quickly to ease pressures and help people rebuild their financial resilience after Covid-19.

<sup>6</sup> Some of the delivery activities described in this section have already been initiated but the full impact is yet to be realised.

Recovery phase delivery activities: the immediate priorities in NI for each agenda for change

Agenda for change	Prioritised recovery activity in NI	Estimated no. of people in NI impacted over the lifetime of the strategy	Summary of activities	Target Date	Leadership and key contributors
Financial Foundations	1. Your Money Matters post-primary school textbook	45,000	Delivery the textbook to all secondary schools in NI and evaluate its impact	2021	Martin Lewis, MaPS, Young Enterprise NI and CCEA
	2. Digitise Talk, Learn, Do (TLD) content	8,000	Scope and engage a digital agency to create and publish TLD content digitally	2021	MaPS will coordinate focus groups with parenting stakeholders and community and practitioner groups to shape and inform content for NI
	3. Expand TLD content to teenagers		Build business case, scope and co-create new content through cross-industry collaborative design workshops	2022	MaPS will coordinate a coalition of parenting stakeholders and the youth and financial education sector to shape and inform content for NI
	4. Scale up teacher training pathfinders	10,000	Following publication of the findings from the Wales Pathfinder (Spring 2022), embed e-learning and continue to promote with launch in NI schools by the end of 2022, with teacher training to commence in Spring 2023 ready for evaluation and next-steps planning by Autumn 2024	2024	CCEA, Department of Education, higher education institutions, teacher training providers and teaching schools will provide leadership with MaPS in a supportive, coordinating role
	5. Support practitioners working with children and young people in vulnerable circumstances	1,300	Build a network of funders and contributors from across financial services and the third Sector (2021/22). MaPS to build business case, scope and engage partners (2021). Initial package of support developed for roll out (Spring 2022).	2022	DfC and MaPS will coordinate partners, including the third sector and financial services, to fund and deliver specialist support
Nation of Savers	6. Promote opt-in payroll saving schemes and develop case for alternatives	15,000	Financial services and employers, with MaPS coordination and support, will target a significant increase in voluntary take-up of payroll savings (2021/22). Work with Irish League of Credit Unions to pilot, evaluate and build the case for payroll savings in NI.	2023	MaPS and DfC, Irish League of Credit Unions working with NI employers
	7. Financial services sector to co-create a savings charter to encourage regular saving	20,000	Develop draft of savings charter, The Savings Charter will include agreement on the importance of savings to financial resilience, along with a commitment to increase the number of regular savers by using best-available evidence in product design and promotion, and to support future development.	2022	MaPS will ensure a representative mix of financial services providers to develop the first draft of the charter and engage with more partners in NI

Agenda for change	Prioritised recovery activity in NI	Estimated no. of people in NI impacted over the lifetime of the strategy	Summary of activities	Target Date	Leadership and key contributors
Nation of Savers	8. Maximise the take-up of Help to Save and ensure consumers understand their savings choices once their account matures	3,000	HMRC, HMT and MaPS to engage employers, social landlords and others to promote Help to Save (to 2023) and encourage ongoing saving in successor accounts (to 2027). In parallel, MaPS will work with financial services and government to build the case for a wider choice of commercial schemes.	2023–2027	HMRC will administer Help to Save on behalf of HMT. MaPS has a key influencing role to engage employers and financial services to encourage take-up and promote future innovations.
	9. Accessing affordable credit		DfC will work with Fair4All Finance on taking forward a pilot No Interest Loan Scheme for NI, targeted at those most in need and ensuring that the pilot reflects the needs of people of NI	2021/22	DfC with Fair4All Finance will engage with local stakeholders and potential local delivery partners
Credit Counts	10. Help people avoid the use of, and deal with the consequences of, illegal money lending		Explore how other services, specifically debt advice providers and mortgage lenders, can be helped to better identify loan shark victims and signpost them to relevant support services	2021/22	MaPS, NI Consumer Council, Department of Justice, DfC, the advice sector and wider stakeholders will work together to identify consumers whose financial difficulties have been compounded by the use of illegal lending
	11. Develop income maximisation and improved money guidance to help people choose and manage credit	3,500	MaPS will work with IncomeMax and other stakeholders to create new guidance on income maximisation, along with new customer journeys to help people make good borrowing choices and manage credit commitments	2022/23	MaPS will work with IncomeMax, DfC, the debt advice sector and other money guidance providers
	12. Increase awareness of and access to community finance credit products	5,200	Using insight from Financial Wellbeing Survey (2021) and other market research, review and improve customer journeys and referral mechanisms for groups who could benefit from community finance products and services	2022	NI Responsible Lending Forum, MaPS, NI Consumer Council and others to promote community finance initiatives for NI
	13. Develop creditor standards for people with mental health issues	3,900	Following the development of Creditor Standards for Consumers with Mental Health Problems (from 2020) improve credit sector engagement and support for vulnerable consumers	2022/23	The Money and Mental Health Policy Institute will lead with support from MaPS and the wider credit and money and debt advice sector. MaPS will work with DfC to raise awareness in NI.

Agenda for change	Prioritised recovery activity in NI	Estimated no. of people in NI impacted over the lifetime of the strategy	Summary of activities	Target Date	Leadership and key contributors
<b>Better Debt Advice</b>	14. Ensure people are confident that they are accessing quality-assured information and advice services		The NI Executive's Draft Programme for Government (2016–21) set out an ambition to reduce debt and improve financial wellbeing, outlining an objective to offer a free debt advice service to everyone in NI who is overindebted, helping people to exercise their rights and make informed choices. Quality-assured and accredited information will be publicised via trusted online resources and relevant websites and made available through newsletters, events and other promotional opportunities.	2021/22	DfC will lead a programme of work to promote quality assurance in the debt advice sector within NI
	15. Design and implement a Debt Respite Scheme for NI		DfC will bring forward primary legislation in the next mandate to facilitate the implementation of an NI Debt Respite Scheme, which will include both a Breathing Space and a Statutory Debt Repayment Plan. DfC will work with key partners on design and delivery in NI, learning from implementation in GB with a particular focus on mental health access mechanisms	2021+	DfC officials will lead the development of this scheme in conjunction with key stakeholders
	16. Broaden debt advice referral partners	6,000	Building on the learning from DfC's debt work, MaPS will convene sector-wide conversations to examine how the debt advice industry refers people to other specialist advice sectors to ensure that they get the rounded, holistic support they need	2022	MaPS will be supported by DfC, Department of Finance, the wider debt sector and financial services
<b>Future Focus</b>	17. Develop a retirement planning hub incorporating MaPS pensions dashboard	52,000	The vision of the retirement planning hub is to support people with personalised guidance at every stage of their pension journey. Starting in 2021 and working with financial services and others, MaPS will develop content and distribution strategies using a test and learn approach.	2022	MaPS will coordinate with the Commissioner for Older People for NI, NI local government pension scheme providers, BITC NI, DWP, financial services companies and employers, as well as CBI NI and FSB NI, the Labour Relations Agency and other public service pension scheme authorities
	18. Implement a mid-life MOT	19,500	In 2021 a working group will be convened to start to co-create a simple, accessible Mid-Life MOT incorporating three guidance pillars of finance, health and work, enabling employers to provide financial guidance for their employees	2022+	Led by DWP and supported by partners including Aviva, Legal & General and through employers engaged through the partnerships team at MaPS
	19. Produce holistic financial wellbeing guidance for later life including specific information for women and diverse ethnic communities	11,500	With the support of others, MaPS will develop a holistic guidance service that covers all aspects of financial wellbeing related to later life. Learnings from this will be used to create an omni-channel guidance proposition that can be delivered through others to reach people where they seek support.	2022+	MaPS will coordinate and work with partners including DfC, CIPD, financial services, the Commissioner for Older People for NI and Age NI to ensure financial guidance in later life meets the specific needs and circumstances of people in NI

Agenda for change	Prioritised recovery activity in NI	Estimated no. of people in NI impacted over the lifetime of the strategy	Summary of activities	Target Date	Leadership and key contributors
Cross-Cutting Themes	20. Develop and launch a Financial Wellbeing digital hub for employers and partners		In 2021 MaPS will start the development of a digital employer hub that will include a diagnostic tool and a ‘moments that matter’ analysis of financial product choices, and will act as a source of best-available evidence	2021	MaPS will lead the development of the hub and work with partners to provide and test best-practice information, support and guidance on Financial Wellbeing
	21. As part of the digital hub, include specific customer journeys supporting women in the workplace		Specific guidance and customer journeys will be co-created and implemented on the digital hub to reflect the specific financial wellbeing challenges and needs of women in the workplace	2022	MaPS will lead the development of the hub and work with subject matter experts, including NI charities and employer groups, to provide and test best-practice information, support and guidance on financial wellbeing. MaPS will work with NIDirect to embed this into government advice services.
	22. Develop and implement a joined-up Financial Wellbeing and Health approach for NI		Starting in 2021, the Department of Health, in conjunction with Community Social Work team and supported by MaPS, will design, pilot and deliver system-wide financial wellbeing training and support	2021+	Led by the Department of Health and MaPS, HSCNI, NI Social Care Council, the Public Health Agency NI, Community Social work services, GP Federations and relevant primary and community-based mental health services
	23. Money Guiders – developing skills, sharing understanding, improving lives		In 2021, MaPS piloted Money Guiders – a programme to develop the skills and confidence of those who provide financial support to their customers, to increase capacity, and to help diverse organisations in NI and across the UK to deliver money guidance well	2021/22	MaPS will work with partners to build the business case to develop the pilot into a long-term, sustainable programme of work, collaborating with DfC to expand the reach of the network within the NI public, voluntary and community sectors, and recognising the valuable work carried out by the advice sector to support people develop their financial wellbeing and maximise their income
	24. Understand the financial wellbeing landscape in NI		Our aim is to understand the full scope of activity taking place in NI across government, the voluntary and community sector, the social enterprise sector and financial services	2022/23	MaPS in conjunction with DfC will conduct a mapping exercise to understand the funding sources and outcomes of programmes in NI
	25. Strategic Partnership activity from MaPS contributing to the overall plan		MaPS’ NI Partnership Manager will work with private, public and third sector organisations to embed financial wellbeing into employee client and customer experiences	ongoing	MaPS will raise awareness of tools and resources with partners to provide support and guidance on Financial Wellbeing
	26. Maximise strategic opportunities for the provision of money and pensions guidance via nidirect		Various sections of nidirect will be used as a channel to provide money and pensions guidance, tools and resources for people in NI	ongoing	MaPS will work with NI Government Departments to maximise the reach and scope of syndicated content

**Focus on the Future: 2023 onwards – looking to the future and laying strong foundations****Financial Foundations**

- A parent-facing communications initiative to help parents and carers engage with their children on money matters
- Scope the development and delivery of a financial education hub
- Research into the impact on dependent children of parental money and mental health problems

**Nation of Savers**

- Research into the benefits of incentivised saving schemes
- Research into opt-out payroll saving schemes

**Credit Counts**

- Consumer research to understand how people make credit decisions
- Trial nudges that encourage consumers to manage credit commitments effectively
- Develop improved market practices to ensure access to affordable credit products
- Improve market practices through a combination of FCA policy focus on unsecured credit markets and access to affordable credit

**Better Debt Advice**

- Design, develop and pilot improved debt advice referrals for people with mental health problems
- Based on better data and insight and an industry-wide technology roadmap for debt advice, examine how customers will benefit from the use of Smart & Open Data practices and codesign digital products and services to improve customer journeys
- Help the sector to review processes and the customer journey to promote earlier and better engagement and improved outcomes

**Future Focus**

- Work with others to understand how, through initiatives such as mid-life MOTs and later life guidance, we can change attitudes to ageing and encourage employers to support work and career opportunities for people aged 50+
- Embrace and utilise new technologies, best practice and innovation to enhance support for people planning their retirement
- MaPS will seek to remove barriers to engagement, ensuring that the tools we use to help people plan for their retirement will incorporate non-linear lives and be inclusive by design. We will work with industry to support the development of a common framework of bite-sized actions that will empower people to act, taking learnings from successful initiatives such as 5 A Day and Couch to 5K while ensuring common use of language

**Cross-Cutting Themes**

- Research into the combined impact of money and mental health problems from the perspective of ethnic minority communities
- Continue to work with Surviving Economic Abuse, building on the pilot of the Economic Abuse Evidence Form, which MaPS co-sponsored



# CHAPTER 1

## Financial Wellbeing in Northern Ireland

A substantial number of people in NI face financial difficulty every day and many more are vulnerable to the effects of variations in income, unforeseen costs and problem debt. In this chapter, we will outline the scale of the challenge and the key opportunities to meet the National Goals and improve the financial lives of hundreds of thousands of people across NI over the lifetime of this strategy.



**56%**

do not have a plan for their finances in retirement



**59%**

do not feel confident planning for their financial future



**27%**

feel nothing they do will make much difference to their financial situation



**56%**

struggle to keep up, are falling behind or have fallen behind with bills or credit commitments



**43%**

do not feel confident managing their money

To track financial wellbeing, MaPS categorises the population into three distinct segments: Struggling, Squeezed and Cushioned<sup>7</sup>.

This delivery plan focuses predominantly (although not exclusively) on the **Struggling** and **Squeezed** segments, which represent around **two thirds** of the adult population in NI.

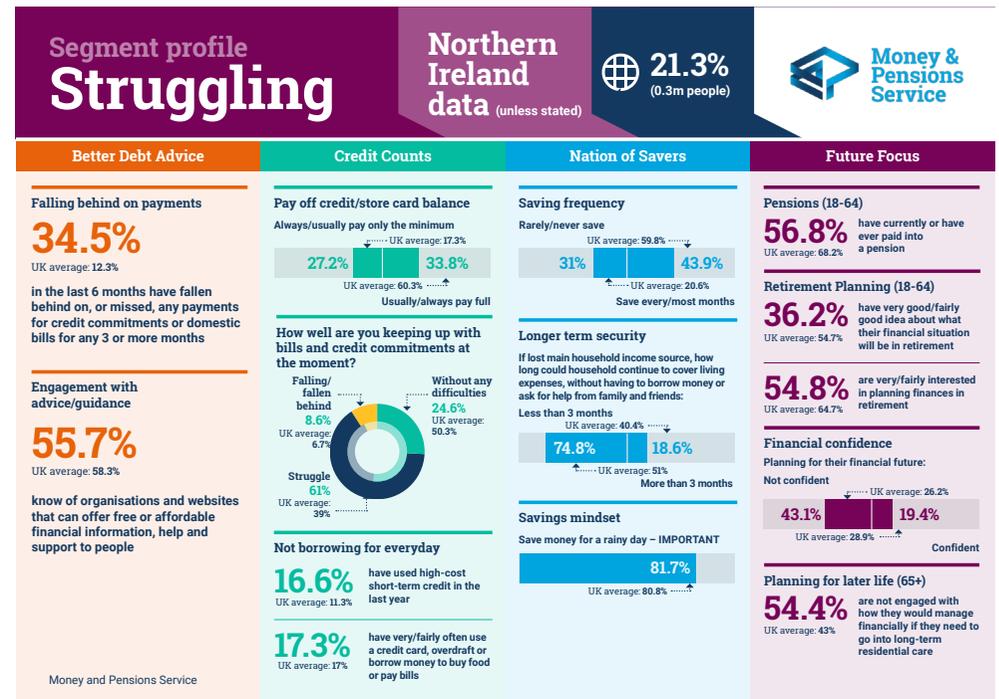
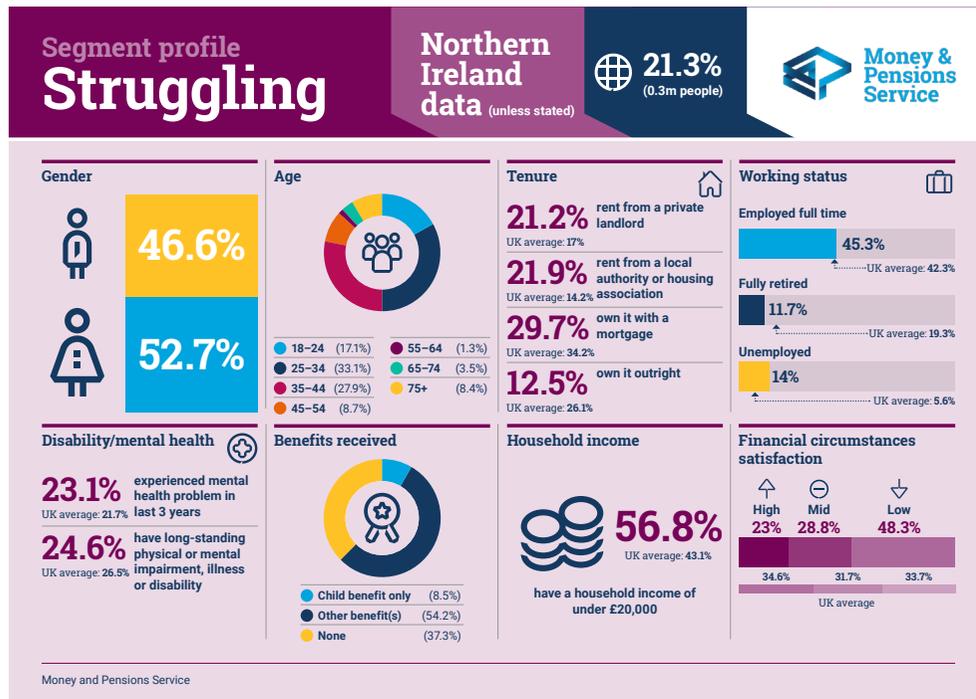
The target population for Financial Foundations is children and young people, and the associated Agenda for Change is focused on increasing levels of financial education. Children and young people aren't segmented in terms of their financial wellbeing, but we maintain the focus on those most in need and especially those in vulnerable circumstances. The target audience for the Credit Counts agenda for change is also slightly broader as it includes people in the cushioned segment who use credit to pay for essentials either because they've run short or experience problems managing their money effectively<sup>8</sup>.

During the listening and activation phases of the Strategy, MaPS, members of the Challenge Groups and others analysed the available data on the barriers facing people covered by each agenda for change, and identified opportunities where coordinated activity could have the greatest impact on those most in need.

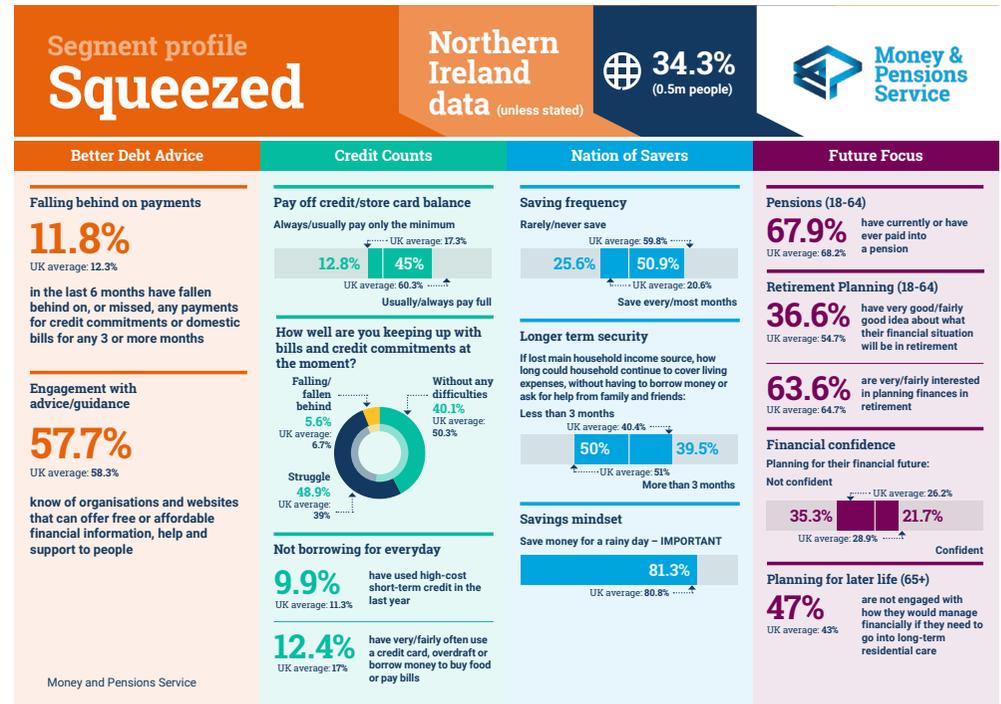
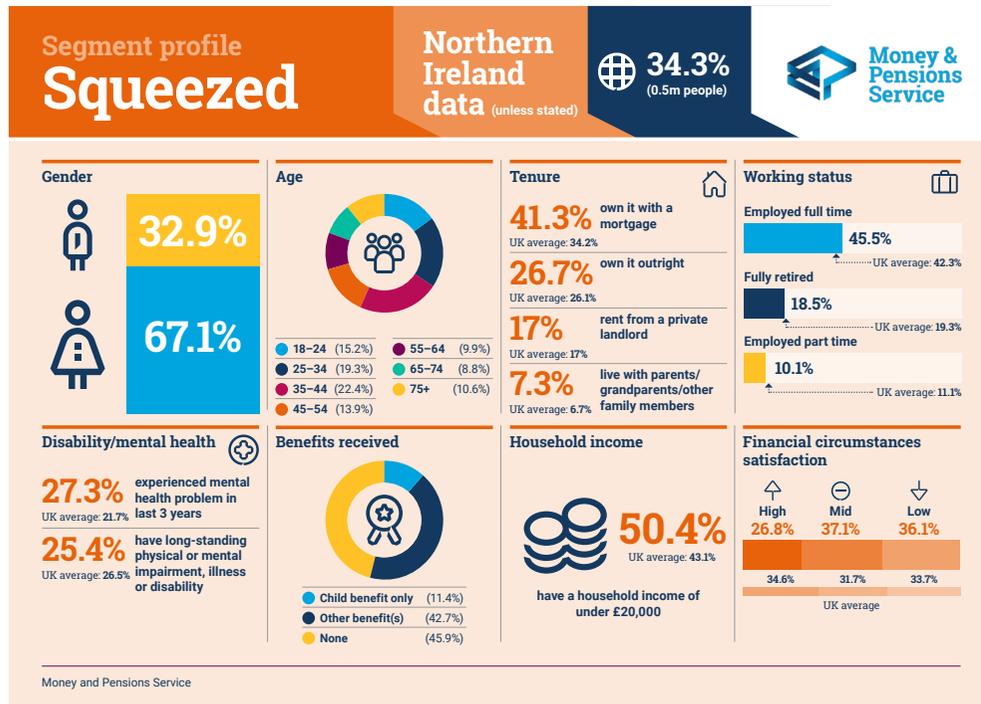
<sup>7</sup> [moneyandpensionservice.org.uk/uk-strategy-for-financial-wellbeing](https://moneyandpensionservice.org.uk/uk-strategy-for-financial-wellbeing)

<sup>8</sup> [bristol.ac.uk/geography/research/pfrc/themes/credit-debt/using-credit-for-food-and-bills-review](https://bristol.ac.uk/geography/research/pfrc/themes/credit-debt/using-credit-for-food-and-bills-review)

Key data and analysis of the struggling segment



Key data and analysis of the squeezed segment



Policy Landscape in NI

For the UK Strategy for Financial Wellbeing to have impact in NI and for this delivery plan to work for the people of NI, they need to reflect to reflect the NI Executive’s policy priorities. The NI Assembly was restored in January 2020 under the *New Decade New Approach Agreement, NDNA*<sup>9</sup>.

Along with many other key priorities, the following commitments align with the ambitions of the UK Strategy for Financial Wellbeing and underpin the approach to having a joint delivery plan for NI.

The NI Executive parties agreed to begin the urgent task of strengthening public services, and to tackle immediate challenges in key areas such as growing the economy, health, education and housing. The Executive’s ambition to deliver a fair and compassionate society that supports working families and the most vulnerable will be underpinned by the following strategies that align with the ambitions of the financial wellbeing agenda.

- Active Ageing Strategy
- Anti-Poverty Strategy
- Child Poverty Strategy
- Childcare Strategy
- Children and Young People’s Strategy
- Disability Strategy
- Gender Equality Strategy
- Mental Health Strategy
- Racial Equality Strategy
- Tackling Paramilitarism Strategy

## Other key considerations for NI

The activation phase of the Strategy recognised inequalities in the financial wellbeing of women and people with mental health problems, and dedicated two Challenge Groups to identify specific activities and positive interventions to address the barriers and issues being faced. MaPS and the Challenge Groups also looked more widely at the experience of other societal groups likely to experience poorer financial resilience and wellbeing, along with the drivers for financial vulnerability, but we recognise that more work and research is required to develop a better understanding and provide workable solutions for those in vulnerable financial circumstances, especially in the light of Covid-19.

There is a well-established link between mental ill health and money problems, demonstrated by a body of evidence from a range of UK-based social and economic research. For example, a 2016 report by the Money and Mental Health Policy Institute found that people experiencing mental health problems are three and a half times more likely to be in problem debt than people without such problems<sup>10</sup>.

*Mental ill health can be the cause of problem debt and is also an important consequence of problem debt. Asking for support at an early stage is important to problem solve and prevent both problems from escalating, however the secrecy and shame that surrounds financial problems culturally means that many people do not seek support until they are in crisis. These difficulties can also lead to suicidal thoughts and behaviour, and sadly there is also an association between suicide and financial crisis.*

Siobhan O'Neill, Mental Health Champion for NI

NI has a relatively large rural population. Financial wellbeing will be affected by difficulties posed by limited employment opportunities and access to services. There is a rural premium on some key goods and services due to a lack of competitive markets for food, fuel, energy and transport<sup>11</sup>. With some areas experiencing lower-quality digital connectivity, living in rural NI can often mean a higher cost of living. When this is combined with the seasonal nature of significant parts of the rural economy, such as farming and tourism, many people may use different routes to find financial wellbeing.

The Women's Regional Consortium in NI detailed many of these issues in the research paper Making Ends Meet – Women's Perspectives on Access to Lending published in February 2020<sup>12</sup>. This paper shows that women are more likely to be in receipt of social security benefits, more likely to be in low-paid, part-time and insecure work, and more likely to be providing care either for children or other family members, which limits their ability to carry out paid work. All these issues ensure that women's incomes are generally lower over their lifetimes and therefore puts them at greater risk of poverty.

- Research by the Financial Conduct Authority (FCA) shows that personal debt in NI (excluding mortgages) is higher than any other part of the UK. Figures for unsecured debt show that adults in NI owe £3,990 on average, which is £670 more than the national average<sup>13</sup>.
- More adults in NI borrow using catalogue credit (10% in NI versus 5% in the UK) and store cards (8% in NI versus 3% in the UK)<sup>14</sup>.
- Well over half (54%) of adults in NI have no cash savings or savings of less than £2,000 compared with 46% in Wales, 45% in England and 43% in Scotland<sup>15</sup>.

<sup>10</sup> Holkar M. Mental health problems and financial difficulty. Money and Mental Health Policy Institute

<sup>11</sup> [wcpp.org.uk/publication/rural-poverty-in-wales](http://wcpp.org.uk/publication/rural-poverty-in-wales)

<sup>12</sup> [womensregionalconsortiumni.org.uk/wp-content/uploads/2021/04/Making-Ends-Meet-Womens-Perspectives-on-Access-to-Lending-1.pdf](http://womensregionalconsortiumni.org.uk/wp-content/uploads/2021/04/Making-Ends-Meet-Womens-Perspectives-on-Access-to-Lending-1.pdf)

<sup>13</sup> [fca.org.uk/publication/research/financial-lives-consumers-across-uk.pdf#page=12](http://fca.org.uk/publication/research/financial-lives-consumers-across-uk.pdf#page=12)

<sup>14</sup> [fca.org.uk/publication/research/financial-lives-consumers-across-uk.pdf](http://fca.org.uk/publication/research/financial-lives-consumers-across-uk.pdf)

<sup>15</sup> Ibid

- 10% of people in NI are ‘unbanked’ compared to 4% in GB. Research shows that there are high levels of awareness of illegal lending activity in NI. 35% of respondents said they knew about the activity inside their local area and 50% said they knew about it outside their local area<sup>16</sup>.
- A greater proportion of people in NI are considered potentially vulnerable due to their financial circumstances. 56% said they couldn’t cover their living expenses for more than a week if the main source of household income was lost. This compares to the UK average of 50%<sup>17</sup>.
- Women are more likely to experience persistent poverty. The highest rates of persistent low income were among single parents (34%) notably higher than other family types<sup>18</sup>. Living in persistent poverty denies women the opportunity to build up savings and assets to fall back on in times of hardship.
- Women in NI are significantly more likely to work part-time than men, with 79% of part-time employees being women. Almost two-fifths (39%) of female employees work part-time compared to 12% of male employees<sup>19</sup>.
- The region with the highest proportion of jobs paid below the Living Wage in April 2020 was NI (25.3%). Women are significantly more affected by low pay than men and part-time jobs were much more likely to be paid below the Living Wage than full-time jobs<sup>20</sup>.
- NI is the only UK jurisdiction without a childcare strategy. 50% of families report spending more than 20% of their overall household income on childcare, rising to 63% for lone parents. More than one in ten lone parent households reported spending more than 50% of their overall income on childcare<sup>21</sup>.
- NI has higher levels of mental ill health than any other region in the UK. One in five adults and around 45,000 children have a mental health problem at any one time<sup>22</sup>.

16 [consumercouncil.org.uk/sites/default/files/2020-07/Lendings\\_Savings\\_Debt\\_Research\\_Report\\_NI.PDF](https://consumercouncil.org.uk/sites/default/files/2020-07/Lendings_Savings_Debt_Research_Report_NI.PDF)

17 [fca.org.uk/publication/research/financial-lives-consumers-across-uk.pdf](https://fca.org.uk/publication/research/financial-lives-consumers-across-uk.pdf)

18 [gov.uk/government/statistics/income-dynamics-2010-to-2018](https://gov.uk/government/statistics/income-dynamics-2010-to-2018)

19 [nisra.gov.uk/publications/annual-report-tables-2019](https://nisra.gov.uk/publications/annual-report-tables-2019)

20 [livingwage.org.uk/sites/default/files/Nov%202020%20Employee%20Jobs%20Paid%20Below%20the%20Living%20Wage%20LWF%20Report\\_0\\_0.pdf](https://livingwage.org.uk/sites/default/files/Nov%202020%20Employee%20Jobs%20Paid%20Below%20the%20Living%20Wage%20LWF%20Report_0_0.pdf)

21 [employersforchildcare.org/report/northern-ireland-childcare-survey-2019](https://employersforchildcare.org/report/northern-ireland-childcare-survey-2019)

22 [niassembly.gov.uk/globalassets/documents/raise/publications/2016-2021/2017/health/0817.pdf](https://niassembly.gov.uk/globalassets/documents/raise/publications/2016-2021/2017/health/0817.pdf)

23 Boulton, G., 2010. Digital Scotland. Report by Royal Society of Edinburgh

24 Digital Britain, 2009. Final report to Department for Digital, Culture, Media & Sport and Department for Business Innovation & Skills

The advice sector in NI plays a vital role in helping people access their rights and entitlements to many government benefits, services and support. Access to independent, community-based advice is a right for everyone, especially those in our communities who are most in need, and is vital in supporting the delivery of this plan.

Digital technologies are often used to make mainstream public services (such as education, health care and transport) more effective and efficient<sup>23</sup>. Examples of these digital technologies include broadband internet access, smart mobile phones and personal computers. Varying levels of access to digital infrastructure, technologies, knowledge and the skills required to use digital systems have led to notions of a digital divide, with gender, age, income, race and location being identified as significant factors in separating the haves from the have-nots<sup>24</sup>. Broadband access is often spoken about as an issue requiring a solution for rural dwellers in NI. However, this tends to be in isolation from digital inclusion which requires not just broadband provision and speed but also adequate devices, upskilling in knowledge and skills, and the ability to afford both services and devices. Digital inclusion has a particular gender and poverty dimension.

Solutions need to be based on solid research and clear insight derived from disaggregated data. The activities with the greatest potential impact on people most in need and subject to vulnerability will be those that are person centric, aligned to key life events, co-created with people with lived experience, and delivered with and by front-line community groups and other trusted intermediaries.

As a public body, MaPS is bound by and committed to the Public Sector Equality Duty (PSED) to champion the principles of eliminating discrimination, harassment and victimisation, to advance equality of opportunity between people who share a protected characteristic and those who do not, and to foster good relations between people with protected characteristics and those without them. In Northern Ireland public authorities are required to have due regard to the need to promote equality of opportunity between people in relation to nine specific categories, and regard to the desirability of promoting good relations between people in relation to three specific categories.

The need to promote equality of opportunity and the desirability of promoting good relations are, therefore, statutory goals that must be given appropriate consideration with a view to taking action, if possible, to achieve them.

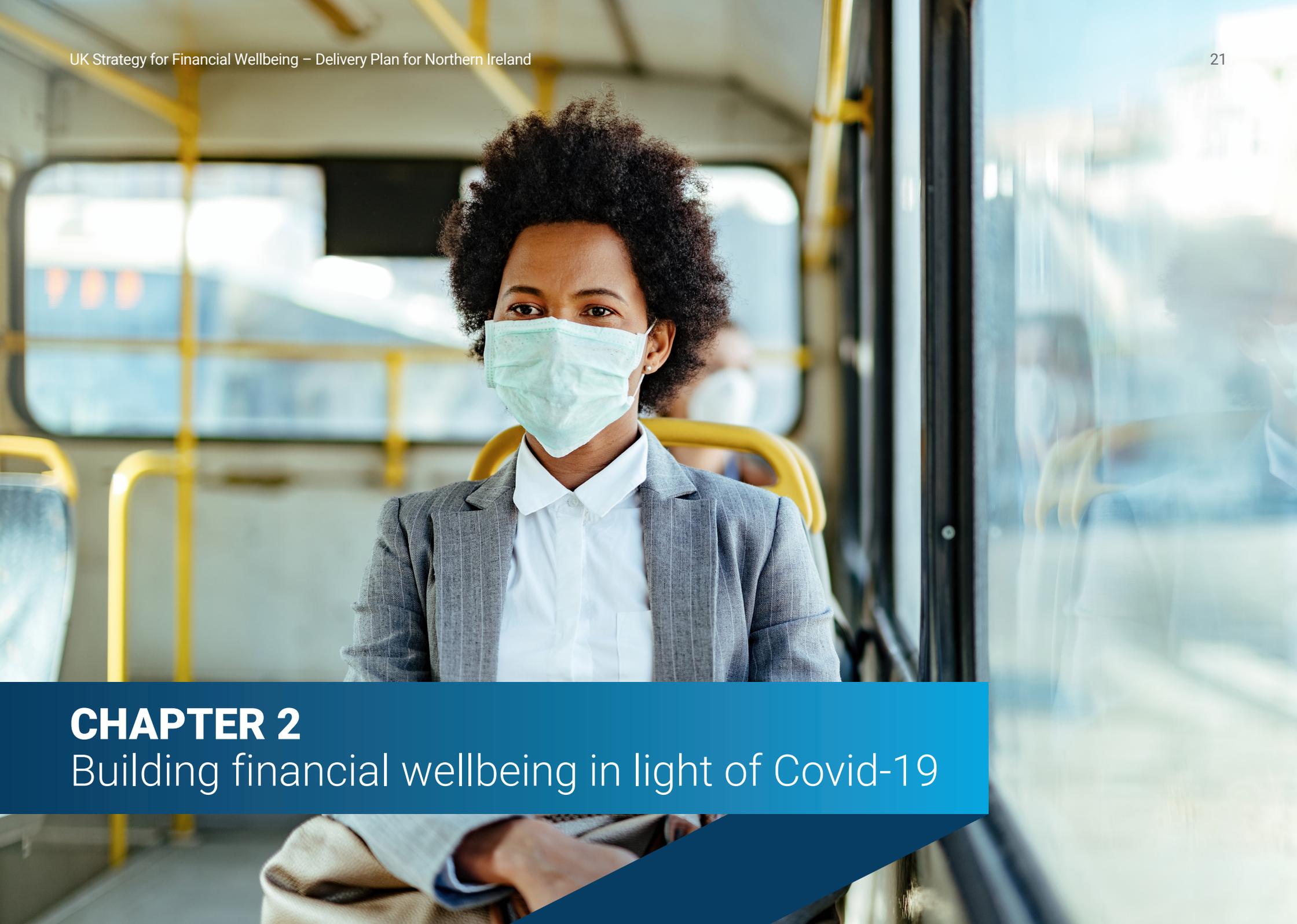
When developing a new policy, this means giving these goals a level of consideration that is proportionate to the proposed policy's relevance to equality of opportunity and good relations. Where a large number of people are likely to be adversely affected by the policy, then the level of consideration needed is likely to be proportionately high.

The nine equality of opportunity categories are people of different religious belief, political opinion, racial group, age, marital status, sexual orientation, men and women generally, people who are disabled and those who are not, and people who have dependants and those without.

The three good relations categories are people of different religious belief, political opinion, and racial group.

As coordinator of the UK Strategy for Financial Wellbeing, MaPS will champion these principles with partners, suppliers and our wider network to maintain the focus on equality and ensure that the particular needs of all groups and individuals with protected characteristics across the UK are front and centre in the codesign and delivery of financial wellbeing interventions, research and data gathering.

Under the Financial Guidance and Claims Act 2018, MaPS is obliged to take particular account of the needs of people in vulnerable circumstances. Although this obligation refers to our services (delivered directly or commissioned), it also has a wider influence on our strategic and policy approach to enhancing the wellbeing of the UK population.



## **CHAPTER 2**

### Building financial wellbeing in light of Covid-19

## The impact of Covid-19 on financial wellbeing and an update on the crisis response

The Covid-19 crisis has magnified many financial wellbeing challenges. To understand who has been affected and how this could impact the Strategy's five goals, MaPS commissioned five separate rapid evidence reviews on financial education, saving, credit use, debt advice and pensions at the end of 2020 and very early in 2021<sup>25</sup>. We found that the pandemic has not affected everyone in the same way, and that some of its impacts are contradictory.

For example, early in the pandemic, many stakeholders, including MaPS and its partners, assumed that demand for debt advice would increase quickly and significantly. In fact, demand decreased. This was largely as a result of UK and DfC policy interventions, including the Coronavirus Job Retention Scheme and FCA payment deferrals and lender forbearance, which removed or postponed the usual triggers to seek debt advice such as creditors or landlords seeking enforcement action to recover unpaid debts or rent arrears. We know, however, that the need for debt advice has only been delayed rather than resolved, so a peak in demand is anticipated later in 2022.

### What this means for the UK Strategy goals

1. **Financial education:** Existing inequalities in education have been exposed and amplified. Financial education is at risk of being marginalised as the focus is currently on core subjects, behaviour and mental health. Parents and carers may be more open to financial education, but they too are dealing with conflicting priorities.
2. **Saving:** The goal is focused on the same people who have, as a result of the pandemic, lost income or drawn down savings. There is a stated change in attitudes, however, particularly among younger people. It is too early to measure the impact of credit repayment, arrears and changes to the job market on this goal.
3. **Credit use:** While aggregate consumer borrowing fell during the pandemic, this drop was largely associated with higher-income consumers. However, the focus of this goal are people on lower or more variable incomes who use credit for everyday essentials – the same people most impacted by the pandemic, including key workers, renters, lone parents, people with disabilities or poor mental health, or people from ethnic minorities.
4. **Debt advice:** If the expected increase in demand for debt advice materialises in 2022, early investments in digital and other remote channels will help. A particular challenge will be meeting the needs of the digitally excluded and those who have never needed debt advice before. Key to accessing timely debt advice will be early identification and support provided by the wider advice sector.
5. **Pensions:** The pandemic will have affected future planning in terms of the amounts people are saving into pensions. Care must also be taken about the potential proliferation of scams and greater incidence of sub-optimal investment decisions.

## NI Round Tables and representatives on the UK Challenge Groups

In NI, MaPS held round tables with key NI stakeholders and government representatives, which focused on immediate priorities and sought to better understand the opportunities and challenges of the Covid-19 environment. Outputs from these events were subsequently published in our November 2021 report on building Northern Ireland's financial wellbeing after Covid-19. The purpose of this report was to outline actions that could be taken in the short term to rebuild financial wellbeing in NI until the end of 2021. It also outlined the story so far as it relates to the development of activities to deliver the ambitious longer-term goals of the UK Strategy in NI by 2030<sup>26</sup>.

*The pandemic demonstrated the importance of financial management to be able to cope with financial shocks. Young Enterprise NI has continued financial education with schools during the pandemic, taking many programmes online. As schools reopen, this is one of many priorities schools are trying to balance and it is vital that young people have the opportunity to develop their financial capability to improve their life opportunities.*

Carol Fitzsimons MBE  
Chief Executive Officer  
Young Enterprise NI

*Worry and concern hang in the balance going into 2022 and how our communities will cope with any further adverse effects of Covid-19. It is only then that we will begin to see the true outcomes of reduced benefits, rising costs of living, cessation of furlough, and what long-term mental and physical health concerns will arise as a consequence across the country.*

Michele Loughran  
Mental Health & Money Advice Manager  
MindWise

*Having been involved in many of the working group discussions around financial capability, debt and the impact of Covid-19, there is a general sense that demand for debt advice services will increase exponentially over the coming years. Service providers and funders will need to ensure we can adapt to provide accessible, quality services to everyone who needs them, especially to the most vulnerable. We also need to ensure the wellbeing of our frontline advisers as they deal with more complex cases and workloads. Only by working together to share innovation and understanding can we create the change that will be needed to cope with the impending demand. Now the hard work begins.*

Sinead Campbell  
Head of Money and Debt  
Advice NI

The table below provides a summary of some of the crises response activity carried out in NI and across the UK

<p><b>1. Moments that matter</b></p> <p>People are often forced to think about money at transitional moments and in relation to critical events in their lives. However, the pressures they experience in these moments can divide their attention so that it is harder to make good decisions. And Covid-19 is putting extra pressures – physical, financial and emotional – on everyone.</p>	<ul style="list-style-type: none"> <li>■ <b>Raising awareness of support and guidance:</b> In November 2020 Talk Money Week focused on Money S£cr£ts and aimed to encourage people to open up about personal finance. 11 million people were reached by this campaign.</li> <li>■ <b>Service delivery:</b> MaPS refocused services and channels, including the creation of a new Coronavirus hub (viewed more than 1 million times), a Facebook group (11,000 participants) and an online Money Navigator tool.</li> <li>■ <b>Holistic support:</b> Pensions guidance specialists trained and re-focused their service to help with wider money queries. Specialist pensions guidance was enhanced in response to emerging scams and risks to pension savings.</li> </ul>
<p><b>Moments that matter</b></p> <p>Young people have been identified as those hardest hit by the pandemic and will be living with the after-effects of the crisis longest of all. Increasing targeted support and guidance is more important now than ever before for this audience.</p>	<ul style="list-style-type: none"> <li>■ <b>Parent/carer and child money conversations:</b> NatWest Group/Ulster Bank and MaPS have partnered to offer Talk, Learn, Do content to its employees and customers.</li> <li>■ <b>Rapid Recovery Challenge:</b> Jointly funded by NESTA, JP Morgan, DWP and MaPS, this funding programme aims to support innovative solutions developed by charities and fintech providers, including NI fintech specialists, that meet the employment and financial needs of low-income people aged 16+ most impacted by Covid-19.</li> </ul>
<p><b>2. Vulnerable circumstances</b></p> <p>Covid-19 has amplified the circumstances that were already causing vulnerability for millions of people and generated fresh vulnerabilities for many more.</p>	<ul style="list-style-type: none"> <li>■ <b>FCA guidance:</b> Published in January 2021, this guidance provides a clearer picture of how financial services firms could and should better meet the needs of consumers in vulnerable circumstances<sup>27</sup>.</li> <li>■ <b>Economic Abuse Evidence Form:</b> MaPS co-funded a 12-month pilot of a form enabling debt advisers to provide evidence to creditors of the impact on customers of economic abuse. The pilot was launched in late 2020 with creditors and credit reference agencies, including Halifax/Lloyds Banking Group, HSBC, NatWest Group and Cabot Financial. Money Advice Plus will use the form where victim-survivors have experienced at least one type of coerced debt.</li> <li>■ <b>DfC Covid-19 support schemes:</b> The DfC has provided support to alleviate the significant hardships experienced by many people, communities and sectors during the pandemic. This support included the Access to Food Fund, with more than 204,000 food boxes delivered to households, and the <b>Warm, Well and Connected</b> initiative which was introduced to provide practical wellbeing support to people most acutely affected by the pandemic over the winter period, and to those in extreme need and unable to heat their home. In addition, the Access to Food scheme invested £1 million to bulk buy food and essential items, including personal hygiene and sanitary products, helping to bolster and increase the capacity of local community food providers. In response to the pandemic, the department increased the debt threshold for Discretionary Support. This will have enabled more people to access interest-free loans to help them deal with crisis situations.</li> <li>■ <b>Capacity and capability:</b> The Money Guiders pilot aims to help organisations in NI deliver good quality money guidance to some of our most vulnerable people.</li> </ul>

	<ul style="list-style-type: none"> <li>■ The DfC introduced a Covid-19 Heating Payment for people in receipt of specific benefits, in recognition of the additional costs arising as a result of the pandemic.</li> <li>■ The DfC introduced a non-repayable, discretionary support self-isolation grant to assist with short-term living expenses where a person on low income, or any member of their immediate family, was diagnosed with Covid-19 or advised to self-isolate. This was in addition to the existing provision of grants and interest-free loans available to people in crisis situations.</li> </ul>
<p><b>3. Credit and Debt</b></p> <p>Credit has been an important buffer to help people through difficult circumstances during the Covid-19 crisis. Unfortunately, over-indebtedness will be a consequence for many, especially for people who have suffered severe income drops or lost their jobs.</p>	<ul style="list-style-type: none"> <li>■ As part of the DfC's response to the Covid-19 pandemic, just over £1 million was allocated to the provision of free debt advice and financial wellbeing support for people in NI. Of this allocation, £383,000 was directed through Advice NI as part of a multi-channel personal debt and business debt advice service.</li> <li>■ £700,000 was directed through councils who work with grassroots organisations to develop innovative debt prevention initiatives.</li> <li>■ As part of this package of support, the DfC allocated funding to Advice NI for an innovative training scheme delivered locally through their network of members, which put 15 unemployed people on the path to giving advice. The Traineeship Scheme is expected to meet the increase in demand for advice services as people and businesses come to terms with the impact that Covid-19 has had on their lives. The 6-month scheme allowed the trainees to earn while they learnt, helping them to gain long-term employment. It was extended for a further 6 months in 2021.</li> <li>■ Advice NI also embarked on a promotional campaign to raise awareness of the free, confidential debt and money advice service with the aim of removing the stigma of debt.</li> <li>■ <b>Mandatory guidance:</b> Published by the FCA for firms to support consumers struggling with consumer credit and mortgage payments, with payment deferrals to alleviate financial pressures. In November 2020 the FCA published Tailored Support Guidance, which set out its expectations of firms' treatment of customers coming out of payment deferrals. This guidance was updated in January 2021<sup>28</sup>.</li> <li>■ <b>Woolard Review of Innovation and Change in the Unsecured Credit Market:</b> Published in February 2021, calling for greater consistency in firms' longer-term application of forbearance.</li> <li>■ <b>DWP and HMT support package:</b> Joint announcement in June 2020 of £37.8 million to maintain and increase delivery of debt advice and money guidance in England. Additional monies were also obtained for Northern Ireland, Scotland and Wales<sup>29</sup>.</li> <li>■ <b>Evidence reviews:</b> Being undertaken by MaPS with debt advice providers to help the sector address the rise in demand. Findings published in September 2021.</li> <li>■ <b>Debt and mental health:</b> Input from the Money and Mental Health Policy Institute (MMHPI) and MaPS into the Lending Standards Board's review of its Personal Business Standards and guidance, with consideration of a set of mental health creditor standards, adapted by the UK Strategy Mental Health Challenge Group from an existing suite of MMHPI standards.</li> </ul>

<sup>28</sup> [fca.org.uk/publication/finalised-guidance/consumer-credit-coronavirus-tailored-support-guidance-jan-2021.pdf](https://www.fca.org.uk/publication/finalised-guidance/consumer-credit-coronavirus-tailored-support-guidance-jan-2021.pdf)

<sup>29</sup> [moneyandpensionsservice.org.uk/2020/06/09/extra-38-million-for-debt-support-in-england-in-the-wake-of-coronavirus/](https://www.moneyandpensionsservice.org.uk/2020/06/09/extra-38-million-for-debt-support-in-england-in-the-wake-of-coronavirus/)

#### **4. Recommendations for government**

Governments across the UK have done extraordinary and impactful things to respond to the financial shocks of the Covid-19 crisis.

- Promotion of HMRC's Help to Save scheme targeting anyone newly eligible for Universal Credit as a result of the Covid-19 crisis.
- DfC officials will bring forward primary legislation in the next legislative mandate, to facilitate the implementation of an NI debt respite scheme, which is expected to include a Breathing Space element.



## **CHAPTER 3**

### Recovery Phase Delivery Activities

## The key initiatives and programmes that will have a significant impact on levels of financial wellbeing over the next 3 years

The delivery activities associated with each Agenda for Change are broadly complementary. For example, activities focusing on increasing financial capability in children and young people are likely to have a positive longer-term impact on the number of people saving regularly and planning for later life. However, this work has also highlighted that there are financial trade-offs that people need to make between paying off debt, using credit and saving for the long term. Lifelong learning, managing these trade-offs and helping people make the right decisions at the right time throughout their financial life are common themes across all Agendas for Change.

As part of MaPS’ role as coordinator of the UK Strategy, an evaluation framework will be established to enable the assessment of each activity and identify where further developments and new initiatives are required.

The following section focuses on the cross-cutting activities that affect multiple Agendas for Change and sets out the strong foundations required to ensure that each of the key delivery activities will have the maximum positive impact on the financial wellbeing of people most in need.

### Utilising the workplace as a key delivery channel

The workplace is a key delivery channel for improving the financial wellbeing of people in the UK. The focus must be on all workers, including those in the gig economy or with more than one job, and must also recognise that the needs and experience of the self-employed or workers in small businesses are very different from those in larger organisations.

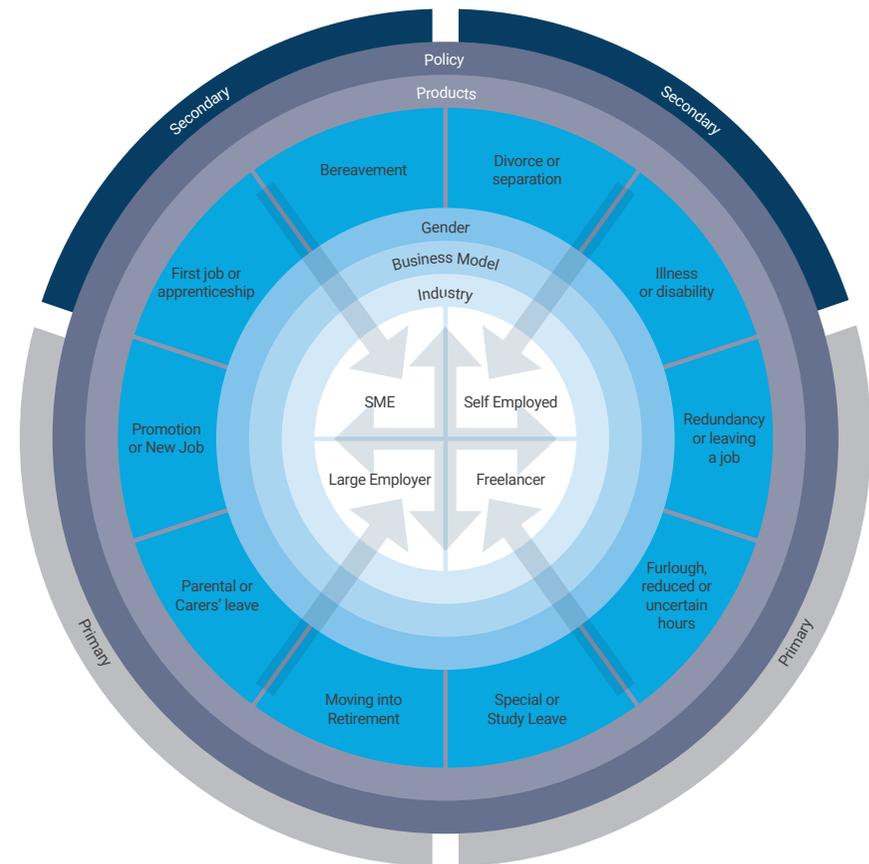
The NI workplace is made up of micro, small, medium and large businesses<sup>30</sup>:

Micro (less than 10 employees)	69,350, 89%
Small (10–49 employees)	6,575, 8%
Medium (50–249 employees)	1,375, 2%
Large (250+ employees)	4,335, 0.4%

Therefore, any workplace delivery programmes will have to understand the specific needs of the workforce in NI.

### An employer imperative

In March 2021 the CIPD<sup>31</sup> called on all employers to recognise and take responsibility for their employees’ financial wellbeing and is encouraging all employers to create a financial wellbeing policy.



30 [nisra.gov.uk/publications/current-publication-and-idbr-tables-1](https://www.nisra.gov.uk/publications/current-publication-and-idbr-tables-1)

31 [cipd.co.uk/knowledge/culture/well-being/employee-financial-well-being](https://www.cipd.co.uk/knowledge/culture/well-being/employee-financial-well-being)

In recognition of the fact that different people have different needs at different times, a **Moments that Matter framework** is under development, which will focus on providing the right support, knowledge and understanding at the right time.

This framework will be developed further and will sit at the heart of a new central financial wellbeing platform or hub, which will provide a single source of information and support relevant to a range of employer types. The framework and partner platform will be a key delivery mechanism for a range of activities related to all Agendas for Change.

There are some excellent examples of best practice available from employers and employer groups. The delivery activities set out in this plan will build on these strong foundations and enable other employers, especially SMEs, to get the help they need to support their workers' financial wellbeing.

MaPS is progressively working with employers within the public and private sector to seamlessly implement a financial wellbeing strategy in the most cost-efficient way.

Current public sector engagement includes helping a regional Health & Social Care Trust forum to develop an employee financial wellbeing survey, backed by insight and evidence, and launched in November 2021 across all six Health & Social Care Trusts in NI. Engagement with Health and Social Care Northern Ireland (HSCNI) has resulted in the opportunity for all HSCNI personnel to participate in a MaPS-led pension webinar during Pension Awareness Week.

Nation of Savers engagement has started with the NI Education Authority and Regional Colleges, as a natural next step towards developing financial wellbeing within this sector. These bodies have also incorporated MoneyHelper into their internal channels, endorsed the Money Guiders e-learning modules for authorised personnel and agreed a series of pension-focused webinars for all their employees.

Within the private sector, our current work with employers cuts across construction, IT, engineering, manufacturing, banking, insurance and housing industries, with the aim of helping employers incorporate financial wellbeing into their responsible business practices. Alchemy Technology Services and RPS Group are two examples of this best practice, with Alchemy Technology Services marking their first anniversary of implementing a financial wellbeing strategy by launching a payroll savings project with their local Credit Unions as a way of helping their employees become a nation of savers.

Our focus is to help everyone make the most of their money and pensions by bringing our resources and service into the workplace to support workers' financial wellbeing. We are mindful that within the manufacturing and construction industries workers on the factory floor and construction sites require a different method of communication. We are working with employers to introduce safe messaging through WhatsApp groups, QR codes, toolbox talks and information leaflets.

*As a responsible employer, RPS Ireland Ltd understand the consequences that Covid has had on our staff and their families. As part of our continued commitment to staff health and wellbeing, we felt that financial wellbeing is an integral part of overall good mental health and that it was important to include financial resilience as part of our support to staff as the pandemic progressed. Members of our Health & Wellbeing Committee completed the Money Guiders e-learning and, whilst we have IOSH Mental Health First Aiders trained in all sections of our business, we were delighted to make the partnership with MaPS.*

*This partnership meant that we incorporated MoneyHelper into our support to staff to ensure that they have access to valuable tools and information such as the budget planner, savings, debt management, pension and retirement information. We understand that MoneyHelper supports people in financial need, is free of charge and does not have any links to third party websites when accessing this site. We have circa 230 members of staff in the Belfast team who benefit from this support, and we have happily rolled this programme out to the rest of RPS Consulting UK & ROI that has circa 1500 employees.*

#### **Dr Mike Shaw, Managing Director, RPS Ireland Ltd**

- **A financial education package for employers:** The Building Societies Association (BSA) and The Money Charity have developed a financial education package that includes guidance on borrowing and debt, money safety, planning and budgeting, and saving. Starting in 2021, the BSA plans to promote this package with employers through its 43 member organisations, including the Progressive Building Society in NI.
- **Day One Statement:** The Association of British Insurers (ABI) has provided templates and video content for how firms of all sizes can meet their legal requirement to tell new employees about everything they do to support their health and wellbeing, and to ensure they know their rights and make the most of benefits.

## Mental health and financial wellbeing

We have identified a series of delivery activities, which aim to improve outcomes for people with mental health problems. These activities are evidence based and person centred. They focus on identifying and understanding the causes of lower levels of financial wellbeing, and addressing the interrelationship between money and mental health problems through strategic engagement, enhanced money guidance and partnerships with practitioners.

There is already significant evidence around how money and mental health variables interact to affect individuals, households, families and wider communities. MaPS will develop this further in partnership with experts including the Money and Mental Health Policy Institute and MindWise NI in order to inform our work with the financial services, health and advice sectors.

Given the link between money and mental health problems in limiting the achievement and sustainment of mental, physical and financial wellbeing, it is crucial that financial wellbeing support is embedded within primary health care services.

MaPS has already undertaken work to support Social Workers in NI with Money Guidance training and support to develop signposting and patient referral pathways to money guidance and support, including debt advice services, where it is identified that money worries are a causal or resultant factor of a mental health condition. Further opportunities to expand this work will be explored<sup>32</sup>.

## Money Guiders – developing skills, sharing understanding, improving lives

People should be receiving good quality money guidance regardless of where they go to get it. That's why in 2021 MaPS piloted Money Guiders, which is a free to access programme that will develop the skills and confidence of those who deliver money guidance, increase capacity, and help diverse organisations to deliver money guidance well.

Building on and supporting the existing financial capability forums in NI, the programme includes the Money Guidance competency framework, user guides and self-development tools alongside e-learning training resources, assessment, awards and recognition. The development of a supportive learning network will also feature a series of meetings, events, discussions and practice-led communities to share learning, ideas and insights. This programme spans all National Goals and highlights how important collaboration across sectors will be in shifting the financial wellbeing dial.

## Appropriate digitisation

Creating a data strategy to improve information sharing and enhance the debt advice consumer journey, and developing new digital tools that can help people save or learn more to improve their financial resilience are good examples of where digitalisation can help segments of society improve their financial wellbeing. However, more work is required across the whole sector to understand its full potential and ensure that no one is left behind or excluded by the increasing move towards digital channels and solutions.

Digital skills are essential for all people in NI, especially if we are to ensure that everyone is able to enjoy a healthy financial future and have the opportunity to make the most of their money and pensions. Digital solutions will have to be accessible to people with disabilities, such as those who use screen readers, and consideration should also be given to people for whom English is a second language.

## Gender and financial wellbeing

The key drivers of lower levels of financial wellbeing among women are interconnected with structural gender inequalities that exist in wider society. To have a sustained and long-lasting impact, the issues affecting women that begin in early years and span education, working life and later life must be addressed in a coherent and connected way. Many people do not have the resources to pay childcare costs upfront, which most childcare providers require. For women, lone parents and low-income families, this can act as major barrier to employment. In order to address this, the DfC is making help available through a grant of up to £1,500.

The NI Executive has committed to developing a new Gender Equality Strategy that will focus on identifying and addressing the issues, barriers and disadvantages that undermine equality of opportunity in our community<sup>33</sup>.

The Moments that Matter framework includes a consideration of gender-specific financial life journeys, and represents a huge opportunity to address some of these inequalities and provide the right support to women. For example, financial education aimed at children and young people requires gendered content and delivery to ensure that girls and young women transition to adulthood with a strong financial foundation to enable them to deal with the unique challenges they will face and address the specific needs they will have throughout their financial lives.



33 [communities-ni.gov.uk/articles/gender-equality-and-legislation#:~:text=The%20Department%20for%20Communities%20is%20responsible%20for%20Gender,to%20mainstream%20gender%20equality%20and%20tackle%20gender%20inequalities](https://communities-ni.gov.uk/articles/gender-equality-and-legislation#:~:text=The%20Department%20for%20Communities%20is%20responsible%20for%20Gender,to%20mainstream%20gender%20equality%20and%20tackle%20gender%20inequalities)

# Financial Foundations

Financial education is any activity that helps children and young people develop the knowledge, skills and attitudes they need to be financially well in later life. Anyone who looks after or works with a child or young person – at home, at school and in the community – can have a meaningful impact on their financial capability. Financial education should respond to the individual needs of children and young people, be tailored to their life stage, and pay attention to the outcomes that are associated with good financial capability.

According to the Children and Young People’s Financial Capability Survey 2019<sup>34</sup>, while there are few significant differences between the nations, children in NI appear to be less involved in managing their bank accounts. However, they are relatively similar to the UK average in terms their of level of responsibility in deciding for themselves how they are going to spend and save their money, and recalling learning about managing money in school.

- As with all other nations except for Wales, the proportion of children in NI receiving key elements of financial education at school or at home has fallen since 2016 (49% versus 56% in 2016).
- Children aged 12 to 17 in NI appear to have more confidence (50% feel highly confident) in managing their money, compared to children in the UK as a whole (46%). Children in NI seem to have the highest levels of confidence out of the four nations. A larger proportion of boys (56%) appear to be more confident than girls (44%).

However, children in NI appear to be less actively involved in using financial services and products compared to children in the rest of the UK. They are less likely to manage their bank account themselves, including withdrawing money and checking their balance. The proportion who report having a bank account increases with age.

## The barriers and the opportunities

Financial education has very strong links to most aspects of future/adult financial wellbeing and offers a huge opportunity to make a long-lasting, positive change to current and future generations. Financial wellbeing will contribute to the overall goals of both children and young people and future generations, which links to the aspirations of the NI Executive’s Children and Young People’s Strategy 2020–30<sup>35</sup>.

In NI, the CCEA has embedded financial education across both the primary and secondary school curricula, working to help teachers with curriculum outcomes and effective delivery<sup>36</sup>.

The Covid-19 pandemic has had a major impact on children and young people and has revealed more than ever the need for firm foundations to support their future financial wellbeing and resilience. Disruption to school and college life, and the challenges faced by key sectors, means there will have to be a concerted and joined-up effort to ensure children and young people gain the vital money skills they need.

In NI, the CCEA is an active participant in the joint DfC/MaPS Financial Wellbeing Forum to help improve the financial capability of children and young people from 3–24 years old. The Forum brings together policy makers, funders and delivery organisations to share information, and identify and take forward opportunities for further collaboration. The forum provides leadership, advice and support for future developments involving its members and the wider sector, and promotes excellence in the sector by supporting the quality assurance of financial education resources.

At a UK level, the financial services sector already invests heavily in financial education, and MaPS and UK Finance co-chair the Financial Services Financial Education Steering Group, which aims to coordinate activity across the sector and channel funding into the areas of most need.

34 [moneyandpensionsservice.org.uk/wp-content/uploads/2020/01/Money-and-Pensions-Service-Children-and-Young-People-Financial-Capability-Wellbeing-Financial-Foundations-Northern-Ireland-summary.pdf](https://moneyandpensionsservice.org.uk/wp-content/uploads/2020/01/Money-and-Pensions-Service-Children-and-Young-People-Financial-Capability-Wellbeing-Financial-Foundations-Northern-Ireland-summary.pdf)

35 [education-ni.gov.uk/publications/children-and-young-peoples-strategy-2020-2030](https://education-ni.gov.uk/publications/children-and-young-peoples-strategy-2020-2030)

36 [ccea.org.uk/learning-resources/understanding-homelessness/key-stages-3-4/understanding-financial-capability](https://ccea.org.uk/learning-resources/understanding-homelessness/key-stages-3-4/understanding-financial-capability)

# The NI plan for Financial Foundations

## Helping around 60,000 more children and young people in NI get a meaningful financial education

Financial education has very strong links to most aspects of financial wellbeing. In NI, it is included in both the primary and secondary school curricula and is a learning outcome within the Area of Learning of Mathematics and Numeracy, as well as a requirement within the cross-curricular skill of Using Mathematics.

We need to improve the confidence and skills of practitioners, parents, carers and guardians of children and young people, including those in vulnerable circumstances, by embedding the delivery of financial education into initial training and continuing professional development.

Building on the extensive work already underway, the delivery activities below will combine to address the key gaps and overcome current barriers in financial education, with a focus on helping parents and practitioners discuss finances with children and young people. Collaboration and support from banks, building societies, educational institutions, government departments and MaPS is vital to their success.

### The key initiatives and programmes that will have a significant impact on levels of financial wellbeing for children and young people over the next 3 years are:

1. **Your Money Matters** – Young Money’s financial education textbook<sup>37</sup> for post-primary schools is the first of its kind. This activity is being led by Young Money, Young Enterprise NI and partners, co-funded by MaPS and Martin Lewis (founder of Money Saving Expert). Aimed primarily at young people aged 14 to 16, though suitable for other age groups, it provides information and interactive classroom activities covering key money topics including spending and saving, borrowing, debt, insurance, student finance and future planning. Helping teachers use the textbook to deliver quality financial education has the potential to reach at least 45,000 young people in NI each year<sup>38</sup>.
2. **Talk, Learn, Do (TLD)** – MaPS’ flagship evidence-based financial capability programme will be adapted to give practitioners and parents access to digital bite-sized content. MaPS will lead the activity supported by digital partners and parenting charities. MaPS will also start to broaden the programme to provide gender-specific content and support for those with mental health problems, with a strong focus on parents and carers within the struggling and squeezed segments.

### Talk, Learn, Do at Ulster Bank/NatWest

Ulster Bank/NatWest is piloting delivery of TLD by training their community bankers and MoneySense volunteers to deliver TLD to parents, hopefully laying the foundations for a full UK-wide roll out.

3. The TLD programme will be expanded to include content for teenagers and young people, enabling parents of older children to better support their transition into adulthood. MaPS will lead this activity working with the financial education, youth and community sectors and parent organisations to help drive and deliver this key transitional activity.

North Belfast Advice Partnership have used financial inclusion funding from the DfC and, having been through TLD train-the-trainer sessions, have started to adapt the material for a teenage audience including young adults with disabilities.

4. Quality school-based financial education is key to achieving the Financial Foundations national goal. Building on the pilot programme in Wales, MaPS will look for opportunities to expand teacher training in NI by working with a range of partners including the Department of Education, the CCEA, higher education institutions and teacher training organisations. The aim of this activity is to scale and embed financial education within existing teacher training practices to ensure teachers have the knowledge, skills and confidence to deliver it in the classroom.
5. The work of HSBC and MyBnk are great examples of the significant and wide-ranging activity already underway to help improve the financial education available to children and young people in vulnerable circumstances. However, MaPS has identified a gap in provision for practitioners and will coordinate work to develop practical toolkits to use in their day-to-day practice and direct work with children and families. Giving practitioners the skills and knowledge to confidently deliver financial education to children in vulnerable circumstances will support the financial wellbeing of some of the children who are most in need of support.

### MaPS’ role

MaPS will continue to research and provide insight to identify the gaps in provision and the needs of the financial education sector. MaPS will also support the development of new initiatives aimed at providing a meaningful financial education across the UK, and track and measure progress towards the National Goal, working with NI Executive departments.

37 [yeni.co.uk/free-financial-capability-textbook/](http://yeni.co.uk/free-financial-capability-textbook/)

38 [education-ni.gov.uk/publications/school-enrolments-northern-ireland-summary-data](http://education-ni.gov.uk/publications/school-enrolments-northern-ireland-summary-data)

# Nation of Savers

In NI, 85% of adults think it is important to save money for a rainy day. However, 24% of adults in NI rarely or never save. Of those who do save, 39% save to pay for planned expenses, purchases or events, and 43% save in case they have to pay for unexpected expenses or purchases.

Another important measure is the level of saving. In NI, 28% of adults have less than £100 in savings and investments, with 26% reporting that they would need to borrow money or could not afford to pay an unexpected bill of £300.

People dealing with problem debt and high-cost credit may be better off addressing their problem debt before considering savings. It is also true that Covid-19 has had an impact and adds to the barriers affecting people's ability to prioritise long-term savings. People need help in understanding these trade-offs, and support in making the right decisions at key moments in their financial lives.

## A new Consumer Duty for financial services

In response to the Financial Services Act that required a consultation on 'the level of care firms provide to consumers, including ... general rules providing for a duty of care', the FCA is running a programme of consultation on the merits of introducing a new Consumer Duty that provides an overarching standard of conduct, cross-cutting rules and outcomes, and clear expectations for firms' cultures and behaviours<sup>39</sup>.

## The barriers and the opportunities

Evidence suggests that many people recognise they should save and that there is a broad range of mainstream savings products available to help them do so.

Different people have different needs that vary at different points in their lives. Understanding their motivations to save during these 'moments that matter' is key to working out where the opportunities to offer money guidance lie. Although women are reported to be more capable savers than men<sup>40</sup>, the evidence suggests that women fare less well at building up a savings balance. This is mainly due to women generally having lower incomes and the fact that the vast majority of single parents are female<sup>41</sup>.

At the time of writing, the full impact of the Covid-19 pandemic on saving and savings levels is unknown, but evidence suggests that while overall levels of savings may have increased (due to drops in expenditure), people in the struggling and squeezed segments are much more likely to have had to run down their savings due to income variability, income loss and other pressures<sup>42</sup>. Depending on their current circumstances, there may be an opportunity to target lapsed savers – loosely defined as people who have had the savings habit and may be re-engaged in the process of saving.

The key measure of success is people saving what they can regularly. As such, this delivery plan has steered away from setting a target savings amount and instead focuses on an increase in the number of regular savers. The delivery activities therefore focus on creating the right environment and access to products that will enable people to save regularly.

39 [fca.org.uk/publications/consultation-papers/cp21-13-new-consumer-duty](https://www.fca.org.uk/publications/consultation-papers/cp21-13-new-consumer-duty)

40 [bristol.ac.uk/media-library/sites/geography/pfrc/pfrc1705-financial-well-being-conceptual-model.pdf](https://www.bristol.ac.uk/media-library/sites/geography/pfrc/pfrc1705-financial-well-being-conceptual-model.pdf)

41 [moneyandpensionsservice.org.uk/wp-content/uploads/2020/03/Gender-and-Financial-Wellbeing-Challenge-Pack-UK-Strategy-for-Financial-Wellbeing.pdf](https://www.moneyandpensionsservice.org.uk/wp-content/uploads/2020/03/Gender-and-Financial-Wellbeing-Challenge-Pack-UK-Strategy-for-Financial-Wellbeing.pdf)

42 Toynbee Hall

# The NI plan for a Nation of Savers

## **Making saving easy and more engaging – key delivery activities that will help us meet the national goal of 35,000 new savers by 2030**

The delivery activities in this area combine to address the key barriers of prioritising saving, tapping into the right motivations and addressing issues around accessibility. This can only be achieved with a collegiate approach between key organisations, particularly financial services, government at an NI and UK level, MaPS, and employers as a key delivery channel for savings products.

The three main components for the plan in the first few years are:

- 1. Promote an expansion of payroll saving schemes:** This presents a huge opportunity to make saving much easier for thousands of workers across NI. Alongside the Irish League of Credit Unions, MaPS is piloting a payroll saving scheme with Alchemy Technologies. By piloting and evaluating the outcomes for the participants, as well as understanding the logistics of bringing payroll schemes to life, we hope to bring other employers on board over the first few years of the delivery plan.
- 2. Raise the profile of savings within financial services:** The industry will develop and champion a Savings Charter where signatories commit to increasing standards, champion better use of evidence and increase the number of regular savers over the lifetime of the strategy. This will make savings more relevant and therefore more appealing. Major players in the financial services industry have already made commitments to increase the number of savers within their customer base or launched incentive products to meet their customers' savings needs. The Charter will act as a focal point for these existing commitments and encourage others to follow and make their own commitments to create a Nation of Savers.

- 3. Support the UK Government's Help to Save scheme:** This is a reward-based savings account for people in receipt of either tax credits or Universal Credit that offers account holders a 50% bonus (capped) on the amount they save over two and four years. According to the latest figures from HMRC, by January 2021 9,200 people in NI had saved £4.5 million in a Help to Save account<sup>43</sup>. Promoting the benefits through multiple channels will not only give people the experience of regular saving, it will also help boost their motivation to continue saving once the scheme ends in 2023.

The focus until the end of 2023 is to develop the three programmes and generate momentum.

# Credit Counts

Currently 17% of people in the UK often use credit for food and bills, and this figure is 11% in NI.

70% of adults in NI (1 million) say they hate to borrow and would much rather save up in advance. 6% (85,000) often borrow money to pay off debts and 6% often borrow from friends and family because they have run out of money.

## Which groups in the UK are using credit for everyday food and bills?<sup>44</sup>

Overdraft only 37%	2+ forms of borrowing 42%	Multiple forms of borrowing 22%
<ul style="list-style-type: none"> <li>Lowest income, older, female</li> <li>Try to repay credit cards</li> <li>Good numeracy (and budgeting)</li> <li>Typical credit balance of £700</li> <li>Very small savings buffer</li> </ul>	<ul style="list-style-type: none"> <li>Lower-income families, aged 25–44, full-time workers, rented home</li> <li>High use of retailer credit</li> <li>Lower numeracy</li> <li>Less than £500 in savings</li> <li>Typical credit balance of £2,000</li> </ul>	<ul style="list-style-type: none"> <li>Men with dependent children, homeowners, mental health issues, negative life events</li> <li>Use all forms of credit</li> <li>Very likely to miss payments</li> <li>Feel very confident managing money and using numbers but poor numeracy</li> <li>High levels of savings (£10k+)</li> <li>Typical credit balance of £4,000</li> </ul>

## The barriers and the opportunities

At the heart of this agenda is the objective of moving people away from using credit in an unsustainable or problematic way.

The evidence shows that people on low incomes are twice as likely as those on higher incomes to use credit, particularly credit cards, to pay for food and other essentials. Furthermore, having low and unpredictable earnings can create distinct but related problems, meaning that expenditure demands do not always coincide with periods when sufficient income is available to meet these. Lower-income groups are also more likely to have low levels of savings, which then creates a need to use credit when a financial shock occurs, such as an unexpected bill or replacement of white goods. People on low incomes also often pay too much for the credit they use and have poor credit records or ‘thin’ credit files, which makes them unattractive to mainstream lenders and can steer them towards using more expensive options such as high-cost, short-term credit, which is often marketed in a way that understates the actual cost of repayments.

The evidence suggests that many people do not manage credit sustainably, which again leads to repeat use of credit for essentials. This group tends to resist seeking help to manage debt at an early stage, and have an optimism bias that leads to an underestimation of the problem and taking a short-term view of the cost of the credit they use.

2021 research by Plain Numbers and Clear Score identified significant opportunities to improve people’s understanding of the true cost of different credit options and therefore reduce the cost of credit<sup>45</sup>.

44 [bristol.ac.uk/geography/research/pfrc/themes/credit-debt/credit-counts](https://bristol.ac.uk/geography/research/pfrc/themes/credit-debt/credit-counts)

45 [static1.squarespace.com/static/5f7f734f7e47f08bc961018/t/60dcd93f4e4c433c2bb05da5/1625086280079/Plain\\_Numbers\\_Research\\_Report.pdf](https://static1.squarespace.com/static/5f7f734f7e47f08bc961018/t/60dcd93f4e4c433c2bb05da5/1625086280079/Plain_Numbers_Research_Report.pdf)

# The NI plan for Credit Counts

We need to understand more about how people make credit decisions, what can influence them to seek help with their credit commitments and how credit use behaviours can be influenced. The activities that have been identified as priorities in the Credit Counts Agenda are a blend of in-depth research, trialling new approaches to supporting customers, and providing better customer guidance. There also needs to be a greater focus on the products provided by credit unions and other community finance providers and greater investment in community finance providers to make these products easier to access.

## Community finance: a definition

Community finance refers to organisations set up to provide access to fair and appropriate financial products, such as affordable credit, to communities who have difficulty accessing mainstream financial services. There is a range of community finance providers, the most common of which are credit unions and community development finance institutions (CDFIs).

As set out below, gathering more insight, along with behavioural trials, will underpin the activities and inform the development and reach of appropriate guidance. This insight will support service development, both by MaPS and through trusted intermediaries, as it is known that consumers do not always seek guidance when making credit decisions or managing credit commitments.

1. **The DfC will work with Fair4All Finance on a No-Interest Loan Scheme pilot for NI:** Commencing in 2022 and targeted at those most in need, this pilot will provide an alternative to high cost credit and illegal money lending. In order to help people avoid the use of, and deal with the consequences of, illegal money lending, this work will explore how other services such as debt advice providers can be supported to better identify loan shark victims and ensure they have access to free debt advice and relevant support services.

2. **Develop income maximisation advice and approved money guidance to help people choose and manage credit:** The DfC recognises the valuable role of the advice sector in providing free, independent, quality, client-focused advice, and also delivers the Make the Call Service, both of which aim to maximise benefit uptake and ensure people are aware of what benefits they are entitled to. Improved access to money guidance, grounded in a thorough understanding of the reasons why people make certain types of financial decisions, would also help people to make better credit choices, informed by a better understanding of the true cost of each option, and to seek help earlier with problematic credit commitments.
3. **Increase awareness of and access to community finance credit products available through credit unions and community development finance institutions (CDFIs):** This will entail coordinated marketing and communications campaigns informed by better data on need, as well as developing and building on best practice to create seamless customer journeys between community finance and the debt advice and money guidance sectors.
4. **Develop creditor standards for people with mental health problems:** As well as developing the work of the Money and Mental Health Policy Institute to encourage financial services firms to identify customers with mental health problems, we will develop person-centred customer journeys that work better for these people, especially where their mental health has been a driver for over-indebtedness.

# Better Debt Advice

Delivery of debt advice funded by the HMT Financial Services Levy is devolved to Department for Communities who lead on policy and commissioning of advice services in NI.

While there is considerable variance across the nations in relation to the underlying causes of debt, it is consistently around 10% of the population who need debt advice. However, only around one-third of those who need advice end up asking for advice.

The relatively low proportion of people who access advice, in contrast to those who need advice, is a result of two main factors:

- **Customers are unlikely to seek advice until they are in crisis:** This is due to several factors that lead people to put off dealing with their problems until they cannot avoid doing so. Factors such as,
  - low awareness of what is available,
  - fear of the consequences of seeking help, and
  - stigma around debt.
- **The amount of supply available:** Although investment to counteract the impact of Covid-19 has increased the supply of debt advice across all channels, the overall level of advice provision is significantly lower than the level of need.

## The barriers and the opportunities

The funding of debt advice is a devolved matter, and the debt advice delivery model, quality assurance and policy are specific to NI. Working collaboratively is essential to ensure systematic change. The MaPS-led UK and industry-wide Debt Advisory Steering Group (DASG) convened a working group during the activation phase of the Strategy to act as a UK-wide Better Debt Advice Challenge Group. Members represented all elements of the debt advice sector and had an in-depth understanding of the barriers and opportunities that need to be addressed. The Head of Money and Debt Advice at Advice NI and DfC represented NI on this group and participated in the NI round tables that looked at recommendations through an NI lens and considered the opportunities and challenges.

The pandemic has impacted levels of debt and the number of people in need of the right advice, including people who have fallen into debt quickly, unexpectedly and potentially for the first time. For example, 49% of single parents reported taking on more debt since Covid-19<sup>46</sup>.

The full impact of the pandemic will not be known for some time, but it has served to highlight the need for system-level change and improvement to ensure that the industry can both deal with increased levels of debt and advice need, and be able to flex and adapt to future shocks.

The additional investment in the sector as a result of the Covid-19 pandemic has helped. However, reaching the goal of 35,000 more people accessing better advice will only be achieved through the coming together of a variety of stakeholders' interwoven workstreams. Resources are not limitless, so while effective and sustainable funding is at the core of the programme, innovation and new delivery approaches must be rolled out to derive as much value as possible from the funds at our disposal. Most important of all, however, is putting people in need of advice at the heart of the programme of work, ensuring we relentlessly pursue services that meet customer needs and provide good customer outcomes.

The aims for the industry over the next ten years are to:

- Deliver high-quality services that fill key gaps in provision for customers most in need and in vulnerable circumstances
- Improve customer journeys to create a holistic service that is efficient and simplifies the advice landscape for customers
- Implement ongoing improvements to embed a more efficient and effective delivery model built on a robust digital platform using new and innovative data techniques
- Attract and retain top talent and present debt advice as an appealing, aspirational profession with high levels of job satisfaction and employee wellbeing

## The NI plan for Better Debt Advice

The delivery activities in this area combine to address the existing challenges of capacity and reach that have been exacerbated by Covid-19. This can only be achieved by adopting a collaborative, cross-industry approach, and if the major contributors can secure funding to be able to invest in the future of debt advice.

1. The NI executive draft Programme for Government (2016–21) set out an ambition to reduce debt and improve financial wellbeing. This outlines an objective to offer free debt advice to everyone in NI who is over-indebted, helping people to exercise their rights and make informed choices. To ensure that people are confident that they are accessing quality assured information and advice services, the DfC will lead a programme of work to promote quality assurance in the advice sector within NI.
2. The DfC will bring forward primary legislation in the next mandate to facilitate the implementation of the NI Debt Respite Scheme, which will include both a Breathing Space and a Statutory Debt Repayment Plan. Department officials will lead the development of this scheme in conjunction with key stakeholders, learning from the implementation process in GB.
3. Broadening the range of debt advice referral partners is also an immediate priority. The focus in the early phases of the strategy will be to build a coalition of partners representing financial services and more diverse societal groups, as well as employers and life event providers who can confidently provide referrals into the right parts of the debt advice sector.



# Future Focus

NISRA research indicates that the proportion of the population aged 65+ is expected to rise from 15% in 2011 to 26.6% in 2051<sup>47</sup>. MaPS research shows that 61% of working-age adults in NI do not feel they understand enough about pensions to make decisions about saving for retirement. Yet 74% of working-age adults in NI think it is important to put aside money for retirement. 53% do not have much idea about what their financial situation will be in retirement and only 35% have taken actions over the last 12 months to engage with their pension.

Single mothers also face specific barriers to pension saving. The average pension savings for a single mother reaching retirement are worth £18,300 – 36% of the average woman’s savings of £51,000 and only 12% of the average man’s savings of £156,500<sup>48</sup>. New research by Legal & General shows that women have smaller pension pots in every age bracket, with the situation significantly deteriorating as they approach retirement. The gender pension gap is 17% at the beginning of women’s careers and reaches 56% at retirement<sup>49</sup>.

## Six key barriers affecting long-term saving levels

<b>Psychological /behavioural</b>	Present bias means people tend to prioritise the present over the future and are less likely to plan more than seven years ahead.
<b>Cultural</b>	Talking about money and pensions is not a social norm. People miss out on gaining useful information from peers or maintain misunderstandings because they are not comfortable asking questions.
<b>Accessibility</b>	Pensions are generally considered to be inaccessible or directed exclusively towards the wealthy. Use of jargon exacerbates this problem, as does the proliferation of tools and a singular focus on traditional working arrangements.
<b>Digital exclusion</b>	There are socio-economic and national factors that have driven digital exclusion and made it more difficult for affected groups to engage.
<b>Trust</b>	Trust in financial services (as well as in the State or employers) is often low, which can lead to an unwillingness to engage.
<b>Socio-economic</b>	Several factors affect the affordability or appeal of pension saving, such as income level, gender, ethnicity and geographical location.

## The barriers and the opportunities

As well as the significant barriers to people understanding their pensions and being able to plan for retirement and in later life, there is a complex and ever-evolving regulatory landscape that makes it harder for people to understand and keep their knowledge up to date.

Automatic enrolment has significantly increased levels of pension contributions, not least because saving into workplace pension schemes does not require as much understanding of pensions or active decision making. In parallel, the introduction of pension freedoms has meant that people are required to engage in order to understand the complex range of options available to them and make the right decisions in order to access their savings for a healthy financial future.

These decisions are further complicated by a growing culture of moving from one job to another, meaning people are increasingly reaching retirement with multiple defined contribution pots and need to think about how these all interact as part of planning for and in later life.

When pension dashboards are introduced, people will be able to see information about all their pensions in one place. This innovation, coupled with jargon-free content and tools incorporating different working patterns, will help people make the key decisions needed to plan for retirement and later life.

Although auto-enrolment has been a great success, the current automatic enrolment criteria exclude certain workers, notably the self-employed, low earners, those working part-time and multiple job holders, of whom a high proportion are women. In recognition of this, the UK Government’s 2017 automatic enrolment review recommended extending the reach of automatic enrolment legislation.

Retirement can now last 30 years or more. Unlike earlier life stages, one event is certain (death) and one or more of a series of uniquely difficult financial events, such as losing a partner, is likely. These certainties make timely access to guidance and advice essential, but many people do not access guidance or advice when making complex financial decisions. And in many cases they will put off making any decision or opt for what appears to be the easiest solution. It is important that people find it easier to engage and are helped to navigate products and options.

47 [publichealth.hscni.net/sites/default/files/Older%20people%20-%20data%20to%20accompany%20the%20DPH%20report%20-%20June13.pdf](https://publichealth.hscni.net/sites/default/files/Older%20people%20-%20data%20to%20accompany%20the%20DPH%20report%20-%20June13.pdf)

48 Pensions Policy Institute (PPI) Autumn 2020

49 [legalandgeneralgroup.com/media-centre/press-releases/british-women-hit-by-gender-pension-gap-at-every-stage-of-career](https://legalandgeneralgroup.com/media-centre/press-releases/british-women-hit-by-gender-pension-gap-at-every-stage-of-career)

# The NI plan for Future Focus

## Helping people understand enough to plan for and in later life

The delivery activities for the Future Focus Agenda for Change seek to address key identified barriers by establishing partnerships, supporting the existing work of pension providers, employers and others, and encouraging a culture of talking about long-term savings and other financial issues that can affect us in later life.

There are several existing initiatives to improve support for people as they plan for retirement, including:

- Stronger Nudge rules and regulations will be introduced to increase the take-up of Pension Wise guidance before people access their defined contribution pensions, and help more people make informed decisions about accessing their pension savings.
- The Pension Schemes Act 2021 introduced a power allowing pension scheme providers to signpost people to specific guidance in circumstances where there is a risk of being targeted by scammers.
- MaPS' pension transformation strategy aims to help people understand what guidance is available to them to ensure they can get the right support at the right time.

### Pension Dashboards

MaPS is developing the architecture to enable pension dashboards that will allow people to see all of their pensions in one place. MaPs is also developing its own pension dashboard to help people find lost pensions and understand what they may have at retirement. To help people plan for later life, MaPS will develop a retirement planning hub (incorporating the dashboard) to answer questions such as What do I have? What will I need? What actions should I take?

Retirement decisions are complex and many people find it difficult to make choices that will best meet their needs in later life, and find the information that will help them make these choices. With the support of others, MaPS will develop a holistic guidance service – the retirement hub – that will cover all aspects of financial wellbeing related to later life. This service will include support relating to retirement decisions, pension scams, long-term care needs, power of attorney, wills, economic abuse and signposting to specialist guidance. MaPS will also design and launch a comprehensive mid-life MOT that includes bite-sized guidance to enable the over-40s to evaluate their financial wellbeing and later life prospects. The aim of the MOT is to give people the knowledge and understanding to make good decisions and help them be better prepared for the future.



A photograph of two students in school uniforms (white shirts and blue and white striped ties) looking intently at a tablet computer. The student on the right is a girl with her hair in a ponytail, and the student on the left is a boy. They are in a classroom setting with a whiteboard and posters in the background. A blue banner is overlaid at the bottom of the image.

## **CHAPTER 4**

### Longer-term strategy ambitions

### Important activities to help us scale our impact over the course of the Strategy to 2030

The UK Strategy for Financial Wellbeing aims to increase people's financial resilience and capability over the next decade. The previous chapter identified tangible activities for NI that can have a material effect on achieving the National Goals set for each Agenda for Change, but there is more work we must do now to lay the foundations for future activities and to establish new priorities when the Strategy is refreshed in 2024.

During our Challenge Group process other activities were identified. These are described below as suggested priority areas of focus from 2024 onwards. The global pandemic has shown us that we need to be quick to respond to emerging financial wellbeing needs and issues. Therefore, this is not a definitive list of activities and longer-term ambitions. The strategy's priorities for the longer term and for a refreshed NI Delivery plan in 2024 will be based on insight, evidence, stakeholder feedback and the policy priorities for the NI Executive's Programme for Government at the time.

### Financial Foundations

Providing a strong financial foundation and improving financial education among children and young people presents perhaps the biggest longer-term opportunity to improve the financial wellbeing of NI people. Some key research findings and areas for development include:

- 79% of children and young people<sup>50</sup> look to their parents for advice, but parents are not always confident having discussions with their children about money. Strong support from financial service organisations is needed to lead and coordinate a multi-channel, parent-facing campaign to engage more children and young people, providing them with the knowledge and confidence to talk about money with their children. UK Finance<sup>51</sup> has an important role in coordinating the financial services sector to create a campaign focusing on parents in the struggling and squeezed segments, as well as those with mental health problems.
- Accessing high-quality financial education is a common issue faced by many teachers, practitioners, parents and young people. Despite there being several different platforms providing this information, people do not know where to go to access the right support. There is a huge opportunity to provide better signposting and easy access points, and to connect existing digital services, platforms and

hubs, linking key audiences in NI to quality-assured financial education resources, services and support. MaPS is well placed to coordinate this activity but will require significant support from financial education providers and other stakeholders to provide access to both existing material and new content and promote financial education hubs.

- Building networks and normalising conversations about money in different settings will also be key to achieving the National Goal and long-term, sustainable change. MaPS is committed to engaging with a wider variety of partners across all Agendas for Change – including in youth and education sectors – as part of the annual Talk Money Week, which it co-ordinates. For example, Young Enterprise NI is currently championing entrepreneurial skills and there is also an opportunity to use a peer-to-peer model to build money skills among older children and young people. Furthermore, research and greater collaboration between school leaders is needed, along with the establishment of a champions network, to demonstrate the value of financial education within wider school priorities. This will be key to addressing the concerns raised in Chapter 2 regarding reprioritisation of financial education during the pandemic.

### Nation of Savers

The medium to long-term innovation focus for Nation of Savers is clear. Each of the three key delivery activities described in Chapter 4 have clear follow-on activities linked to them, which will be developed over time.

- **Offer reward-based savings as a way to engage people in our target groups:** It is unlikely that there will be an immediate, government-sponsored replacement for the Help to Save scheme, but there is a huge opportunity for the private sector to provide flexible successor products and services that motivate people to continue their savings habit. Help to Save has proved that there is a market for incentivised schemes, and MaPS will work with others to build a resilient social and economic case, including an assessment of other types of incentivised accounts that could appeal to different customer cohorts. In NI we would need to explore any legislative barriers to implementation.

50 [moneyandpensions.service.org.uk/wp-content/uploads/2020/01/Money-and-Pensions-Service-Children-and-Young-People-Financial-Capability-Wellbeing-Financial-Foundations-Northern-Ireland-summary.pdf](https://moneyandpensions.service.org.uk/wp-content/uploads/2020/01/Money-and-Pensions-Service-Children-and-Young-People-Financial-Capability-Wellbeing-Financial-Foundations-Northern-Ireland-summary.pdf)

51 [ukfinance.org.uk](https://ukfinance.org.uk)

### Sustaining savers

When the Help to Save scheme ends, accrued funds will be automatically transferred into the saver's current account. At this critical moment, HMT, HMRC and financial services (with MaPS support) will work together to guide consumers on where else they can transfer their matured Help to Save funds and continue to save. Although the transfer of Help to Save funds into new products will not necessarily generate new regular savers, it will stop the number of regular savers from falling, and it is reasonable to assume that products attractive enough to appeal to core Help to Save consumers will also attract new savers because of their relevance and positioning in the market.

- **The Savings Charter** will initially bring together the existing savings commitments of key players in the financial services sector but has huge potential to drive up product standards, increase digitisation through Open Finance and other means, and be the catalyst for sharing best practice, such as work based on behavioural insights. Savings teams in the major banks and building societies and their colleagues in the credit union sector could use the charter to raise the profile and importance of saving within their own institutions, highlighting the importance of saving to a person's financial resilience. If this changes the culture within the banking industry, it will have positive ripple effects throughout the wider customer base.

### Credit Counts

The complementary activities in the Credit Counts agenda for change is wide-ranging and relies on the cooperation of a broad range of partners from across industry as well as regulators and government. The key activities can be broken down into three main areas: new research, trials and pilots, and development of market practices.

- **Research:** Accumulating greater insight will ultimately drive innovation. Firstly, behavioural research should uncover how to get people to engage with money guidance on making better credit choices, rather than relying on existing behaviour.
- **Trials and pilots:** There is a need to find mechanisms to get people with excessive credit commitments to access help before they fall into unmanageable debt. This is an area where financial services have struggled to change behaviour. The insight from behavioural trials is key to identifying which nudges could encourage consumers to manage credit commitments more effectively and seek help earlier.

- **Improved market practices:** The FCA's Woolard Review provided a series of recommendations to improve regulation and practice in the unsecured credit market. Alongside the FCA's planned review of persistent debt remedies and implementation of new guidance on the treatment of consumers in vulnerable circumstances, the Woolard Review's recommendations offer a real opportunity to improve consumer experience and outcomes in the credit market, and reduce the cost of credit. Fair4All Finance is also driving the development of improved market practices in mainstream financial services to enhance access to affordable and appropriate credit products. Additionally, the insurance market has a significant role to play in protecting consumers from expenditure shocks that can lead to resorting to credit in an emergency, and Fair by Design's work on access to low-cost insurance will be an important enabler of this goal.

### Better Debt Advice

MaPS has a key role to play in setting the future agenda for the debt advice sector at a UK level and will be laying the foundations for sector systems change by embracing digitisation through the application of emerging technology and the better use of data. As the DfC has responsibility for debt commissioning in NI, MaPS will engage the department in this process to share emerging evidence and insights from debt advice commissioning in England.

- **Embracing digitalisation:** There are several enabling activities that will be priorities, including developing a data strategy and building sector knowledge on the potential of new technology to improve systems and processes for the good of consumers of debt advice. Once a technology roadmap is in place, MaPS and its partners will develop a business case to address how industry-wide investments could have the greatest impact. Responsibility for leading and delivering the resultant change and transformative activities will be shared across the industry, with MaPS providing sector coordination.
- **Improving digital infrastructure and services:** There is a need for horizon scanning as new opportunities come from emerging technology such as smart and open data. It is vital to identify and address barriers to the use of better digital infrastructure. A significant barrier is the ability to invest, so MaPS will work with partners to consider how greater industry-wide investment can be achieved for greater impact. A data strategy will be coordinated by MaPS, in partnership with stakeholders, to enable the appropriate sharing of data to improve customer experiences and sector-wide reporting. As consumers are increasingly keen to use digital channels of communication as part of their debt advice journey, greater focus on user research and codesign will be required to ensure higher quality, engaging services are designed to meet the evolving needs of consumers.

## Our collaborative approach for improving technology

Codesign and user research with customers

Exploration of shared infrastructure and frameworks

Development of Data Strategy and Standards

Horizon scanning of emerging technology

Shared industry responsibility supported by MaPS coordination



Excellent customer experience through digital channels

Robust digital infrastructure for all advice providers

Data sharing and sector-wide reporting

Shared research and insights into new technologies

- **Sustainable sector funding:** The pandemic highlighted some of the known issues and instabilities within debt sector funding. A more sustainable model, underpinned by a clear framework, would help to ensure the sector is better able to meet customer demand. Further work will be undertaken to explore options, build the case for change and improve sustainability, including a consideration of how to broaden the range of potential advice referral partners.

### Future Focus

The delivery activity priorities for the next three years focus on increasing knowledge and understanding to allow consumers to engage with their long-term savings and plan for their retirement. Future activities will have similar themes including better use of technology and sharing best practice.

- **Changing views about ageing:** We know people have a specific fear of ageing, and thinking about later life can be challenging and uncomfortable. This fear directly affects people’s capacity to plan for and in later life. Changing these views and creating positivity about ageing will help people engage with making plans for their future. MaPs will work with others to understand how, through initiatives such as mid-life MOTs and later life guidance, we can change attitudes to ageing and encourage employers to support work and career opportunities for the over-50s.
- **Pension Dashboards:** Pension dashboards enable people to access information about their pensions online, securely and all in one place, thereby supporting better planning for retirement. Pension dashboards and the underlying architecture will have to continue to evolve to embrace new technologies, best practice and innovation to enhance support for people planning their retirement.

- **Removing barriers to engagement:** We know that over half (22 million) of all working-age people don’t feel they understand enough to make decisions about retirement. Tools and guidance are often designed without consideration of different working lives, making understanding even more difficult for certain groups, such as women. Language can be complex, inconsistent and full of jargon, deterring people from engaging with the information. MaPS will ensure that the tools we use to help people plan for their retirement will incorporate non-linear lives and be inclusive by design. We will work with industry to support the development of a common framework of bite-sized actions that will empower people to act, taking learnings from successful initiatives such as 5 A Day and Couch to 5K while ensuring common use of language.
- **Engaging at key moments:** We know people are more responsive to interventions that encourage planning at pivotal moments in their lives. These could be life events, such as marriage or the birth of children, or significant birthdays such as turning 50. MaPS will be developing holistic money and pension guidance to support people at key life events such as divorce, and ensuring they can access this guidance from where they seek support. Other initiatives could include a birthday card sent on key birthdays to prompt people to think about financial planning.

## Cross-cutting themes and sector-wide collaboration

More research, data collection and insight is required into the specific financial needs of a range of particular communities. During the activation phase of the Strategy, MaPS and the Challenge Groups focused on the needs of women and people with mental health problems, as there was a body of evidence that suggested worse outcomes for these groups.

Covid-19 has exacerbated many existing social and economic inequalities and has left more people in vulnerable circumstances.

- **New research into people in vulnerable financial circumstances:** In 2021/22 MaPS will lead some research into the combined impact of money and mental health problems as these are experienced by ethnic minority communities.
- **Money and Pensions Service Standards<sup>52</sup>:** While the standards apply to MaPS' services and the partners it funds, it is important that they align with the NI Advice Quality Standards<sup>53</sup>. MaPS will be working closely with its stakeholders in NI and DfC to use the standards as a platform for innovation, collaboration and greater integration.

## New ideas and initiatives

In addition to collaborating on existing ideas and initiatives, achieving transformational change will require the ideas and collective inspiration of a huge range of organisations – governments and policy makers, guidance and advice providers, financial services firms, educators, employers and more.

Throughout the process of developing this delivery plan through the UK Challenge Groups and the NI round tables, we have heard that, going forward, in order to help people in NI to attain and sustain the best financial wellbeing their means allow, new ideas and initiatives need to:

- **Drive change** in leadership and culture, insight and innovation, policy and regulation, and capacity and capability
- **Transform services** in education, information, guidance and advice, and transform the customer journey and financial products and services
- **Reach people** through consumer engagement and partnership outreach

The evolution of the delivery plans should not be bound by the National Goals and should address lifelong and systemic issues affecting, financial wellbeing of people most in need. Organisations and stakeholders are therefore encouraged to develop and implement new ideas and initiatives that cut across people's financial lives.

It is hoped that by 2030 many thousands of committed organisations and individuals will be engaged in financial wellbeing, collectively delivering self-sustaining and incremental change across NI and the UK.

52 [hmaps.org.uk/money-and-pensions-service-standards](https://hmaps.org.uk/money-and-pensions-service-standards)

53 [adviceni.net/policy/publications/niasc-advice-quality-standard-august-2014](https://adviceni.net/policy/publications/niasc-advice-quality-standard-august-2014)



Money &  
Pensions  
Service

# Appendices

## APPENDIX A: A framework for reporting and tracking progress

MaPS will measure the progress towards the National Goals through our major surveys – the annual debt needs survey and the financial wellbeing surveys for adults and children and young people (conducted every three years). The results of these surveys will give a point-in-time view of the status of financial wellbeing in the UK, and will help to inform later iterations of this document. However, MaPS and other stakeholders wanted a more dynamic and iterative method of tracking progress against the goals and have therefore developed a Basket of Indicators that partners should use to measure the success of individual initiatives, which will help MaPS collate information on a national level in a standard, consistent format.

This delivery plan forms part of a new financial wellbeing framework that aims to provide all stakeholders with a common definition of financial wellbeing and the problems and barriers we are looking to address. Through the B2B Partnership Hub,

the framework will also provide access to ‘what works’ information, best practice and support to lead and drive programmes. Another key element of the framework is the definition of a standard set of measures that all partners should use to evidence progress towards the goals. When taken together, these measures, or the Basket of Indicators, will allow MaPS to demonstrate the progress being made towards the National Goals.

Even if it is implemented consistently across partners and initiatives, the Basket of Indicators will not pick up all impacts accurately and may also duplicate some of the effects. The aim is to give everyone involved in financial wellbeing a framework to work to, and a dynamic indication of the progress being made, which will inspire more action, involvement and ideas.

### Financial Foundations

2 million more children and young people are receiving a meaningful financial education

- Number of teachers trained and confident
- Number of pupils given financial education supplied through schools
- Number of pupils given financial education funded by financial and third sector institutions and supplied through schools
- Number of children and young people given financial education outside of school
- Number of parents receiving interventions such as MaPS’ Talk Learn Do initiative

### Nation of Savers

2 million more people who are struggling and squeezed are saving regularly

- Number of employees enrolled in payroll saving scheme
- Number of bank customers using a savings app/function
- Number of active savings goals
- Number of people with an active incentivised savings product
- Number of people moving through Standard Financial Statement using repay and save scheme and continuing to save

**Credit Counts**

2 million fewer people are often using credit to pay for food and bills

- Number of people accessing affordable credit through Credit Unions and CDFI
- Number of people consistently making minimum repayments
- Number of people seeking guidance or using any tools that support sustainable credit choices
- Number of people using tools and products to smooth 'lumpy' income and expenditure
- Number of people having financial capability and appropriate financial confidence

**Better Debt Advice**

2 million more people are accessing the right debt advice

- Number of people aware that debt advice exists, what it offers and where to go to get it
- Number of people who have good perceptions of debt advice providers and think debt advice is for them
- Number of people waiting over a year before seeking the debt advice they need
- Number of people receiving debt advice through a preferred channel
- Number of debt advice interventions delivered

**Future Focus**

5 million more people understand enough to plan for and in later life

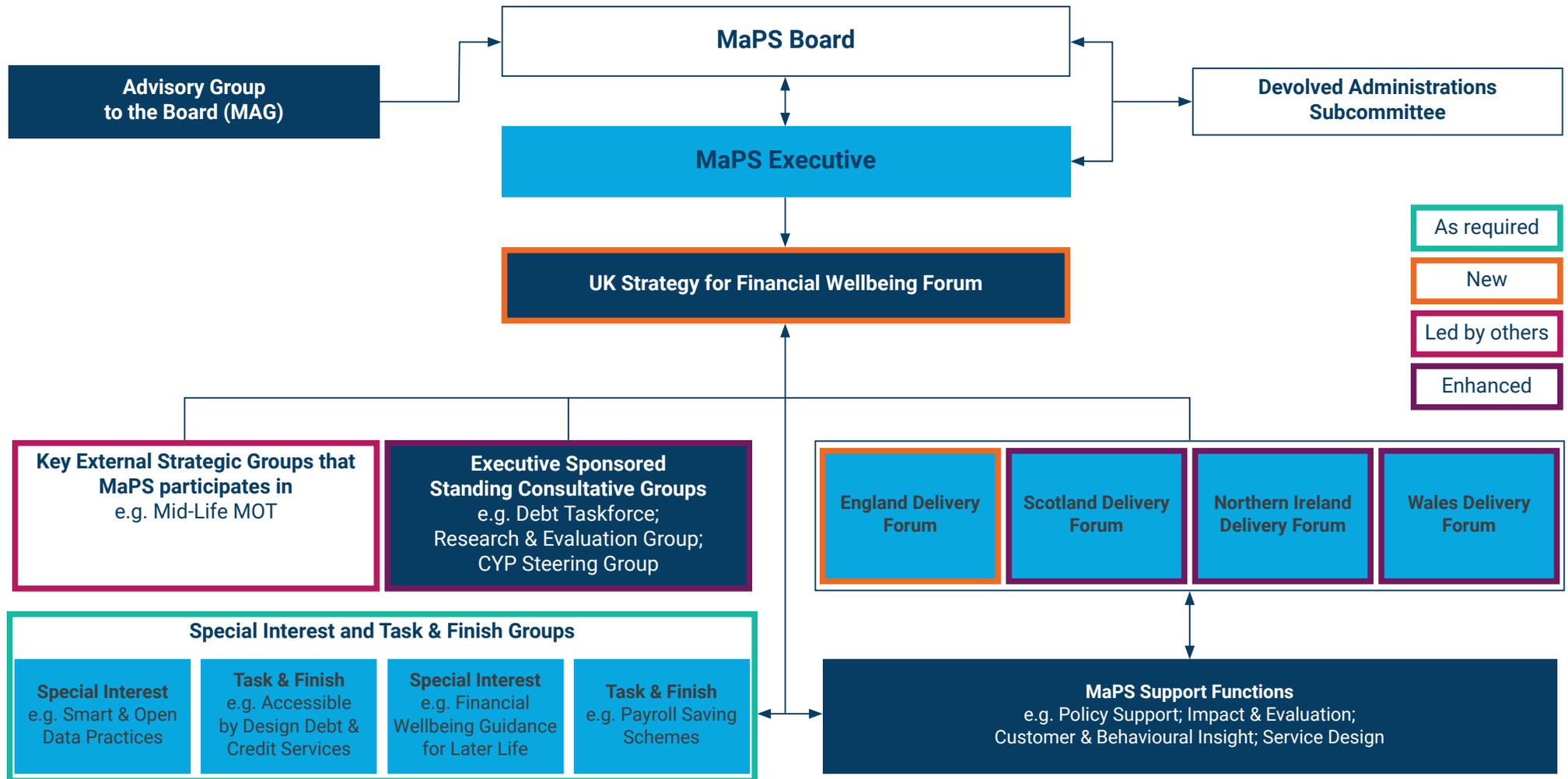
- Number of people accepting the need to take responsibility for their own retirement
- Number of people using a tool such as the PLSA's Retirement Living Standards, EV
- Number of people accessing information about their existing pension pot (for example from the Pension Dashboard)
- Number of people using pension or later life advice or guidance
- Number of retirement age people with positive attitudes and behaviours

**Delivery Plan Updates (2024, 2027)**

Based on survey data and the collated information from the basket of indicators, MaPS will also own any updates to the delivery plans in each Nation and will work with partners to reflect emerging strategic and operational thinking, new priorities and changes to the regulatory or policy landscape.

## APPENDIX B: The UK stakeholder coordination model

MaPS has a statutory responsibility under the Financial Guidance and Claims Act 2018 to “develop and coordinate a national Strategy” – the UK Strategy for Financial Wellbeing. This appendix sets out how MaPS intends to coordinate the delivery of the UK Strategy for Financial Wellbeing, as set out within the national delivery plans.



MaPS' role as coordinator of the UK Strategy for Financial Wellbeing can be broken down into three key areas, which will form the basis for how the ongoing programme is governed.

1. **MaPS Board:** The MaPS Board is accountable for the coordination of the UK Strategy and will track and oversee progress against the five National Goals. The Board will be advised by the Devolved Administrations Sub-Committee (DASG) which includes officials from Scotland, Wales and Northern Ireland governments, and the MaPS Advisory Group (MAG) comprising senior stakeholders from a range of backgrounds and sectors.

The MaPS Board, the DASG, the NI Forum and the Strategic Advisory Group will consider any potential change in direction for the UK Strategy and the NI Delivery Plan, as evidenced by regular evaluation, feedback and market insights.

2. **Stakeholder collaboration and delivery forums:** Coordination and collaboration across sectors and organisations will be key to achieving the five National Goals and to creating and sustaining a broader financial wellbeing movement.

MaPS will oversee and coordinate delivery of the four national plans to improve financial wellbeing through new and established forums and stakeholder groupings.

- In NI, MaPS works closely with the DfC on financial wellbeing initiatives. During the activation phase, MaPS chaired a strategic forum and held numerous round tables to support a 4-nation focus from the Challenge Groups, helping to ensure that the specific policy priorities and different delivery mechanisms across the UK were accounted for in emerging thinking and delivery plans. These strategic forums will now be re-orientated to focus on the delivery of the key initiatives in national delivery plans. MaPS will continue to co-chair with the DfC, and the groups will be made up of key stakeholders in each nation who will help drive the delivery and achievement of the National Goals in each Nation.
- The NI Forum will feed into both the devolved government subcommittee and a new UK Strategy For Financial Wellbeing Programme Board, which is tasked with tracking progress against the UK goals, managing risks and issues, and identifying opportunities to collaborate on new ideas and initiatives.

Additionally, time-bound, task-specific delivery groups may be set up to drive forward initiatives and activities set out within this plan. These groups will be self-managed and will report progress to the appropriate national delivery forum(s) or the UK Strategy Programme Board.

Over time, MaPS and the devolved administrations may consider establishing further collaboration and delivery groups where there is a gap. For example, to bring together cross-sector groups of senior leaders and experts in innovation, engagement and behaviour change.

3. **Digital financial wellbeing partner hub:** Achieving our shared vision of everyone making the most of their money and pensions will require many thousands of organisations – large and small – to play their part. It needs to be as easy as possible to get involved, to access high-quality resources and tools that are proven to make a difference to people's lives and to become part of a national conversation about improving financial wellbeing.

To help achieve this level of engagement, MaPS will build a new digital financial wellbeing hub for partners across the UK, providing a range of content such as:

- data and insights to help partners understand levels of national, regional and local need
- regular horizon-scanning exercises, looking at innovation and insights from across the sector and beyond
- resources and tools that partners can use to provide help and support to the people they reach and serve
- evidence of what works to improve financial wellbeing, and tools for running evaluations
- a space to collaborate and share ideas and experience as a growing community

Work on the hub is planned to start in 2021/22. In addition, and for publication on the hub, MaPS will run a population-level financial wellbeing survey for adults in 2021 and a separate one relating to children and young people in 2022, both of which will be updated at regular intervals. MaPS will also monitor and signpost other landmark surveys such as the FCA's Financial Lives Survey. The longer-term evaluation of the Strategy will draw on this evidence after 2024.

## APPENDIX C: Impact of Covid-19 on diverse ethnic communities

In late 2020 and early 2021, MaPS undertook a rapid literature review for internal use (unpublished) with a focus on the impact of Covid-19 on diverse ethnic communities. The situation regarding support has changed, particularly around employment, but the information available at the time was used to prioritise the delivery activities and create this plan. There will, of course, be new evidence published as we emerge from the pandemic, and MaPS will include this in any work we do in this area. The key findings and reference material at the time were as follows.

- “Economic and social inequalities vary by ethnic group; they are more significant for Black, Bangladeshi and Pakistani groups, and less so for Indian and Chinese groups”<sup>54</sup>
  - White British tend to fare best in terms of household wealth, higher employment rates and income.
  - Some ethnic minorities experience disproportionately low employment rates, over-representation in low-pay sectors and pay gaps<sup>55</sup>.
    - Unemployment data published by the UK government in January 2021 indicates that Black, Bangladeshi and Pakistani people had the highest unemployment rates out of all ethnic groups. (Data measuring the number and percentage of people in England, Scotland and Wales who are unemployed)<sup>56</sup>
    - Similarly, according to the Centre for Social Justice analysis of Annual Population Survey data, the Bangladeshi/Pakistani groups (aggregated) continue to have the poorest employment rates of all ethnic groups analysed<sup>57</sup>

Black African, Bangladeshi and Pakistani people are still the most likely to live in poverty and deprivation, and – given the damaging effects of poverty on education, work and health – families can become locked into disadvantage for generations<sup>58</sup>.

### ■ Covid impact

- Ethnic minorities were 2.2 times more likely to report being behind with their bills than their white counterparts during the Covid-19 lockdown<sup>59</sup>.
- Self-employment, especially prevalent among Bangladeshis and Pakistanis, also increased people’s susceptibility to financial and economic difficulties related to Covid-19.
- Bangladeshis, Black Caribbeans and Black Africans also have the most limited savings to provide a financial buffer if laid off. Only around 30% live in households with enough to cover one month of income<sup>60</sup>.
- A study by Mind in England and Wales for adults over 25 suggests “existing inequalities in housing, employment, finances and other issues have had a greater impact on the mental health of people from different Black, Asian and Ethnic Minority (BAME) groups than white people during the coronavirus pandemic”<sup>61</sup>.

54 [runnymedetrust.org/uploads/publications/pdfs/2020%20reports/The%20Colour%20of%20Money%20Report.pdf](https://runnymedetrust.org/uploads/publications/pdfs/2020%20reports/The%20Colour%20of%20Money%20Report.pdf)

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56 [ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits/unemployment-and-economic-inactivity/unemployment/latest](https://ethnicity-facts-figures.service.gov.uk/work-pay-and-benefits/unemployment-and-economic-inactivity/unemployment/latest)

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58 [equalityhumanrights.com/sites/default/files/is-britain-fairer-accessible.pdf](https://equalityhumanrights.com/sites/default/files/is-britain-fairer-accessible.pdf)

59 [ncbi.nlm.nih.gov/pmc/articles/PMC7351056/](https://ncbi.nlm.nih.gov/pmc/articles/PMC7351056/)

60 [ifs.org.uk/inequality/wp-content/uploads/2020/04/Are-some-ethnic-groups-more-vulnerable-to-COVID-19-than-others-V2-IFS-Briefing-Note.pdf](https://ifs.org.uk/inequality/wp-content/uploads/2020/04/Are-some-ethnic-groups-more-vulnerable-to-COVID-19-than-others-V2-IFS-Briefing-Note.pdf)

61 [mind.org.uk/news-campaigns/news/existing-inequalities-have-made-mental-health-of-bame-groups-worse-during-pandemic-says-mind](https://mind.org.uk/news-campaigns/news/existing-inequalities-have-made-mental-health-of-bame-groups-worse-during-pandemic-says-mind)



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Service