

Financial capability:

Measuring, understanding and responding to complexity



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Citizens Advice

What I'll cover

- Our service and the impact team
- Our work to develop shared measures
- Our work in financial capability

Citizens Advice in 2015/16

Our service is made up of:

- Over 300 local Citizens Advice
- Our consumer service, Pension Wise and Witness Service functions
- 7,000 staff and 23,200 volunteers



6.2 million
advice issues dealt
with directly



2.7 million
clients advised
directly

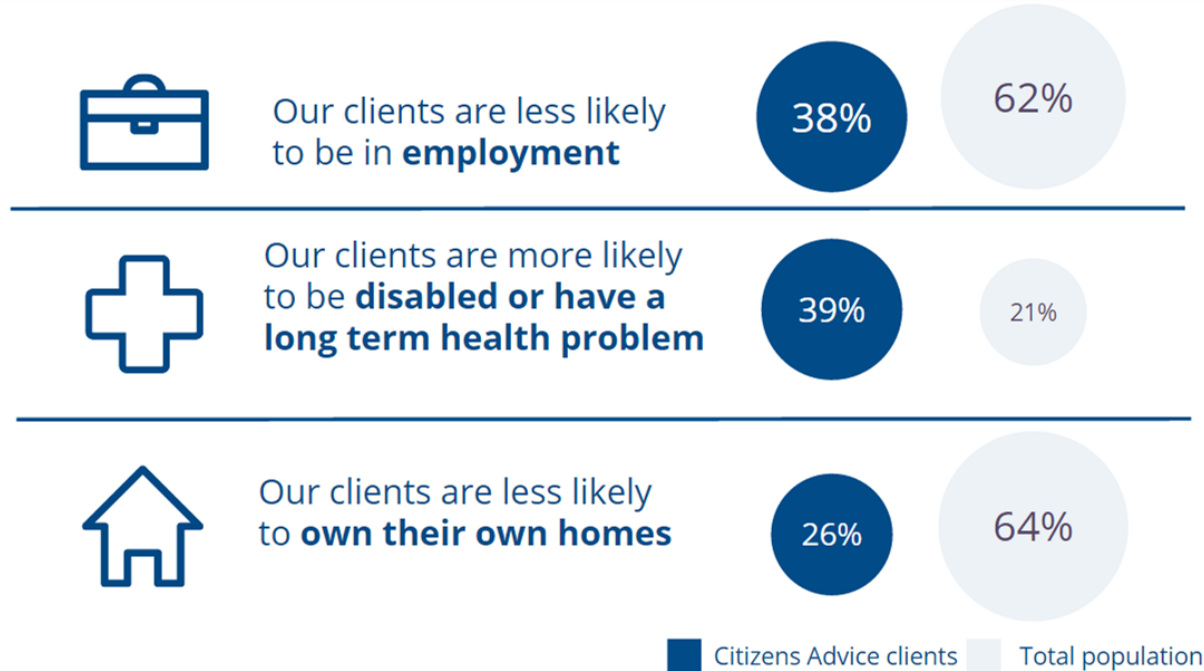


36 million
visits to our website to
get advice

Citizens Advice in 2015/16

We work with some of those most in need

Our clients fit the national profile for **age, gender** and **ethnicity**. But they do differ from the average in some important ways:



At Citizens Advice we have shared measures on...

Who we help and Why

Clients with problems



What we do & scale of work



Advice and Education

What difference it makes



Solving Problems



Changing Lives



Making Society Fair

Without shared measures....

- Local Citizens Advice data inconsistent
- Aggregation of data would be almost impossible
- Lose context , lose power of data insight

Extending shared measures to financial capability



Experience tells us that determining how good someone's financial capability is - and what works to improve it - is complex and nuanced. We need to think about:

Who, when and why? Focusing on a single characteristic isn't enough to capture the significant financial challenges our clients face day-to-day.

Where, what and how? We're developing consistent ways of understanding client capability so that we can provide appropriate and empowering support within our service context.

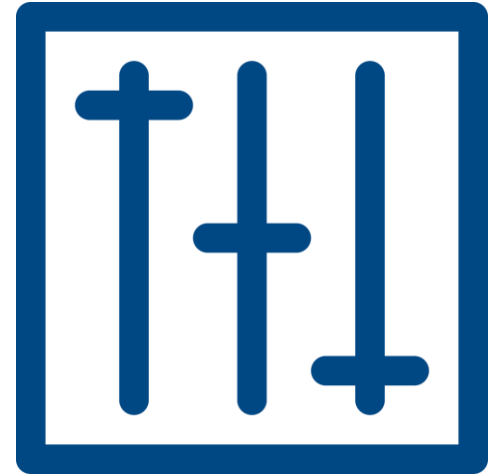
Financial capability is one example.

Having the knowledge, skills and mindset to manage

Financial capability underpins the way we deal with a range of planned and unplanned life challenges.

It means having the right skills, knowledge, habits and behaviours to make the most of your financial situation now and in the future.

An individual's capability does not always keep pace with their changing circumstances.



Developing robust financial capability measures

We've defined the interlinking aspects of financial capability through:

- Rapid evidence assessment of existing evidence
- Mapping our financial capability services
- Observing how we work with clients
- Cognitive testing with clients
- Expert and peer review of what we've developed (internal and external)
- Validating the measures through research

Citizens Advice's financial capability measures



Keeping track of money



Controlled spending



Having enough money to live



Planning ahead with money



Looking for the best deals



Staying informed about money services



Mindset

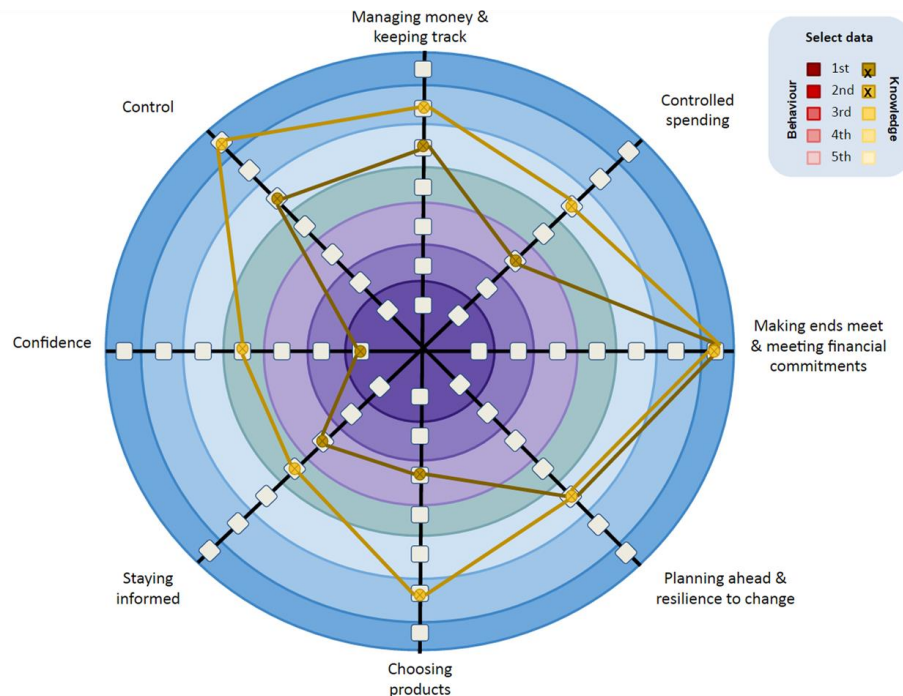
Making use of the financial capability measures

CLIENT FINANCIAL CAPABILITY PROGRESS
Client Name: Satdeep Grewal

Date created* Service* Before or after service?*

	Never	2	3	4	5	6	7	N/A	Examples/comments
Managing money									Free text
Behaviour: How often do you... Knowledge: How much do you know about how to... ● Calculate what you are spending, earning and what's left over. ● Check your balance. ● Adjust your spending when something changes or happens.									Free text
Choosing products									Free text
Staying informed									Free text
Confidence									Free text
Control									Free text

Buttons: Save, Add score, Print preview, Table summary, Target summary



Headline findings from Citizens Advice research



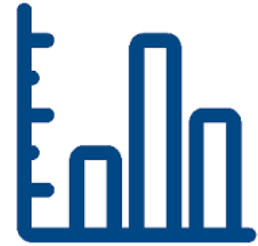
1 in 2

of our face-to-face clients have low confidence about taking action on their money matters



1 in 4

were able to demonstrate reasonable numeracy



Clients tended to score high in keeping track of money and low in staying informed about money services

Where next:

1. Use our measures to test services and understand what works
1. Publish full findings from our financial capability research early next year
1. Continue to inform sector-understanding through our work into financial capability