

Developing a national strategy for financial capability

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Content

- Financial capability – what's the problem?
- Why is the FSA involved?
- National Strategy for Financial Capability
- Lessons the FSA can share
- Questions

Financial capability – so what's the problem?



There's a problem we have to solve

- Demographic change – ageing & fragmentation
- Lack of confidence and understanding

No one organisation has the responsibility, incentive or capability to solve it alone

Improvements will take time and new ways of thinking

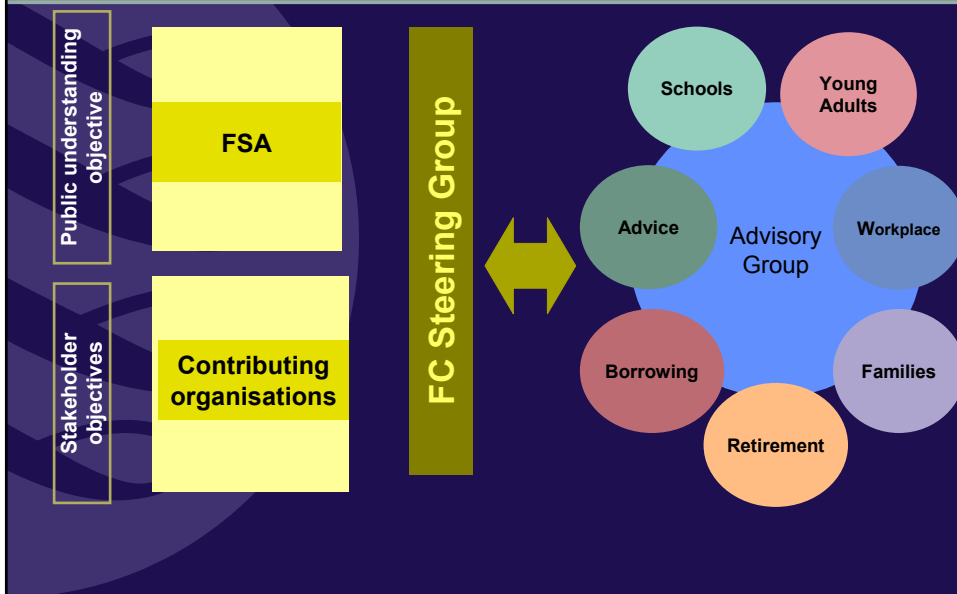
- In for the long term
- Work in partnership
- Agreed priorities

FSA statutory objectives



- **Secure an appropriate degree of protection for consumers**
- **Promote public understanding of the financial system**

Planning the Strategy



Example: Young Adults (16-25 age range)

Very diverse group.

- Higher (university) education
- Further (vocational) education
- in work
- NEET – not in education and employment

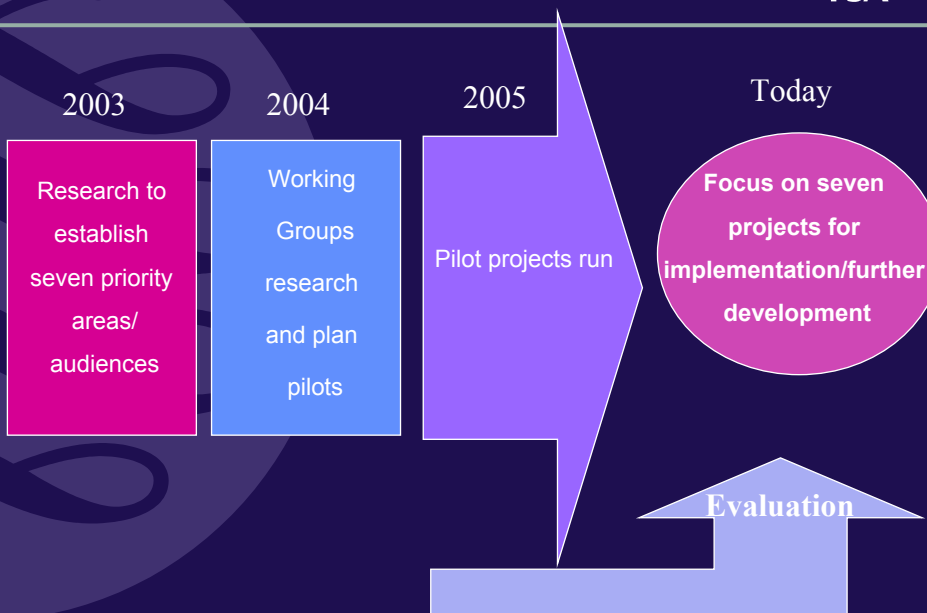
Young adults: what did we do?

Find out what is already happening – published case studies.

Pilot programmes:

- Young Scot- money advice line
- Roehampton University - money doctors
- Milkround on-line- pages on financial planning
- Fairbridge West – course on financial issues
- Citizens advice – working with intermediaries

Moving the Strategy forward



Base line Survey

Research by Bristol University suggested that there are four components of financial capability

- Managing money
- Planning ahead
- Making choices
- Getting help

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Lessons we can share

- **Get to know your audience and test new resources**
- **Set priorities and evaluate progress**
- **Need to work together with industry, voluntary agencies and Government**
- **One organisation needs to take the lead**
- **Build an attractive business case for funding**

Find out more

Dedicated financial capability 'micro site' on FSA web site

www.fsa.gov.uk/financial_capability