

Financial Capability for Women

Report on a pilot training course

March 2008



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Section 1 Introduction

Financial Capability for Women was a project that ran between September 2007 and March 2008. It was run by the Women's Employment, Enterprise and Training Unit (WEETU) in collaboration with local partners Norwich and District Citizen's Advice Bureau, Health First and West Norwich Credit Union.

This report is a summary of the pilot project. Two sections were contributed by external authors: Lisa McDaid undertook the literature review and Emma Ward conducted the evaluation. The full versions of their reports and the full project report can be found on WEETU's website www.weetu.org

WEETU provides a range of services to support women to improve their position in the labour market. One of its key services is running the Full Circle programme to help women set up small businesses. This includes training in the financial skills needed to run a business and also provides access to the Full Circle Fund, which provides small, unsecured loans for women starting their own businesses. Moreover, when WEETU provided financial information about retirement planning as part of a pilot programme for the Department for Work and Pensions (DWP), it was discovered that it was hard to recruit women onto the programme. It was difficult to get them to come forward and ask for a one-to-one planning session, although those that did participate thought it was extremely helpful.

Discussions regarding the causes of these problems highlighted the following issues:

- Access to easy commercial credit may have reduced the need for a loan fund – although commercial loans cost more (at the time of the project development, autumn 2007)
- Some women perceived borrowing money to invest in their businesses as extremely risky
- The first stage of Full Circle, a pre-start up course called *Is Enterprise for Me?* was highlighting some of the complex attitudes to money revealed by many participants
- Women receiving pensions information were concerned about whether this information would be genuinely independent
- Clients were embarrassed because they thought they should know about these issues
- They were not taking up available advice and other services because they did not have the basic financial know-how to understand the implications.

It was decided that WEETU would work together with partners to investigate this issue in more detail. The assumption was that providing a training course on financial capability skills would be a good method of supporting women into these other activities and would potentially help alleviate immediate financial problems in their lives. WEETU convened a steering group (see Appendix 1) consisting of specialist trainers who work for WEETU delivering courses on finance, representatives of the Citizen's Advice Bureau, Health First (a community based debt counselling organisation) and a local Credit Union. The group worked together to develop and oversee the training. The course was

written and piloted by the three specialist trainers. WEETU also commissioned a literature review and an external evaluation of the training.

Section 2 A literature review on women, financial exclusion and financial capability

WEETU commissioned a literature review of existing research as part of this pilot project. The aim was to identify what data already existed and therefore to let the findings influence our planning. This is a summary of the full study, which can be found on WEETU's website.

Summary of report

This report presents an overview of key research and literature on the issue of women, financial exclusion and capability. The aim is to explore the gendered consequences of economic inequality and social roles and to review previous initiatives.

The Government's definition of Financial Capability states:

“Financial Capability is a broad concept, encompassing the people’s knowledge and skills to understand their own financial circumstances, along with the motivation to take action. Financially capable consumers plan ahead, find and use information, know when to seek advice and can understand and act on this advice, leading to greater participation in the financial services market.”¹

Gender differences in financial exclusion

More women than men live in poverty, and women are more likely to experience both persistent poverty and hidden poverty. Household measures of poverty show that some 5 million women (20%), compared to 4 million men (18%), are living in poverty². However, the problem with household measures of poverty is that they can mask poverty experienced at the individual level. Therefore in households with two or more adults, the distribution of resources is not always equal and research shows that it is typically women that receive the smaller share³.

One area where you can track gender difference in poverty is in households headed by single men and women. For single men in poverty, nearly all are working-age without children, or with children with whom they are not currently living. In contrast, single women in poverty are almost equally split between lone parents, pensioners and single working-age without children. Black and

¹ Financial capability: the Government's long term approach, HM Treasury, 2007.

² Monitoring Poverty and Social Exclusion 2007, Joseph Rowntree Foundation, December 2007. www.poverty.org.uk/summary/reports.shtml

³ Home Truths: an analysis of financial decision making within the home, Fawcett Society, 2002.

Minority Ethnic (BME) women and teenage mothers are also at high risk of poverty⁴.

Given the constraints posed by household measures of poverty and evidence indicating that financial resources are not evenly distributed within households, it is useful to explore research into women's financial assets and debts.

Gender differences in savings, assets and debts

A new report from the Fawcett Society helps give some much needed insight into women's savings and debts. The research, 'Women's Financial Assets and Debts' (November 2007)⁵, carried out new analysis of existing large scale datasets held by the British Household Panel Survey (BHPS)⁶ and the Family Resource Survey (FRS) 2004-2005⁷.

The research shows that there are significant differences between men's and women's levels of savings, assets and debts. The report revealed that:

- Men typically owe twice as much as women, but women are more likely to struggle with debt. The proportion of men and women with debt was roughly equal (42% compared to 43%). However, men typically hold debt of greater value but women are more likely to be in arrears on their debts.
- Women are more likely to use 'sub-prime' credit than men, such as catalogue or home credit. This is much easier to access for people on a low income and does allow greater repayment flexibility but has much higher interest rates. Indeed, research by the National Consumer Council shows that women account for 65% of home credit market customers⁸.
- The types of saving vehicle preferred by women correlate with reduced financial wellbeing and risk aversion. Women are equally likely to save in low risk (and typically lower return) saving vehicles, such as saving and deposit accounts, but men are more likely to save in higher risk/return vehicles.
- Women are more likely to save for short-term use (e.g. holidays, home improvements, children), whereas men are more likely to save for long-term use (e.g. old age, house purchasing, cars). This may play a

⁴ Ibid.

⁵ Women's Financial Assets and Debts, Fawcett Society, November 2007.

⁶ To track individuals over time, data from a number of years in the period 1991 – 2005 was used. The number responding to questions on debt, savings and pensions fluctuated from year to year, but was normally around 8,500

⁷ Draws on interviews with 49,200 adults living in 33,202 family units

⁸ Home Credit – An investigation into the UK home credit market, National Consumer Council, June 2004.

contributory role in women's lower levels of savings as their savings are regularly spent.

- Some groups of women particularly struggle to save and have high levels of debts; young women, lone mothers, divorced and separated women and BME women.
- Men hold much more in savings than women. Men who have savings hold an average median of £8,000 compared to women's £4,000.
- Lifetime transitions, such as childbirth or divorce, have larger and longer lasting effects on women's levels of savings and debts than on men's.
- Gender differences in financial behaviour are mostly due to women's lower and more fluctuating incomes. Different financial priorities and preferences also play a key role.

Gender differences in financial capability

Financial capability is a relatively new concept and the level of research in the field reflects this. In 2006 the Financial Services Authority (FSA) carried out the first comprehensive research into current levels of financial capability in the UK. The survey collected baseline data in four key areas within which consumers might demonstrate financial capability. It sought to identify how effectively different groups of people manage money, plan ahead, choose financial products, and stay informed about financial matters⁹.

The findings revealed some interesting gender differences in each of the four areas. These are summarised below:

- Men and women tend to perform equally when it comes to making ends meet; both making sure that spending doesn't consistently exceed income.
- Women on average out-perform men when it comes to keeping track of finances, even allowing for differences in income. However, the findings show that people who are best at keeping track of their finances tend to be slightly worse on other components of financial capability, though the relationship is fairly weak.
- Women do slightly less well than men when it comes to planning ahead.
- Women are somewhat less capable than men when it comes to choosing financial products, even allowing for factors such as income.

⁹ Financial Capability in the UK: Establishing a Baseline, Financial Services Authority, 2006.

- Men significantly outperform women when it comes to staying informed about financial matters

In summary, the findings indicate that the difference for women is not their ability to budget and utilise a set amount of money, or to keep track of their finances. Where they are less confident is in choosing financial products, planning for the future and staying informed about financial matters.

The reasons

- Women have lower incomes than men (owing to various factors including part time working, occupational segregation and non-continuous working patterns)
- Women's role within the home
- Women have lower levels of numeracy
- The interplay of financial exclusion and capability

In 2004, the 'National Strategy for Financial Capability' was published¹⁰, led by the Financial Services Authority (FSA), in partnership with the Government, financial services industry, voluntary and community sector and consumer groups. In 2007, the Government published 'Financial Inclusion: the way forward'¹¹, setting out its strategy for tackling financial exclusion and financial inclusion goals. A number of pilot activities were carried out and learning has included:

- Attracting people on low incomes or other hard-to-reach groups onto financial capability training is not always easy. Norris Green CAB, which operates a 'Financial Skills for Life' programme, has found that encouraging people to participate in courses very much depends on close personal contact and is often more successful when carried out through established groups¹².
- The evaluation of the Department for Education and Skills (DfES) Community Finance and Learning Initiative pilots¹³ found that developing good relationships with intermediary organisations that are trusted was essential for engaging target beneficiaries.
- The teaching style of the course is equally important to its success. The financial literacy trainers at Norris Green CAB found that the most

¹⁰ National Strategy for Financial Capability, Financial Services Authority, May 2004. www.fsa.gov.uk/pubs/other/financial_capability_uk.pdf

¹¹ Financial Inclusion: the way forward, HM Treasury, March 2007. www.hm-treasury.gov.uk/media/7/B/financial_inclusion030407.pdf

¹² Would you credit it? People telling stories about credit, Citizens Advice Bureaux, 2005. http://www.co-operativebank.co.uk/images/pdf/WYCI_Final_Report.pdf

¹³ Evaluation of Community Finance and Learning Initiative and Saving Gateway Pilots, Ecotech Research and Consulting, 2005. www.dfes.gov.uk/research/programmeofresearch/projectinformation.cfm?projectid=14506&resultspage=1

effective learning takes place when a participative approach is taken to the learning which builds on participants' existing experience.

Conclusions to the literature review

This literature review set out to explore whether financial exclusion and capability are gendered issues. The evidence shows that women are more likely to be financially excluded than men, and that they struggle more to save and keep up with debt. This is particularly true for some groups of women; young women, lone mothers, divorced and separated women, pensioners and BME women. They are also less confident in choosing financial products, planning for the future and staying informed about financial matters.

The reasons for gender differences in financial exclusion and capability are multifaceted and inter-related. Lower and more fluctuating income, different spending priorities, changes over the life-course such as childbirth, marriage, separation or divorce, and the social roles inhabited by men and women have all been found to contribute.

It is not enough just to recognise these gender differences, there is a need to ensure that policy and practice to tackle financial exclusion and capability is gender sensitive too. The evidence suggests that **women are more likely to need financial capability because their incomes are lower and fluctuate more over their lifetime¹⁴. This means they have fewer financial resources to manage effectively.**

To ensure financial capability services are gender sensitive they must be located in the right place for women to access and this includes working through trusted intermediaries. This will also help break down some of the barriers to getting help. The delivery should encourage active discussion and enable participants to draw on personal experiences.

3. Planning the pilot course

The project steering group identified:

- The target group
- Barriers to participation for women in the target group
- The content of the course

Key issues were:

What should the message be about the course?

- Taking control
- Money without the maths
- Trust

¹⁴ Women's Financial Assets and Debts, Fawcett Society, November 2007.

- Independent/impartial
- Stepping stone to long term financial security
- Increasing confidence
- Be a bit richer
- Manage better with what you've got
- Moving forward – planning – not being retrospective
- Setting achievable goals
- Conveying the shared experiences of the partnership
- Women only
- Not boring

What are the likely outcomes for the participants?

- Planning for the future
- Increasing confidence
- Changing behaviour
- Creating stability for children
- Making choices and understanding consequences
- Solutions – including earning more
- Knowing who to ask for further help

4. The pilot programme

The Norwich course ran over two days, held a week apart on 12th and 19th March. Three trainers delivered the course, with a different pairing on each day in order to vary the style and offer different approaches. The course was interactive and participative, covering issues such as feelings and attitudes to money, understanding financial products and planning for personal finance. Participants were given a bag of free gifts including a calculator, a book in which to do their financial planning and some chocolate money. The days ran from 10.00am to 2.30 pm. An outline of the course programme is attached as Appendix 1. Childcare, travel costs and other out of pocket expenses were paid to participants. These were paid in cash on the day.

11 women attended day one of the programme and a further 7 attended day two. In total 18 women attended the programme. It had been agreed in advance that it was not absolutely essential that all participants attended both days and we allowed a small number of participants who were not able to come on the first day to attend day two only. In retrospect, this was a mistake. This is reflected in the comments some participants made on the evaluation forms¹⁵. The participants on day one were given a voucher, promising that it could be redeemed for five pounds if they attended day two as well.

¹⁵ Going over the same info as last week. Felt this session repeated too much all ready covered in last week's session

5. Qualitative feedback from the course participants

The following are comments given by participants on the feedback forms

What did you find the most useful and why?

- Understanding interest rates. Shocking.
- APR and total costs of loans, because I could save a lot by planning and researching.
- Learning about interest and borrowing, so I know for the future
- Looking at emotional effect of spending. Will help me to look at other ways to get emotional needs met.
- Suggestion of using a spending diary, because I really need that and think it will be helpful
- All of it. Opens your mind to what's going on in the world

Any other comments?

- Learning about new websites and where to go for help and support
- Good to meet with other women and share ideas
- Very good course. Food excellent. It's not just what I learned that is valuable but I feel I've changed my mindset/attitude and feel much more optimistic about financial future.

The comments made by participants show that they gained both practical information and that their attitudes had been changed as a result of the course: the trainers had challenged them and given them confidence in their ability to take control of their finances.

6. External evaluation – summary of findings

WEETU commissioned an external evaluation of the pilot and the participants were interviewed shortly after completing the course. This is a summary of the evaluator's report, a full version of which can be found on WEETU's website.

Background

1. The women who attended the course were from a varied demographic and financial background.
2. Women who were financially solvent came on the course to learn how to make their money go further and women who were in financial difficulty wanted help and ways to prevent their situation occurring again.
3. The women had received no formal training on their personal finances before the course and felt they would have benefitted from the course many years before.

The course

4. All the women rated the course format and content highly and had mostly positive comments.

5. Some felt the course was too basic for them and was better targeted at women in financial difficulty.
6. The 'two day over two weeks' format was welcomed, yet a few felt that the course was rushed and would have liked more detail.
7. The women were very complimentary about the course exercises and felt that they made them face up to their financial situation and improve it. Exercises of particular note were the spending diary, good and bad borrowing and interest rates.
8. The handouts were rated as excellent by most with many commenting that they had found the information about websites to be most useful.
9. The women stated that the session delivery was of a high standard because the trainers demonstrated a good dynamic, were personal and humorous.
10. Many of the women preferred it being female only as they believed they would have been intimidated by men being present and no one actively wanted men to attend the course.
11. The women appreciated there being a wide variety of women as they found it reassuring that everyone, regardless of background, had the same concerns.
12. The women found the venue very inviting and enjoyable resulting in them feeling valued and eager to learn.
13. Some women, probably those most in need, would not have been able to attend if their expenses had not been paid.

Outcomes

14. The women's knowledge of financial matters and products improved as a result of the course.
15. All the women had developed a greater awareness of their spending and were able to control it better.
16. The women understood their emotions around money and had learnt ways to manage their feelings of guilt, stress and despair felt due to money.
17. There were several hard outcomes where women had taken direct action to improve their situation e.g. consolidation, opening ISAs, writing wills.

Findings

The women's financial background

The women's demographic background was quite varied and their financial background was wide-ranging too with the women having differing levels of debt and savings. Half of the interview sample had mortgages and half of the sample was in employment. Those who were working were more likely to have mortgages.

The women fell into 3 different groups depending on their financial situation. The first of these groups were the 'savers'. These women had no debt, or if they had debt it was in the form of a mortgage or a credit card which they paid off every month. They were putting money by for a holiday or for their children's future. They had developed a frugal attitude towards money owing either to previous bad experience with debt or because they had learnt to save and watch their spending from their parents:

- *'I have no other debts apart from my mortgage'*

The second group of women who attended the course had 'managed debt'. These women had mortgages or they had loans and credit cards, but felt that they were in control of these and were able to pay each month. They did not feel they had borrowed more than they could afford to pay back:

- *'Each month I try and find ways I can cut back... I have a couple of credit cards and they are coming down... if I could afford to pay a bit extra off I would'*

The third group of women who attended the course had 'critical debt'. These women had got into financial difficulty with credit cards, loans, bills or rent, and had to seek help to reduce the payments. A couple of the women had been visited by bailiffs and one woman had even declared herself bankrupt. The women admitted they were naïve when it came to money and two had been left with ex-partner's debts. A couple also felt humiliated by their debts. These women were motivated to attend the course with the hope of receiving help for their situation. They wanted to develop a strategy to tackle their financial situation and learn about ways to avoid getting into critical debt again:

- *'I had some credit cards, and they were quite bad, I wasn't keeping up with the payments. I don't know how I incurred the debt in the first place, you don't know how you do it, at the time you don't notice...It's embarrassing, humiliating and there's a sense of foreboding fear... People judge you, people assume that you are lazy and you deserve to be where you are.'*

Emotional relationship with money

The course introduced the idea that people have emotional relationships with money. The women recognised this and all had examples where they had spent money in order to satisfy an emotional need, while at the same time

spending money had emotional consequences for them. Women with children stated that they felt under pressure from their children:

- *'At times I do feel under pressure from the children; "can we have this? Can we have this?'"*

Others put pressure on themselves to buy their children toys and clothes when really they couldn't afford it:

- *'The reason I got in debt is cause I wanted to buy my little boy the best things. Like that was his birthday and I borrowed £200 and just wasted it on things he didn't need, I'd buy him too much, like I can't afford to buy him stuff but I do... That's cause I had everything and I don't want him to miss out.'*

Guilt was an emotion the women felt was strongly related to their finances and spending, especially relating to spending on themselves. Many stated that they bought items to raise their mood, however the effect would only last temporarily resulting in guilt, especially if they had spent money on themselves rather than their children:

- *'I do tend to want to spend extra if I've got it on my kids, cause I want to make them happy... I feel guilty sometimes cause I can't afford it and then I feel angry because the fact I can't afford it, and it's not always very nice admitting that you can't afford things'*

Being in debt and not being in control of finances impacted in other emotional ways on the women. Some said that their financial situation had at times made them depressed and despairing of their situation. A couple of women said that this had an impact on their partner or children:

- *'I would get a bit stressed out at it all and he would get the brunt of it.'*
- *'I'm not sleeping very well because of the debt.'*

Many of the women stated that the course had made them aware of their emotional relationship with money and had caused them to break their emotional pattern or develop ways to manage it.

The course format

All the women who were interviewed commented that they liked the format and felt that it was well designed:

- *'It was a good day and it wasn't too heavy which I liked... it was so interactive the course, people were so enthusiastic to share things... I was sorry when it finished actually cause I was having such a good time... I think it is a very good course, it covered a lot of ground, it either informed them or increased their confidence like it did for me'*

- *‘What a good course it was and a positive feel. It was very practical, it empowered people. I’m not wealthy and it’s quite liberating admitting that you haven’t got a lot of money and that people have made mistakes. It made me feel not such a twerp’*

Although most of the women spoke very highly of the course format there were a couple of points of concern raised. Some of the women who were in the ‘saver group’ and ‘managed debt’ group felt that the course was a little basic as they had a fairly good grasp of saving money and financial products.

The course was very wide ranging and covered a lot of information about different financial aspects. Most of the women found the pace of the course and the information given was set at the right pace or a little basic as previously described, however some found that the pace was too quick and didn’t cover information in enough detail:

- *‘There was a lot to take in, there were a lot of things at the time that I thought oh god I’ve never heard of that, there was a lot, so I think that would have been better if it had gone on for another week, cause the second week that was crammed in a bit. They were trying to rush and get on to the next thing, I did put my hand up, but they said “can we get on” so I didn’t really have a chance to ask.’*

The course content

Nearly all the women had praise for all aspects of the course, and there were some exercises which came up a few times in the interviews as being particularly useful or interesting.

Name game. One of these was the name game used at the start of the course as a way of introducing the women and remembering names. A few of the women highlighted this as being a fun and enjoyable part of the course and that it functioned as a successful icebreaker:

- *‘That was really good what Caroline got us to do at the beginning when she got us to say our name and do something to represent our name with the first letter and to do with money, that was easy to remember about 20 people’s names, but yeah, that was really good.’*
- *‘The one where you learnt each others names was really good, I liked that... it was less formal, it was fun’*

Good and bad credit. Another key section of the course the women mentioned was learning about good and bad credit. They spoke about understanding that it was ok to be in some debt if necessary and they could pay it back. The women also felt more informed about the different financial services available and which companies and products to avoid:

- *‘Good and bad credit definitely, I think it is so deceiving if you are in a big mess financially to join one of these things you see on the television who have people fronting them who you think would be honourable people... They [the trainers] used a washing machine and showed you the cost if you bought it on credit and if you bought it outright, they showed you all the different options which you normally put together, that you would be paying that this much more for the same product. It was so focused you could actually see it.’*
- *‘They were saying that there’s good debt and there’s bad debt, it did make me feel more comfortable that if I did need to, it’s not a big problem if I’m in debt by a few hundred pounds. I did used to feel out of control if I had debt, but now I know as long as I can pay it’s ok.’*

Interest rates. Many of the women commented that they found the information given about interest rates particularly useful as they did not fully understand what the different terms and rates meant before the course. They spoke about being shocked at the amount of money they would have to pay back and didn’t realise what they had been taking out and paying back in the past. The women stated that learning about the interest rates had made them think twice about taking out credit in the future:

- *‘Learning how to work out APRs, so when people do knock on the door I can work out how much I will pay them back... before I was just like I’ll take the money and pay them back later and not think about it.. but now I’d think I don’t want to pay that much back and I wouldn’t do it.’*
- *‘That taught me that credit cards aren’t very good, I used to think they are good, but you end up spending more’.*
- *‘That opened your eyes, the different interest rates and how they work, it made you realise that when you take something on for ten years you think your paying less each month, but then it works out that you’re paying more in interest’*

Top ten tips. A couple of women found the group exercise where they had to come up with tips for saving money very useful. They thought the tips were another way of making their money go further for them:

- *‘On the second day we did an exercise where we had to come up with ten tips about saving money, but by that time it was a bit pushed, but I would have liked to hear more of those real tips that you can put into practise. It put you in a mindset where you could think where I can chip bits off.’*

Value of items. Some of the women highlighted that learning about the value of items was a useful exercise because it brought to the forefront how much things cost and where they could save:

- *'I thought the one about the costings was really good, they'd bought things from various shops, you had to guess the values, and how much it costs to, say, get a window mended and that sort of thing.. Just made people think again about where you get your tradesmen from and that sort of thing.'*
- *'The one with the prices, that was a visual thing, instead of her just standing there talking, cause people learnt differently don't they.'*

Spending diary. The women were asked to keep a record of everything they spent in between the two sessions, including writing the emotions they experienced around spending it. The vast majority of the women commented that the spending diary had been a very useful exercise and a good piece of homework. Some had found the exercise reassuring as it showed them that they were actually careful with their money, and increased their self-esteem around their spending:

- *'I did realise after I did the spending diary that I'm actually quite good, I don't spend money if I haven't got it... The spending diary was probably the most useful thing just because it got you to realise that you put emotions towards when you spend money. I found it quite insightful to find out where I spend my money.'*
- *'I did find the spending diary quite useful, I mean it didn't blow me away, it didn't show me that I spend more money than I thought or anything. In fact I was quite pleased with it, but it was nice to know how much I do spend on shopping for instance, cause before I just used to guess and say, well I spend at £50, and I found out I spend about £60 so it wasn't too bad.'*

On the other hand, some of the women found that the diary highlighted their emotional spending patterns and had made them face up to unnecessary spending:

- *'What I liked was writing it out and working it out and seeing those figures and having to face up to what was happening. That was something that I hadn't worked out, I hadn't done the sums I hadn't worked it out on paper and looked at what I was doing, it certainly made me look at the emotional side of it. I mean I did look at a cardigan that was half price and I really sort of wanted it and I thought walk away and if I still want it in five minutes get it, but rationalising it and I didn't buy it in the end. I felt sensible and more in control.'*

Mortgages. Some of the women found the discussion on mortgages interesting. Even though some of these women did not have one presently, they thought the information would be useful for the future:

- *'I haven't got a mortgage or anything and people were talking about retirement and stuff, and I thought it doesn't really apply to me, but then I thought I've got to start thinking about the future.'*
- *'Not all of it was relevant but I still found it interesting. Like mortgages, I don't have a mortgage, but they covered it and I thought well I could possibly do that. Now if I do get one I'll know about them which is quite cool.'*
- *'They were talking about mortgages and how much you paid interest, that sort of thing, it's a big commitment.
I: Did you know about that beforehand?
Not really, not sort of fully, I knew that you had to have a mortgage over 25 years, but I weren't sure on interest rates and how much you are really paying back.'*

Handouts. Table 1 shows that all the women had a positive opinion of the quality of the handouts provided at the training sessions with the majority rating them as excellent on the evaluation forms.

Session delivery	Training session	Poor	Average	Good	Excellent	Total
Quality of handouts	1	0	0	31%	69%	13
	2	0	0	44%	56%	16

Table 1: the course attendees' opinion on the quality of the handouts

This positive opinion was also reflected in the interview comments. All the women thought the handouts were informative and had kept them for future reference. They liked the fact that they corresponded to the course content as it meant that if there was something they didn't understand they could re-read the information:

- *'I found the handouts really, really helpful actually, even though they did cover everything in the handouts, it meant that if I'd missed something it meant that I could go back to them.'*
- *'They're useful to have, at the time you don't take it all in, but they are maybe something to refer to in the future. I've got those handouts now and I could look at them in the future for a number or something, that I can contact them or something. I think they were the right amount of handouts.'*

Session delivery

Table 2 shows that all the women had either a good or excellent perception of the quality of help they received from the trainers, the quality of their presentation and their subject knowledge. The only factor which two of the women who completed the evaluation form felt to be average was the quality of the presentation on the second session. Indeed, the second session was

rated slightly lower than the first day on presentation, but it was still rated positively overall and the difference in rating was not large.

Session delivery	Training session	Poor	Average	Good	Excellent	Total
Quality of help with questions asked	1	0	0	46%	54%	13
	2	0	0	62%	38%	16
Quality of the presentation	1	0	0	38%	62%	13
	2	0	13%	37%	50%	16
Subject knowledge of the trainer	1	0	0	23%	77%	13
	2	0	0	44%	56%	16

Table 2: course attendee's opinion of the session delivery

- *'The leaders themselves were quite knowledgeable. It was brilliant, it was personal, it wasn't "oh you do this" it was actually "I did this and it didn't work". It was very personal, it was good'*

The women also commented that the trainers were approachable, made time for them and answered their questions:

- *'The ladies who taught it were quite nice cause they made time within the breaks to talk to us all. You could ask them things.'*
- *'They spoke to you on your level. I couldn't fault the trainers'*
- *'They injected a lot of humour into it and brought it down to your everyday life.'*

The course environment

The women appeared to be split between those who were glad that only women could attend the sessions and those who were indifferent to it being women only. However, none of the women stated that they would have preferred the course if men could attend. Those that preferred just women stated that they felt more comfortable discussing their finances with only women. They felt that men would dominate the discussion and be intimidating. A women only environment was thought to be more conducive to learning:

- *'Definitely, I think you become more confident and you find yourself more at ease with just women, cause, you know men try and outsmart women, I think you feel at ease more with your own sex.'*
- *'Sometimes men can be a bit, you know, intimidating, even a bit undermining sometimes, can't they? But when it's all women together you feel more comfortable.'*
- *'I think it did make a difference, because it is a lot easier to talk in a group of women rather than a mixed group, a lot of women tend to feel a little bit intimidated and they tend not to say quite as much or be as*

open with things. It made it a bit more comfy and you could have a girlie chat and stuff.'

- *'Because like minds, women think a certain way, different from men, you know what I mean and you wouldn't have been able to approach a male mind the same, even if it was the same format, the same handouts everything. It would have changed the whole atmosphere.'*

As discussed above, a variety of women attended the course from a range of different financial backgrounds. Many of the women talked about this as being reassuring because it reinforced that they were managing their finances well:

- *'I think I felt a little bit pleased with myself that I'd been doing ok. Meeting other people reassured me, I'm not basing it on particular people and their problems, you know the way they discussed their information, a lot of things I thought well I haven't got that, I don't think I have a problem with over spending.'*

Other women found it reassuring that there were a variety of people on the course because they realised that even people who were better off still needed assistance with their money and could improve their financial situation:

- *'It was good meeting other people, and talking to other people and that. There were people there who came across as having a better lifestyle than me, and then there was a women there who's got kids and was struggling, but we were all in the same boat on the course.'*
- *'I enjoyed being there and chatting with other women.'*

Many of the women commented on the standard of the lunch provided and felt this, along with the pleasant venue, added to their experience and made it enjoyable:

- *'I liked it, it's easy, it's accessible, I liked it, it was fine. The food was really nice.'*
- *'Brilliant, lovely venue, it's a pleasure to go there'*
- *'[The venue was] really nice, really surprised. I wasn't expecting to get fed, I though ok a cheese sandwich, but there were bhajis, things on sticks, I thought wow!'*
- *'It felt very business like, lets get down to it, lets find a solution'*
- *'It's lovely, really nice place, it's really nice and warm and comforting.'*

Some of the women commented that they would not have been able to attend the course if there had not been the offer of travel expenses and child care

costs. This was especially relevant to those on lower incomes and those with critical debt (arguably the women more in need of the course):

- *'They paid my travel, I don't think I would have been able to have went if they didn't, you know, cause when you're on benefits that's a lot of money.'*
- *'Probably not, cause I did have to make extra arrangements for child care, so if it hadn't been for that I wouldn't have done [attended the course], cause I don't have £10 for child care, so I wouldn't have done.'*

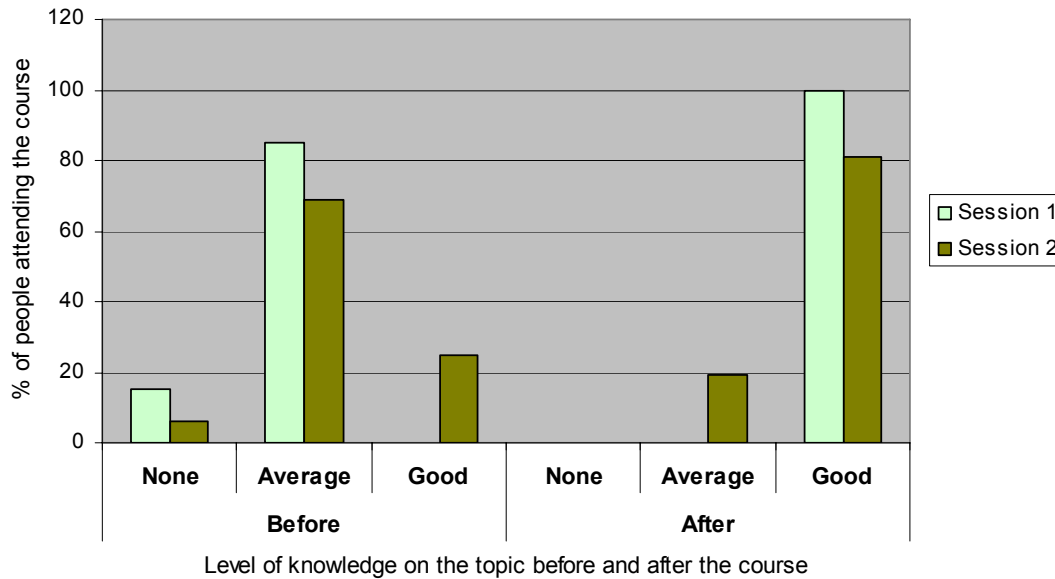
However many of the women either didn't take up the offer of the travel or child care because they felt it the cost was nominal to them or they did not expect it, although they thought the offer was a nice touch:

- *'I probably would have still gone on the course cause I've been on courses before when I've had to pay for my travel, but it's nice that they do.'*

The women felt the overall experience of the course environment was of good quality. Being confident about speaking with other women, in a comfortable and modern environment with lunch and expenses provided made the women feel valued by WEETU and raised their mood and eagerness to learn.

Course outcomes

Figure 3 shows the women's level of knowledge about 'pennies, pounds and plastic' before and after each session. The majority of women had rated their knowledge as average before session 1 (85%, 11) and session 2 (69%, 11). After the course the vast majority of women rated their knowledge as good for session 1 (100%, 13) and session 2 (80%, 13). It of note that most of the women who completed an evaluation form increased their level of knowledge for each session (session 1 100% 13, session 2 81% 13).



Attitudinal outcomes

All the women interviewed stated that their attitude towards money had changed since they had attended the course. Even the women who felt that the course was too basic for them still thought the course had affected them positively. Most women stated that the exercises had brought the way they managed money to their attention, developing more awareness of what they were spending money on and why. They felt that they had more control over their money because they were monitoring what they were spending it on:

- *'It did make me realise that I have to knuckle down a bit. I used to spend a lot, but now I know I don't need to spend quite that much money. The course has made me focus on it a bit more.'*
- *'It made me think a lot more about what I'm gonna buy before I buy it, I now look at where I could get the cheapest one from, rather than think oh I need that, I'll just go and get it.'*
- *'If I got money I would spend it on crap, it would be crap that I wanted, but I now think a bit more about whether I genuinely need it and I appreciate it more.'*
- *'Don't spend on things you don't need, I don't even go into catalogues any more.'*
- *'I'm definitely more aware of it, now it's no longer a matter of "what the hell", it's more of a matter of "why am I buying this? Do I need to?" Keeping track of it cause the pennies matter. I've got control of myself, I'm more confident.'*
- *'Thinking more and being aware of how you spend it and what you spend it on.'*

Many of the women had changed their *spending habits* as a result of the course and were budgeting and saving more. They were thinking twice about impulse purchases and shopping around for the best option. The women stated that they were thinking about the long-term:

- *'Now if I did get money from somewhere, if I got a loan, now I would spend it more wisely, I wouldn't just waste it on a pair of shoes... If I do get money I am a lot more careful with it, I don't just waste it as easily now, and I realise that I save more as well, and if I can buy cheaper things I will.'*
- *'With children, they don't need the best toys they can have second hand stuff, things from charity shops, things on Ebay. I've found good stuff on there about half the price than in the shops.'*
- *'If I do get money for shopping I try and keep a little bit back to save up for things, like I've started to save for my little boy's birthday, but people say you've got a couple of months yet, but if I did wait to the last minute I'd only have twenty, thirty pounds to get him something with, so I need to start now, and when it is his birthday and he wakes up I will feel chuffed.'*

Many of the women had developed control over spending money on trivial items and food, whereas before the course they had a flippant attitude towards money and felt that they wasted small amounts:

- *'Watching the pennies more, going to the shops less, buy just what you want that sort of thing... although a coffee is lovely you can go without'*
- *'I tend to shop once a month and then buy fresh stuff when I need it and now I'm starting to think ok I could allow myself so much for meat, so much for fish, so much for fresh food, so much for extra to pay the bills. I've restructured my budget.'*

Some of the women believed that they were much more educated about different financial products, interest rates and agreements than before the course. They expressed that they would be more informed when buying items and financial products and thought they would consider all the options available:

- *'Never ever get a loan from or any of those companies. Also just to be really aware when you're buying a washing machine or anything like that, cause before my attitude was, well I'll buy a guarantee cause I'd think that washing machine will last me five years cause I've got a guarantee on it, but now I don't think I'd take the guarantee and may just buy not such an expensive one. I'm gonna be a bit more wary when I'm buying everyday household items.'*
- *'I think I've looked at how I can save, for example I'm going to buy a TV instead of renting one. When the insurance is due on the washing*

machine then I think do I really need it? And when the car insurance is due I think I don't have to stay with the same, I can shop around.'

A couple of women also commented that they felt that as a result of the course they now knew who to talk to if they needed financial help and that they didn't need to cope with it alone:

- *'Being able to know that if you have got problems there are people who can help, the course made me realise that if you did feel like you were struggling I would know where to go for help.'*

Emotional outcomes

The women's emotional relationship with money was discussed, with many women feeling guilty around spending or not spending, feeling pressurised by children and peers and feeling stressed or depressed by their financial situation. Many of the women stated that the course had made them aware of their emotional relationship with money and had empowered them to break this relationship. One group of women for whom this was most prominent was the mothers who attended the course who had previously felt under pressure from their children or themselves to buy their children what they wanted or top end items. They talked about being able to say no to their children now without feeling guilty because their situation had been put into perspective:

- *'I'll save money now, like the women said to me just because your little boy wants something it doesn't mean that he has to have it, I now know that even people with loads of money don't buy their kids everything.'*
- *'Now when I go shopping and the kids want something I can say no you've had enough this week without feeling guilty.'*

They also recognised that saying no to their children did not make them a "bad" parent, but could actually benefit their children by teaching them the value of money:

- *'They're not getting as much, they probably wish I'd never gone on the course, cause I think twice before I buy them anything now, I used to think "oh he'll like that" but now I think "does he need that?" They're definitely not getting as much as they did. Now they're not so spoilt, I think they'll appreciate things a bit more when they do get them.'*

A couple of women commented that as a result of the course it was also fine to say no to friends and family and not feel that they had to join in with everything. They understood that the benefit of saving face was not worth the cost of the debt:

- *'It affirms you and strengthens you to be able to say no I can't afford that. They said you have to be honest and say I cannot afford it and I cannot afford to go into debt for it. They said just tell everyone that you can't do it. It's given me confidence to say no'*

Women with children also commented that did not feel so guilty treating themselves rather than their children, because they had received reassurance on the course:

- *'I think it [course] helped with confidence and not feeling guilty if you do treat yourself.'*

Others who had been very frugal in the past realised from the assurances on the course that it was healthy to treat themselves every now and then. These women realised that money should not control them by making them afraid of spending a bit more, but they should be in control of it and use it to make them happy:

- *'They said on the course that some elderly people had been saving all their lives for a rainy day but that never came and they died leaving all this money, so do spend a little, treat yourself, don't feel bad... as long as your bills are paid for then treat yourself or treat your family.'*

On the other hand, women who had problems with impulse spending in the past felt that as a result of the course they could now control their impulses more and recognise when they were spending to cheer themselves up. They felt that the training sessions had given good advice on how to manage this and control their spending:

- *'If you want to buy something to make you happy, make it small, small and cheap, cause it's just to purchase that makes you happy, rather than the item'*
- *'That was the most important thing I got out of the course was acknowledging the emotional link to spending, but it wasn't you can't feel like that, but how can you satisfy it in a cheaper way.'*

The course had given those women who had past difficulties confidence in how they approached their finances and hope for the future, rather than feeling guilt-ridden and anxious:

- *'The course made me confident in the way I manage my money, and that I am doing ok... not to keep questioning myself and that it is the cost of living that is rising not me... I can get rid of the emotional side, it definitely taught me that I can look at my own money coldly, if you know what I mean, I can detach myself from the anxiety of debt... I'm feeling more positive. I need to logical, that's definitely what I'll remember [from the course].'*

A couple of the women even stated that their families had noticed the change in their mood and that they had become more positive about money and life generally because of the course and the action they had taken as a result of it:

- *'He's seen a difference in me, I'm a lot happier.'*

- *'I walked out of the bank thinking I've done something positive. I'm gaining a respect for money. That came across on the course that if you don't have respect for it then you won't understand it. If something is a necessary you need to respect. The course made me proactive'*

A couple of women commented that the course had made them appreciate their partners more because they were either the main wage earner or they were the ones who managed the finances. The course had opened up a dialogue between the women and their partners about their financial situation:

- *'I feel a bit guilty that I'm not the one earning it, I can be blasé with money because I haven't earned it, the course highlighted for me that I'm a little bit detached where money's concerned. I feel guilty in some respects, but then I find it easy to spend it... My husband has always been very thrifty so in some respects it [the course] made me more sympathetic to his attitude... hearing that other people have that attitude as well, for me it was good to hear'*
- *'Because my partner has most control of the finances because it's easier, I sometimes think "well could he do it better?" but that [the course] made me appreciate him. Instead of talking to him about money and feeling tense, we can kind of talk easier.'*

Behavioural outcomes

Many of the women had taken action to change an aspect of their financial management by taking out, for example, an ISA, consolidating finances or changing bank accounts. The women claimed these hard outcomes were as a result of prompting on the course and if they hadn't have attended the training they probably would have not undertaken them. The outcomes are listed below

Joined skill swapping website

- *'She mentioned the LETS site. It's an organisation where no money's involved, you just trade skills [explains LETS further] and I've joined the membership thing on it. I think it will come in really handy cause you waste so much money it will be a good thing to have, and I thought I'll join that. I would never have even known about it if they hadn't have mentioned it. I think it's really good.'*

Consolidated credit cards into bank loan at cheaper interest rate

- *'I've consolidated all my loans so I only have one APR, cause what I was paying before, I think I was paying something like two hundred and fifty pounds back a month and now I've got it down to one hundred and thirty.... Cause before I had a thousand on a bank loan, a thousand on my overdraft, and a thousand on my credit card and I wasn't facing up to it, but the course really helped me to think right I've got to do something about it.'*

Four women opened an ISA and started saving

- *'As a result of the course I am saving up a lot more money than I thought I would initially, the money I pay into my loan once that's paid off I'm going to save the same amount in an ISA each month.'*
- *'Open savings account for the girls... ISA's are good'*
- *'The savings information was really useful, I've since opened up an ISA, it pushed me to do it. Before I kept procrastinating, but after the course I thought I'm going to do this. Even if you're putting a little bit away it is a little bit more than you had before.'*

Paid off credit card before interest increased

- *'I had been making the minimum payment and the 0% finished this month and I managed to pay the balance off cause I realised that, that was one thing from the course that I was going to be really stung really badly if I kept it going past the first year of it being 0%.'*

Cancelled direct debits for services didn't use

- *'It prompted me to cancel the direct debit for the gym I had that I never use, stuff like that.'*

Changed bank accounts for better interest rates

- *'We've got a granddaughter and we opened an account when she was little and we put a bit away for her at birthdays and Christmas. We've had the same account since she was born and I looked at it and thought this is ridiculous, now I think I'll look at it once a year and chop and change it to get the best rate. The course has made me think about that whereas before I didn't.'*

Written a will

- *'The topic of wills came up and they were saying that if you didn't get one your estate could go to probate and you could actually lose some of it which I hadn't realised, and we hadn't made a will, and it alerted me to that fact. I will go ahead and write my own will.'*

7. Reflections on the pilot course

A final steering group meeting was held to review the course following its delivery and to plan what the partners would seek to do next.

There had been some concern that women who booked for the course might not turn up, or might not return for the second day as this is a really difficult subject for many people to address. Incentives had been created such as gift bags and a voucher to redeem for five pounds at the second session. The

participants really liked the spending diary and the packs had a good balance of fun things such as chocolate money and shiny notebooks with details about how to calculate compound interest rates. However, the trainers thought that, although these elements were good to have, if people hadn't wanted to attend the second day then they wouldn't have come, irrespective of the 'freebies'.

Profile of the group

There was a good mix of people - those with real and current problems with their finances, people working part time, some people living on nothing – it was definitely the group of women that the course had been designed to attract. All of them talked about their children coming home from school and asking for £2 for this or that and how difficult it was. Some were at, or close to, retirement and there seemed to be some middle class women who were ostensibly comfortably off but who were also experiencing financial problems. Not much of the programme dealt with specialist issues so it did not point out the differences between them (to go into more detail would have required one to one advice sessions).

One of the steering group members knew one of the participants and was amazed to hear that this woman had been asked to talk about an issue of which she had some knowledge and give a short presentation to the group. She had done it, whereas she is apparently normally very reluctant to do this kind of thing.

The take-up of travel and childcare expenses was good – approximately £180 was spent per day. This was a good selling point.

The participants liked the fact that the course was for women only.

Having new people on day two didn't work – newcomers repeated the questions that had been dealt with on day one and this caused some irritation to the women who had attended day one. The syllabus worked on day two but the group dynamic did not.

Other issues

Many of the participants stated their intention of going on other WEETU courses.

They also liked the venue and thought that coming on the course was a 'treat' and worth something.

The key point for the participants was that the course was about taking control of your money.

Future actions

The pilot course was extremely successful. WEETU aims to develop the programme further and we are also keen to develop a programme for young people. The course content, recruitment and management will all be improved as a result of delivering the pilot. Some participants have now joined WEETU's business start up course 'Is Enterprise for Me?' and the trainer has reported that they seem confident when planning their finances for business.

WEETU is currently negotiating for some commercial sponsorship to roll out this programme and is planning to work with our project partners to deliver financial capability programmes in future. For details, see www.weetu.org

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April 2008

Project partners

Sharon Rule – freelance finance trainer, delivers part of the Full Circle programme and is currently contracted to deliver WEETU’s pensions support programme as funded by the DWP

Deb Henry – book keeper and finance trainer, previously loans officer for WEETU

Freda Sheehy - Health First project in Norwich and West Norwich Credit Union

Tansy Miller CAB – stakeholder manager, currently on secondment to DWP researching financial inclusion

Caroline Forbes – former staff member of WEETU with extensive experience of delivering the Full Circle programme and currently working as a freelance trainer delivering the programme in Norfolk and providing enterprise support to disadvantaged young people in East London.

The group was facilitated by Nicky Stevenson of The Guild, one of WEETU’s acting managers at the time the project was developed and WEETU staff attended some of the meetings and provided administrative and marketing support.