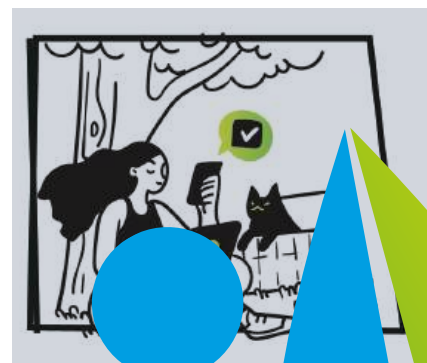
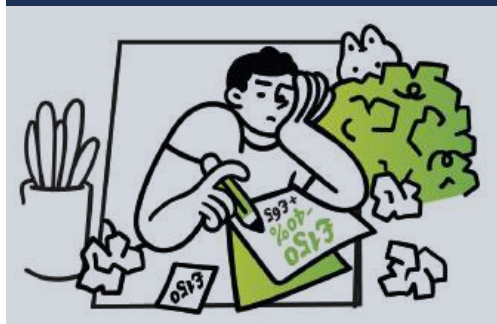


JAN – DEC 2022



Legacy evaluation of **money sorted** in D2N2

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Executive summary

- This legacy evaluation report has been designed to present details of the key learning from the Money Sorted project, which operated from 2017 to 2023 and officially concluded on 31st March 2023.
- The Money Sorted project was designed to assist economically inactive and unemployed individuals at risk of financial exclusion residing across Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2).
- The project was designed to improve the financial capability and financial wellbeing of participants and move them closer to the labour market.
- The project was part of the Building Better Opportunities (BBO) programme, which was jointly funded by the European Social Fund and the National Lottery Community Fund.
- Three Building Better Opportunities strands operated across D2N2 during this time. In addition to Money Sorted, a multiple-and-complex-needs strand (Opportunity and Change) was led by Framework Housing Association and an employability strand (Towards Work) was led by Groundwork Greater Nottingham. All three lead organisations worked together as part of the People First Alliance (PFA).
- The project was delivered through a network of Personal Navigators. Each Navigator worked with their participants to create an individually tailored action plan known as a Personal Financial Resilience Plan (PFRP).
- Over the course of the project, 3,627 participants were supported. 53.5% of these were classed as unemployed and 46.5% were classed as economically inactive, including those in education or training.
- Significant numbers of participants were socially isolated and struggling to sustain their mental wellbeing. 26.8% lived in a single-adult household and 64.2% considered themselves to have a life-limiting or long-term health condition – this included participants who faced day-to-day struggles with anxiety, depression and stress in response to unresolved financial difficulties.
- The average participant spent 267 days or nine months on the programme. 25% of participants spent longer than one year on the programme.
- The project has worked hard to deliver person-centred, individualised support. This has often involved the use of a participant budget to help people move forward, and over £130,000 has been spent on participant budgets to meet 2,642 individual needs. This has been crucial in removing barriers and building relationships with participants.
- The average participant had accrued £5,000 debt at the point of access onto the programme. The project worked with a total debt caseload more than £10,000,000 over its lifespan. 495 Debt Relief Orders (DROs) were secured during the project to help alleviate over £5,000,000 of debt.
- 98.8% of participants developed a Personal Financial Resilience Plan (PFRP) to help them address specific financial difficulties and develop new skills.
- At the point of exit from the project, 69.1% of participants had achieved a measurable increase in household income and reduction in debt. 62% of participants had increased income for spending in local shops and businesses.
- From 2020 onwards, the programme operated in the context of the significant economic and social instability associated with the coronavirus pandemic, which in 2022 gave way to an emerging cost of living crisis.
- Over the period 2017–2023 the project enhanced its ability to support participants to achieve employment outcomes. By 2021–2023, 47% of participants exiting the project had achieved some form of employment outcome.
- Key learning from the project has been documented in the ‘Principles for commissioning’ section of this evaluation. This section of the report is designed to help decision makers and commissioners consider how future financial wellbeing projects might be structured.
- The key learning includes reflections on the need for holistic and non-judgemental support to be carried out over extended periods of time. Equally important is the need for services to be effective at navigating individuals through a myriad of welfare rights, debt advice and employability issues.
- The specific issues affecting participants were often multi-faceted, including access to advice on debt, fuel poverty, health and wellbeing and employability. Four specific ‘Focus on’ features within this evaluation explain more about these issues.
- The wider evidence from delivery of the project revealed that a variety of systemic issues and global events can also exert significant pressures on financial wellbeing. While these events can be unpredictable and uncontrollable, these issues often disproportionately affect the most vulnerable in society.
- In this respect, financial wellbeing represents a national agenda as presented in the UK Strategy for Financial Wellbeing developed by the Money and Pensions Service (2020).
- Persistent inequality and financial wellbeing issues should concern us all. While addressing these can be challenging, this legacy evaluation of the Money Sorted project reveals that it is indeed possible to enhance the financial wellbeing of people facing adverse financial circumstances.
- As the case studies within this evaluation illustrate, it is possible to deliver specialist support to individuals facing financial hardship in a way that builds hope, resilience and skills for the future. This learning represents the key legacy emerging from the Money Sorted project.



Introduction to the legacy evaluation of Money Sorted in D2N2

Welcome to the legacy evaluation of the Money Sorted project.

The Money Sorted project was established to support financially excluded people, including those furthest from the labour market, across the Derby, Derbyshire, Nottingham and Nottinghamshire areas (D2N2). The project operated over a six-year period from 2017 to 2023.

The project was part of the Building Better Opportunities (BBO) programme, which was match-funded by the European Social Fund and the National Lottery Community Fund.

Service delivery officially concluded on 31st March 2023.

This evaluation is designed to help commissioners, policy makers and practitioners interested in financial wellbeing of unemployed and economically inactive people understand the impact and key learning emanating from the project.

Although the project has now reached its conclusion, the demand for financial wellbeing support services is set to continue in the years ahead. While the Money Sorted project has exclusively focused on the financial wellbeing of unemployed and economically inactive participants, it is clear that financial wellbeing is an issue which affects us all.

So what is financial wellbeing? The UK Strategy for Financial Wellbeing defines it as follows:

‘Financial wellbeing is about feeling secure and in control. It is knowing that you can pay the bills today, can deal with the unexpected, and are on track for a healthy financial future. In short: confident and empowered.’

Source: UK Strategy for Financial Wellbeing (2020)



Good financial wellbeing is unlikely to happen by chance, and for this reason the Money Sorted project offered a package of person-centred support through a range of bespoke interventions designed to enable people experiencing financial difficulties to take control, build confidence and resilience, tackle their problems and move out of poverty and exclusion. These interventions were carried out by a team of dedicated professionals known as Personal Navigators (PNs). The PNs were employed by a variety of delivery partners based across the D2N2 area.

The project had an ultimate aim to help individuals not only improve their financial circumstances but, more importantly, enhance their financial capability, which in turn promoted their future financial wellbeing. Financial capability is defined as follows in the original Financial Capability Strategy for the UK:

‘Financial capability means improving people’s ability to manage money well, both day to day and through significant life events, and their ability to handle periods of financial difficulty. It will focus on developing people’s financial skills and knowledge, and improving their attitudes and motivation. This, combined with an inclusive financial system, can help people achieve the best possible financial wellbeing.’

Source: Financial Capability Strategy for the UK (2018)

Readers who would like to know more about the UK Strategy for Financial Wellbeing should consult the Money and Pensions Service (MaPS) website: <https://www.maps.org.uk/uk-strategy-for-financial-wellbeing/>

To help readers embrace the wide range of accumulated learning from the project, this evaluation has been set out in the following sections.

Section two provides a range of insights into the **profiles of participants** accessing the Money Sorted project to help readers understand the life circumstances and challenges affecting their financial wellbeing. Project statistics are complemented by a range of participant testimonials to illustrate the day-to-day impact of the financial challenges faced by individuals.

Section three provides details of the **key outcomes and achievements that the project has secured**. A range of project statistics are complemented by participant testimonials which typically express how the project has

improved both their financial wellbeing and day-to-day sense of mental wellbeing.

Section four provides details of the **key principles for commissioning projects designed to support the financial wellbeing of unemployed and economically inactive participants**. This section has been intentionally designed to help commissioners, policy makers, funders and providers consider the key issues and barriers that financial wellbeing projects must embrace in order to be effective. The section is based upon the accumulated learning from the past six years of Money Sorted service delivery.

To help readers understand the impact of the project, cartoons, case studies and special ‘focus on’ features have been designed to provide insights into the complex range of issues that affect participants.

The cartoons illustrate how wider systemic issues, technological developments and the financial literacy of participants often have an adverse impact on both their financial wellbeing and health and wellbeing. As in previous evaluation reports, the human impact of the project on participants is also featured through anonymised case studies. Each case study is designed to

highlight the diverse circumstances and individual journeys of participants through the project.

The ‘focus on’ features are designed to help readers understand some of the wider systemic issues that affect the financial wellbeing of participants. These features look at access to free debt advice, fuel poverty, digital inclusion and the provision of employment and employability support.

Section five provides some **concluding reflections on key learning** emanating from the project and why commissioners, policy makers and funders should continue to embrace this agenda.

Readers who would like to know more about the operation and impact of the Money Sorted project are encouraged to contact St Ann’s Advice Centre or the independent evaluators, ConnectMore Solutions.

Richard Hazledine
Independent Evaluator
ConnectMore Solutions



Nina’s story

When Nina accessed the Money Sorted service in March 2019 it was clear that she was very socially isolated and was struggling to function on a day-to-day basis. As an ex-offender Nina had never really developed the necessary knowledge and skills to manage her day-to-day financial affairs. As a result Nina had accrued significant debts and was continually struggling to find the money to pay all the incoming bills as they fell due.

These difficulties placed Nina in a cycle of recurring stress which added to a growing sense of anxiety and mental anguish. The continual financial firefighting meant that Nina lived with a growing sense of fear about the future to the extent that it became difficult to open the mail coming through the letterbox each day.

To help Nina move forward her Personal Navigator worked hard to gain her trust from the outset of the first meeting. Nina was reassured during the initial meetings that the service would work at a pace that she could cope with. Nina was supported to complete a budget planner to allow her to get a stronger understanding of her financial position. This approach was complemented by the development of a budget folder to log priority bills rather than risk losing the paperwork.

Nina’s Personal Navigator next supported Nina to look at her utility arrangements. A closer inspection of her gas and electricity providers revealed that Nina had regularly been switching providers and making erratic payments. Her Personal Navigator discussed the importance of searching for good deals online and then making payments in line with an agreed contract. Her Personal Navigator also looked at her

energy usage and provided advice on ways to reduce energy consumption for example not putting the heating on a timer and not having heating on during the night when she was sleeping.

A successful application was made to the Severn Trent Big Difference scheme to reduce water bills and a payment plan was established with the TV licencing authority. On-going negotiations with the local authority reached a conclusion when it was agreed that her council-tax debts would be cleared.

Throughout her time on the project Nina has been receptive to the support and guidance offered by her Personal Navigator and appreciated the opportunity to discuss her financial situation in her own home. In her own words Nina felt that

‘the home visits have been invaluable to me as I have anxiety and to have them at home has helped me so much. My Personal Navigator has been very lovely and understanding and listened to my concerns and the goals I wanted to achieve. This has made a big difference to me and has got me back on track and understanding where I need to be with payments’.

Since Nina completed the project she has been able to establish a savings account, something that would have looked unlikely at the start of the project. Through the consistent support of her Personal Navigator it has been possible for Nina to significantly reduce the stress that her finances were causing whilst at the same time equipping her with new financial skills and awareness for the future.



Focus On



Fuel poverty

Over the duration of the Money Sorted project it has become increasingly clear that more and more people in the UK are at risk of falling into fuel poverty. Fuel poverty is considered to be present when 10% or more of household income is spent on energy in the home.

In the context of spiralling utility prices across the UK and Europe, it is perhaps not surprising to learn that Money Sorted participants are struggling to pay their gas and electricity bills.

The situation is further compounded by the fact that many participants source their utilities from comparatively more expensive pre-payment meters, as one Personal Navigator observed:

‘All clients without exception are struggling to manage their gas and electricity bills. There is often a high level of pre-existing utility debt at point of sign-up due to poverty and the forthcoming increases in fuel costs will impact these clients very hard. Many are on pre-payment, which is already more expensive, and is always a variable tariff so these clients will be more adversely affected than those on fixed direct debit tariffs.’

Source: Personal Navigator, Money Sorted (2020)

The situation is further exacerbated during the winter by the poor thermal efficiency of the UK’s housing stock. Individuals living in homes with poor thermal efficiency are further exposed to energy price shocks. Office of National Statistics (ONS) data reveals that in the East Midlands, the median Energy Performance Certificate score is 66 on a scale of 0-100. This is only one point above the worst performing region, Yorkshire and Humber, which achieved

a score of 65 (ONS, 2022). This finding is consistent with feedback from Personal Navigators, who have worked with significant numbers of participants living in poor-quality housing stock that is poorly insulated and ventilated.

These findings are concerning, since wider research reveals the impact of cold homes on our health and wellbeing. This is something that has long been recognised by the Centre for Sustainable Energy:

‘Cold homes are bad for health. If you’re struggling to pay your heating bills and your home is cold and damp, your health may suffer.’

Source: Centre for Sustainable Energy (2023)

These factors are also problematic for individuals living in poverty with long-term health conditions. In these circumstances it is not difficult to see how rising energy prices, poor thermal efficiency and low-income issues have the potential to adversely affect the mental and physical wellbeing of individuals who are financially vulnerable.

These are long-term systemic challenges that ultimately require a strategic nationwide response if we are to see more people avoid the issue of fuel poverty. These are not issues that can be addressed without a coordinated and effectively resourced response, ideally backed by government and the energy providers. These issues are closely connected to a wider global response regarding the development of sustainable energy, and it can be expected that the challenge of fuel poverty will become increasingly apparent in the years ahead and that ongoing initiatives will be required to protect some of the most financially vulnerable people in society.



Understanding the profile of participants accessing the Money Sorted project

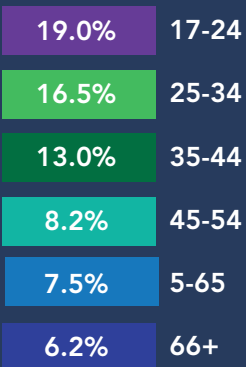
Over the past six years a diverse range of participants have accessed the Money Sorted project. This section of the report is designed to provide a greater insight into the circumstances of unemployed and economically inactive participants.

Project data has been utilised alongside qualitative feedback obtained from participants and professionals

involved with the project. The resulting compilation of statistics and observations is designed to provide insights into the circumstances, challenges and barriers facing participants as they manage their finances on a day-to-day basis.

The average participant is **41** years old.

Age profile of participants



27%
of participants
are aged
over 50.



57%
of participants
are female.



43%
of participants
are male.

'Significant numbers of participants do not have enough income to cover their living expenses. This typically leads to a reliance on some form of credit.'

Source: Personal Navigator



15.9%

of participants are from ethnic minorities.

'I now know how important it is to live on a budget and know how important it is to manage money. This should be taught at school, it is crucial that it is taught from a young age.'

Source: Money Sorted participant



53.5%

of participants are classed as unemployed.



8.5%

of participants have no formal qualifications.

'I am having to borrow from friends who are fortunate enough to help. I fear that I won't be able to pay for car MOT or service which will affect me working and subsequently affect my self-esteem and independence and reduce my income even more so. I am concerned and fearful of how this will continue and just getting by each day, but remain hopeful and grateful for what I have.'

Source: Money Sorted participant

For **24%** of participants, their highest level of educational attainment is equivalent to a lower secondary school education.



For **44%** of participants, their highest level of educational attainment is equivalent to an upper secondary education (NVQ level 2, GCSE, CSE).



46.5%

of participants are classed as economically inactive, including not in education or training.

'My bus fare keeps rising as well so it gets harder to afford to get to my courses as more work piles on, but I want to do these courses, so I just walk, which I don't mind some days, but on days where I struggle with mobility I don't have much choice to walk even if I'm in pain.'

Source: Money Sorted participant



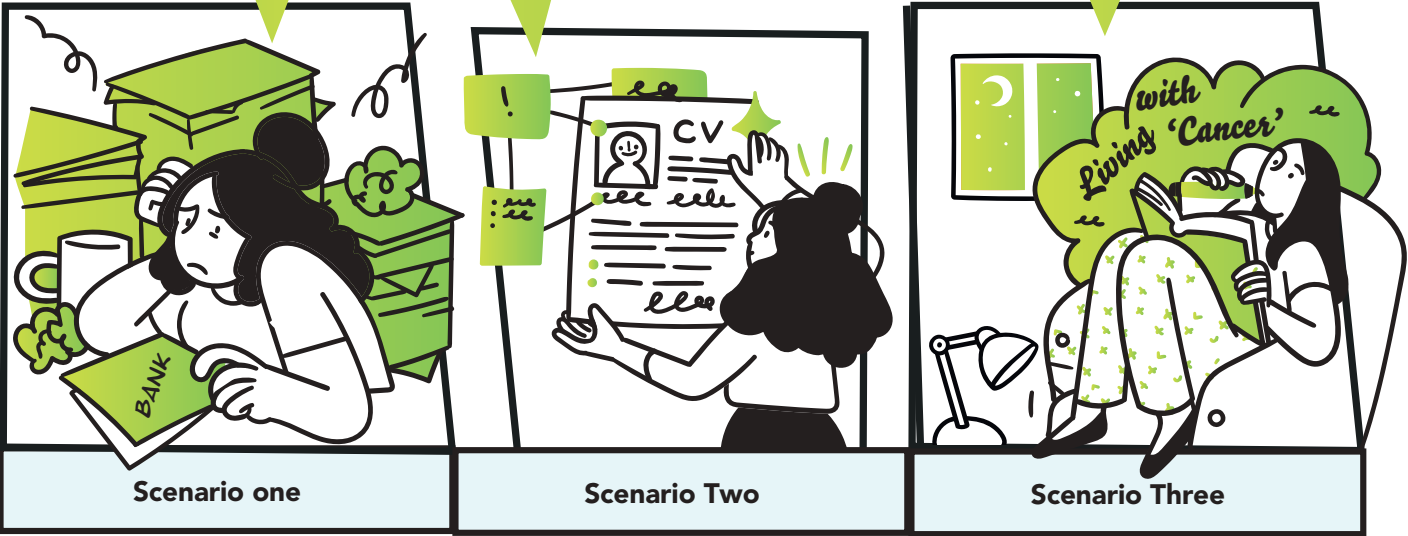
THE IMPACT OF A CHANGE OF CIRCUMSTANCES ON PARTICIPANTS

Often a change in circumstances is what triggers a referral into the Money Sorted project.

Since my partner left me my financial situation has become really difficult. Not sure how I'm going to manage through this and make ends meet this month.

Money is really tight since I lost my job. I'm going to have to look at my budget again to see if there is anywhere else I can cut back. I could do with getting back into work but my finances are such a worry and a distraction. I can't think straight.

Everything changed since I became ill. I'm really not sure how I'm going to keep paying my bills for the next three months.



On average participants have been unemployed for **38** months when they access the project.

11.8% of participants are classified as homeless or affected by housing exclusion.

24.7% of participants live in a single-adult household with dependent children.

88.9% of participants live in a jobless household.

33.9% of participants live in a jobless household with dependent children.

26.8% of participants live in a single-adult household.



88.8% of participants living in a single-adult household with dependent children are female.



'For some participants coming to a group and meeting others in the same position is invaluable. Often participants' support networks are lacking. Providing opportunities to rebuild some sense of social connection can be very valuable for the participants who come along.'

Source: WEA tutor delivering Money Sorted financial wellbeing sessions



64.2% of participants consider themselves to have a life-limiting long-term health condition or disability*.

*This figure includes participants who face day-to-day struggles with anxiety, depression and stress in response to unresolved financial difficulties. These issues have typically not been diagnosed by a mental health professional.



11.7% of participants are an offender or ex-offender*.

*a further 4.45% of participants 'preferred not to say' in response to questions about offending history. Given the sensitive nature of this issue, it is possible that around 16% of participants may have an offending history.



Participants' average annual household income (after tax) is **£8,251**

Average levels of participant debt at point of access onto the programme are **£5,000**



30% of participants have accrued rent arrears by the time they access the project.

'There is still a constant struggle with the rising costs of living in general especially gas and electric, it is becoming more expensive than my actual rent payment.'

Source: Money Sorted participant

SECTION TWO



The average participant spends

267 days
or 9 months

on the programme.

25%

of participants are
on the programme
for more than a year.

‘Strong social networks prevent isolation, which is otherwise a key contributor to declining mental health. But many of those in debt reported a falling away of these support systems. Shame and embarrassment about being in debt contributed to a gradual decline in social networks, a loss of support such networks can provide, and a growing feeling of not being able to participant, of not being able to live a normal life.’

Source: Living with debt after advice. Atfield et al. (2016)

POVERTY PREMIUM

What is the poverty premium and how does it work?

Down to my last fiver on my pre-payment meter... I wonder how long this will last?

I know it's not cheap when I continually use the shop at the bottom of my street. But it is convenient and saves the bus fare into town.

If I could just get this working again that would be great. I don't want to have to take out more credit for a new one – the outstanding balance on my credit card is bothering me.

Energy prices are often the most expensive for consumers with low incomes.

The poverty premium can also affect our ability to access the most affordable products

When essential household items breakdown individuals on low incomes may have to rely on expensive forms of credit to replace them.

Summary

While no two unemployed and economically inactive participants are the same, the experience of delivering the Money Sorted project reveals a number of key trends. These include social isolation, declining mental wellbeing and high levels of stress and ill health, combined with low levels of educational attainment. These are often a reflection of low income streams and difficulties associated with managing unsustainable credit and debt. Without

targeted interventions, unemployed and economically inactive individuals are left facing a day-to-day challenge of making ends meet, which can erode financial, physical or mental wellbeing. Without targeted support, the concern is that individuals will be left in an ongoing cycle of financial distress and declining health and wellbeing. These challenges represent the rationale for the original creation of the Money Sorted project.

Jessica's story

When Jessica first made contact with the Money Sorted project in January 2020 it was clear that she was struggling to function on a day-to-day basis as a single mother of a 19-year-old daughter. Unfortunately, a multiple sclerosis (MS) diagnosis in 2016 had meant that Jessica had reluctantly given up her work as a scientist. This had in turn meant that she now needed to live on a significantly reduced income. These problems were compounded by the onset of psoriasis, declining mental health and the need to financially support her daughter to continue her education at university. In short, Jessica was struggling to keep on top of her bills, pay debts and manage her health conditions.

From the outset of her support with her Personal Navigator, Jessica requested information on a Citizens Advice course called 'Living with Long Term Conditions', which is about how to cope with and manage health conditions. To help assess her financial situation, an income and expenditure sheet was compiled that revealed high water bills and two outstanding loans. A closer inspection of the situation revealed that Jessica had built up some arrears associated with her water bills and energy utilities.

To help address the situation her Personal Navigator successfully applied for a water social tariff, which reduced Jessica's water bill by 90%. This was followed by a successful application to the Water Trust Fund, which allowed Jessica to clear all her water bill arrears. Further research from her Personal Navigator also revealed the potential for Jessica to make an application for monies to clear the arrears on one of her debts, based on her previous career.

A successful application was subsequently made to this fund. Similar successes were also achieved with an application to the Energy Trust fund to clear her energy arrears. The nett effect of these changes meant that Jessica's monthly budget now resulted in a £50 surplus.

Through the process of working through her budget, Jessica felt more empowered to manage her finances. As the dialogue with her Personal Navigator continued, Jessica was provided with further information on sources of affordable credit from her local credit union to avoid the use of high-cost lenders.

At certain times in Jessica's journey it became evident that her MS would cause significant discomfort. This, coupled with the challenges of the Covid-19 pandemic, exerted significant pressure on Jessica's mental wellbeing. At these times her Personal Navigator endeavoured to provide weekly welfare checks by phone, email and text to support Jessica through difficult times until she was ready to continue with actions.

Through a consistent, affirming and reassuring approach, Jessica has begun to feel that she can retake control of all the actions on her plan. This realisation has had a significant positive impact on her mental wellbeing, with Jessica noting how her anxiety has reduced at the same time that her life satisfaction has increased.

At the end of her time on the project Jessica shared the following thoughts with her Personal Navigator:



‘I can't thank you enough for your help. I could cry I'm so relieved.’

*This case study has been anonymised to protect participant confidentiality.





Debt advice: The challenge of finding the right support

Financially indebted individuals can often feel stressed and overwhelmed, so much so that they can find it hard to think clearly enough to identify actions to address the problem. In the current financial climate it is unfortunate that too many people struggle to identify sources of support. This often leaves indebted individuals feeling hopeless, as one Money Sorted participant observed:

'When people realise that they are getting into debt with their money there can be a sense of hopelessness. Too many people don't realise that there is support available.'

Source: Participant accessing the Money Sorted project

The financial services sector is flooded by a myriad of fee-paying debt advice companies and loan providers who are very adept at marketing their products and services. These organisations may have a significant budget to market their services that many charities are unlikely to possess.

For example, a Google search for 'best debt advice free' may not show specialist debt advice charities at the top of the search listing; instead a vast array of profit-making enterprises are revealed, with promises of 'quick' and 'easy' solutions to resolve problem debt. In the worst cases, some fee-paying debt advice services may even try to masquerade as charitable organisations in order to gain new business. There is therefore clear potential for the financial abuse of individuals attempting to resolve problem debt. Indeed, figures released by Citizens Advice in 2020 revealed a 35% rise in complaints about insolvency practitioners, a specific type of profit-making enterprise offering debt advice (Wilkinson, 2021).

Money Sorted project data reveals that at the point of accessing the project, only 36% participants are aware of the availability of free advice agencies to help them manage their money. This raises a concerning issue about the large numbers of people who are potentially unaware of the

distinction between free debt advice and fee-paying debt advice services, at a time when they may need professional support.

Encouragingly, indebted participants accessing projects like Money Sorted do have a much clearer understanding of the support on offer by the time they have completed their time on the project.

'The Money Sorted project has taught me not to be afraid of money. You do need to be careful and don't borrow money unless you know you can pay it back. But people should know free help is out there if they get into debt.'

Source: Participant accessing the Money Sorted project

The issue of access to free debt advice is further compounded by concerns about the capacity of the debt advice sector to deal with an increase in demand following the coronavirus pandemic. This, allied with the current cost of living crisis, suggests that there will be significant demand for ongoing debt advice support across the D2N2 area in the years ahead. Therefore it is crucial that free debt advice services are effectively resourced, as stated by

Woolard (2021):

'The economic effects of the pandemic will drive demand for debt advice. A well-functioning debt advice sector is essential to support a healthy credit market. Providers of free debt advice need access to secure, long-term sources of funding to ensure that advice is available to those in need.'

Source: 'The Woolard Review - A review of change and innovation in the unsecured credit market', Financial Conduct Authority (2021)

As the Money Sorted project comes to a conclusion, there is an evident need for key stakeholders working across the D2N2 area to ensure that appropriate provision is in place to help people address the debilitating problem of debt without incurring commercial fees. The evidence suggests that debt advice services will be very much in demand as more people struggle to navigate the cost of living crisis.



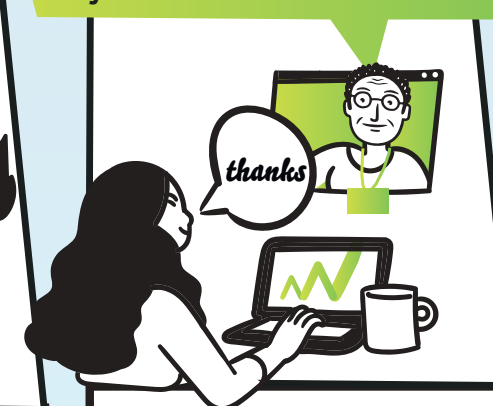
DEBT IS NOT GOOD FOR OUR MENTAL OR FINANCIAL WELLBEING.

How I am ever going to get out of this mess – I am in so much debt! I can't think clearly. I have no idea how I can fix any of this. I feel hopeless.



Claire feels stuck

Try not to worry Claire. We should be able to find a way through this. We do need to have a chat about repayment plans, your income & expenditure and about the possibility to apply for a debt relief order. Let's start by having a look at your last bank statement.



Claire meets James her Personal Navigator to review her financial situation etc.

I feel I can think clearly again now I have a plan in place to manage my debts.



6 months later... Claire feels like she can relax and rebuild her life again

Project outcomes and achievements

Since 2017, the Money Sorted project has worked with some of the most financially vulnerable people across Derby, Derbyshire, Nottingham and Nottinghamshire (D2N2).

Over the past six years it has become clear that participants accessing the project are often facing a series of complex and interrelated challenges. For many, day-to-day life is stressful and challenging. A significant part of this stress is often linked to the struggle of managing necessary expenditure on a limited income. Where participants have been facing concerns about their financial wellbeing over a considerable period of time, this often adversely affects their confidence and general sense of wellbeing.

Indebtedness can provides the ideal environment for anxiety and depression to develop, and participants accessing the project often report a sense of hopelessness. By this stage, many participants have become socially isolated and may be trapped in a cycle of declining confidence and wellbeing with little or no sense of what can be done to resolve their difficulties. This is often associated with a sense of shame, guilt or embarrassment that life has arrived at this point.

The introduction of a Personal Navigator into someone’s life is often the point where they can start to move forward and gain a fresh perspective on their circumstances. This work is seldom easy but is much needed, and across the D2N2 area the team of Personal Navigators have been able to support participants to move forward with their lives. Problem debts have been alleviated, new skills and confidence have been developed, and in many cases participants have a gained a renewed sense of hope for the future. While their financial circumstances may still be challenging, when participants have committed to the Money Sorted project their financial wellbeing and mental wellbeing have improved. For some these changes have led to a return to education, employment or training. Others have been able to volunteer in their local communities.

This section of the evaluation is designed to illustrate the impact of the Money Sorted project over the past six years. Over the following pages, statistics reveal details of the underpinning project structure and its impact, expressed in terms of a series of key outcome measures. These are complemented by reflections from participants, which reveal the positive human impact of the programme.

The project set-up

25

Personal Navigators employed (18 full-time, 7 part-time)

4

Central project team of 4 staff

11

Delivery partner organisations across D2N2

4

Part-time debt advisors

1

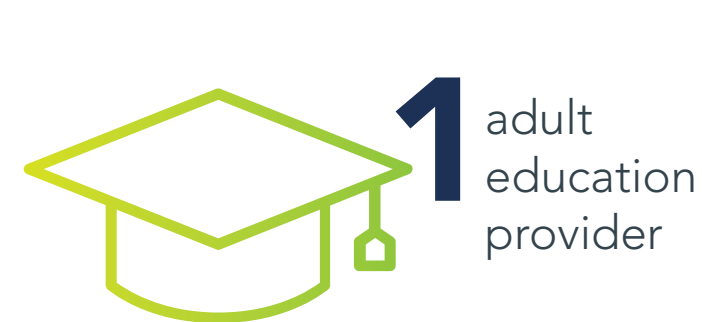
Employment broker

4

Stakeholder Managers

‘My whole thinking around money has changed. Just having someone there to help and talk to, helps to reduce the stress and makes you feel better.’

Source: Money Sorted participant



Total project budget **£6,179,336**

The times the project lived through



‘I feel I am better at managing my money and I feel I have a fresh start now. The support has made me realise you can overcome problems if you try.’

Source: Money Sorted participant

‘Money Sorted has helped me find a balance again with my finances and now I’m not in any debt or distress any more.’

Source: Money Sorted participant



SECTION THREE

The Money Sorted project in numbers

 **3,627**
participants supported.

 **164**
participants moved into education or training.

 **264**
unemployed participants moved into employment.

 **202**
economically inactive participants moved into employment, self-employment or job search.

The capacity of the project to support participants to commence job search or secure employment, education and training (EET) outcomes has grown significantly over the past six years.

From 2017-2020, 17% of participants exiting the project achieved some form of employment outcome. From 2021-2023, 47% of participants exiting the project achieved some form of employment outcome.

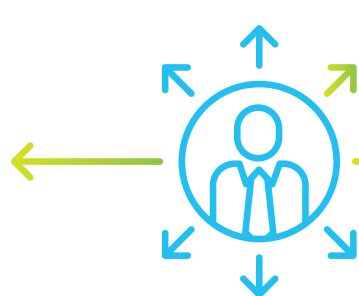
'The project has been amazing – it's hard to put into words. The support has stopped me from losing my home and has helped me to start getting my bills sorted and back on track. If it wasn't for the project, I don't think that I would be sitting here today.'

Source: Money Sorted participant

Building financial wellbeing skills and resilience

Over the past six years the following outcomes have been achieved by participants officially exiting the project.

98.8%
of participants developed a financial resilience plan.



87.5%
of participants developed a personal/household budget.

80.2%
of participants report and demonstrate increased financial management skills and know where to go for ongoing advice and support.

'I feel that I have benefited greatly from Money Sorted, and not only that, it has helped me overcome personal problems. It has given me the skills and confidence in transitioning back into work.'

Source: Money Sorted participant

DEVELOPING SKILLS TO BOOST OUR FINANCIAL WELLBEING.



84.2%

of participants report increased confidence and an improved sense of wellbeing.

69.9%

of participants have information on affordable, appropriate financial products.

93.5%

of participants have bank accounts with mainstream banks or a credit union.

53.3%

of participants report reduced levels of family stress.

'My budgeting is now a lot better and getting all my bills onto direct debit helps me to manage my money better. I finally feel more in control, it's a big relief.'

Source: Money Sorted participant

'My financial circumstances have been so much better now. My Personal Navigator has helped tremendously and supported me with my Personal Independence Payment (PIP) claim. This has helped me so much regarding my health conditions and with the emergency cost of the living crisis. I would probably be in a much worse position if it wasn't for the Money Sorted project.'

Source: Money Sorted participant

SECTION THREE

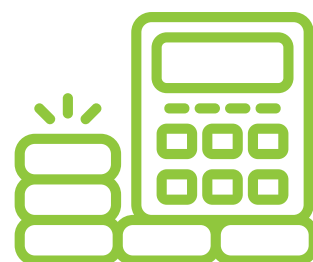
COST OF CREDIT

When products unexpectedly breakdown at home we may be tempted to use expensive forms of credit.



Over **£130,000** spent on participant budgets to meet 2,642 individual needs.

69.1% of participants have a measurable increase in household income and reduction in debt.



62% of participants report increased available income for spending in local shops and businesses.

'Working with Money Sorted has dramatically improved my confidence, communication skills and budgeting my finances. They have also helped me overcome personal and mental health problems and have encouraged me to progress in society.'

Source: Money Sorted participant

Dealing with debt

495

495 Debt Relief Orders approved.

£10m

Total debt case load in excess of £10m.

£5,200

Average levels of participant debt £5,200 (post-2020).

£3,100

Average debt reduction £3,100 per indebted participant (post-2020).

£5m

The total participant debt alleviated in excess of £5m.

'The Money Sorted project has been provided for me relief at the most needed time. I have been on a sinking ship. I struggled with my mental health due to stress from bills and lack of money when my Personal Navigator stepped in after a call to the Citizens Advice bureau. Since then I have received so much support helping me to manage things more effectively and because of your help I have managed to secure employment. I just want you all to know that you have saved me from a dire situation and gave me hope for a brighter and better future.'

Source: Money Sorted participant

The impact of the coronavirus pandemic

While the Money Sorted project has undoubtedly had a positive impact on significant numbers of participants, it would not be possible to complete this section of the evaluation without some reflections on the outbreak of the coronavirus pandemic in 2020.

Although the project continued to deliver much-needed support throughout the pandemic, all the available evidence suggests that the pandemic did have an adverse effect on sign-ups and referrals. It is likely that had the pandemic not happened, the project would have worked with a larger number of participants.

A simple projection analysis reveals that in 2019, prior to the pandemic, project sign-up rates matched the target

sign-up rates. If it is assumed that 2019 performance levels were sustained and that subsequent yearly target rates matched actuals, it is highly likely that the project lost around 632 sign-ups due to the pandemic. The chart below details the actual rate of sign-ups versus the projected rate of sign-ups in the absence of the pandemic.

Summary

Since 2017 the Money Sorted project has offered a consistent source of support to unemployed and economically inactive participants residing across the D2N2 area.

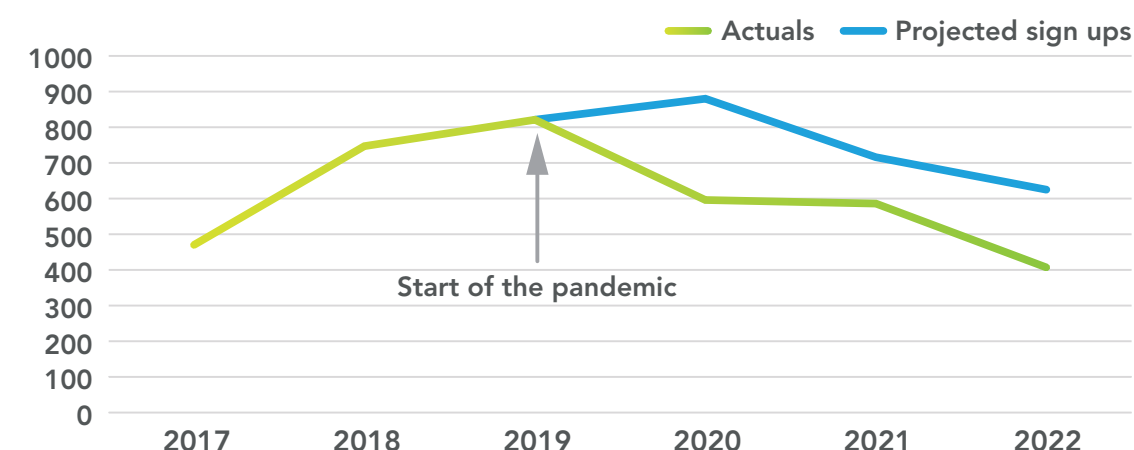
As the data and feedback illustrates, this support has had a significant impact on the financial wellbeing and health and wellbeing of a broad range of participants. While the support extended to participants through their Personal Navigator is often time-consuming and protracted over a number of months, it is evident that it is much needed.

Although the project was undoubtedly hampered by the coronavirus pandemic during 2020 and 2021, it is clear that participants have continued to benefit from the support on offer, albeit in smaller numbers.

Without this support, it is hard to see how many participants would have been able to address a range of financial circumstances which were often detrimental to their health and wellbeing. In many cases the support has helped equip participants with a new set of skills and resilience for the future. Although they may still encounter challenging financial circumstances, participants typically report that they feel better prepared for these as a result of their involvement with the project.

This represents part of the key legacy of the project – that it is possible to build the financial wellbeing of unemployed and economically inactive participants. Similarly, as financial wellbeing improves it is possible to support participants to re-engage with employment, education or training opportunities should they wish to do so.

Projected sign-ups in the absence of the coronavirus pandemic



Joseph's story

When Joseph was first referred into the Money Sorted project in December 2018 it very quickly became clear that he was struggling with a self-perpetuating cycle of money worries and poor mental health.

As a refugee from the Democratic Republic of Congo (DRC), Joseph had been separated from his family and was struggling to come to terms with a post-traumatic stress disorder (PTSD) which could be traced back to some adverse experiences with the Congolese authorities. These issues were compounded the seemingly insurmountable costs to bring his family to safety in the UK through the expensive family reunion process. Whilst Joseph is a qualified chemical engineer, it became evident that he was overwhelmed by the current challenge of managing his finances in an unfamiliar environment full of systems and processes that he did not understand.

Given Joseph's specific circumstances, he was supported by a Personal Navigator affiliated with Nottingham and Nottinghamshire Refugee Forum (NNRF). From the outset of this support a decision was made that Joseph would be supported to engage with mental health services whilst receiving support from his Personal Navigator.

Throughout the process of continual contact with his Personal Navigator and a mental health practitioner, Joseph's mental wellbeing began to stabilise as a pathway emerged to help him manage his finances and navigate the family reunion process.

As this support continued it became clear that Joseph's financial capability skills were increasing exponentially. These gains included the development of budgeting skills and understanding of the UK banking system. In his own words, Joseph provided insights into some of his struggles with the UK banking system:

'In the Democratic Republic of Congo we use cash money mostly and bargain a lot, we only really have one type of bank account if at all, so in the UK it's really confusing and you get into lots of problems because you don't understand it all, it's a new country.'

As Joseph continued to engage with his Personal Navigator, his outlook improved to the extent that he was eager to engage with an ESOL course to improve his English. Most encouragingly, the early successes on his journey empowered Joseph to develop an appetite to continue to build the financial capability skills necessary for life in the UK.

Through the ongoing support of his Personal Navigator, Joseph is supported to effectively navigate the UK benefits system and apply for wider support from the Red Cross to support the family reunion process. This support ultimately culminates in the award of funds to help meet family reunion costs.

At the end of his time on the project Joseph had this to say about the support he received through the Money Sorted project:

'It saved my life, with my mental health issues including PTSD (due to torture), I was lost and I had no money to bring my family to safety. I cried every night and thought about suicide until I went to the Refugee Form and they give me my caseworker. He knew about how to help me with my mental problems and how to solve my finance problem with family reunion, as it was going to cost thousands of pounds. We worked on a plan and did all the actions, it was long but my family are very close to being in the UK. I also learned many skills on money management in the UK. I now feel good about my finance knowledge in the UK and feel calmer, I also know where I need to go if I have any issues.'



Focus On



Financial wellbeing, mental wellbeing and physical health

Our money, mental health and physical health are often complicated issues which have the potential to affect our overall quality of life. Indeed, these are important issues which require our time, energy and attention if we are to flourish. Unfortunately, they are also sensitive and personal issues which individuals may find challenging to address in order to develop effective ways forward.

This is something that has been evident on the Money Sorted project over the past six years. Participants need and expect to be treated with respect, empathy and compassion to help them make sense of their current financial circumstances. However, all too often, participants engaging with the project feel an initial sense of embarrassment, guilt or shame which has to be overcome before the necessary trust and rapport can be established with a Personal Navigator.

These challenges are compounded by the fact that significant numbers of participants are socially isolated and may not have wider support networks. This can be an ideal environment for mental health disorders to grow – anxiety and depression are common issues that Personal Navigators observe on a regular basis. To cope with the day-to-day strains of life, some participants may comfort-eat or attempt to self-medicate with drugs and alcohol. This can lead to secondary risk factors in terms of addiction, obesity, heart disease and so on.

Money Sorted project data also reveals that long-term conditions and disabilities are present across large parts of the client group. It can be hard to understand whether financial wellbeing issues act as a pre-cursor to health and wellbeing issues or vice-versa. What we do know is that financial wellbeing is adversely impacted by poor health and wellbeing, and that health and wellbeing is adversely impacted by poor financial wellbeing. Money Sorted participants dealing with a significant debt issue of £5,000 will tell you that debt is in no way beneficial to their mental wellbeing – the reality is that debt is often indicative of a series of wider inequalities and disadvantage facing participants. Over recent years the Department of Health has been acutely concerned by the prevalence of health

inequalities across England and Wales. All the empirical evidence confirms a close link between health inequalities and poverty and disadvantage. While the connection between financial wellbeing and health and wellbeing is clearly established, the appropriate professional interventions that are required are perhaps not as well defined.

In the instance of debt, we know that many participants are unaware of the presence of free debt advice services in their local area. While some individuals may recognise the impact of debt on their mental wellbeing, it can be problematic if they visit their GP to seek support, as the typical prescriptions may help to treat the symptoms but not the root cause of their mental distress (that is, the stress of their debt). Ultimately, what is required is a series of interventions that help to address the underlying financial wellbeing issues and mental health concerns at the same time. Encouragingly, NHS partners and third sector agencies are increasingly collaborating around the concept of social prescribing. Social prescribing recognises that 'many things that affect our health cannot be treated by doctors or



medicine alone' (National Academy for Social Prescribing, 2023). While clinical interventions may be of some value, local voluntary sector providers are often better placed to help individuals resolve unmet needs or difficulties. This is undoubtedly where financial wellbeing projects like Money Sorted have a role to play. Although the project has positively improved participants' financial wellbeing, it is clear that it has also resulted in substantial improvements in participants' health and general wellbeing, particularly their mental wellbeing.

These health gains have often inadvertently been led by local Advice Sector providers and have been achieved independently of any active involvement with NHS partners. While this is encouraging, it does also prompt the question of whether an even greater impact could have been achieved through the development of intentional pilot exercises in partnership with the NHS. All the available evidence suggests there is more partnership work to be done to address the problematic link between poor financial wellbeing and health and wellbeing.

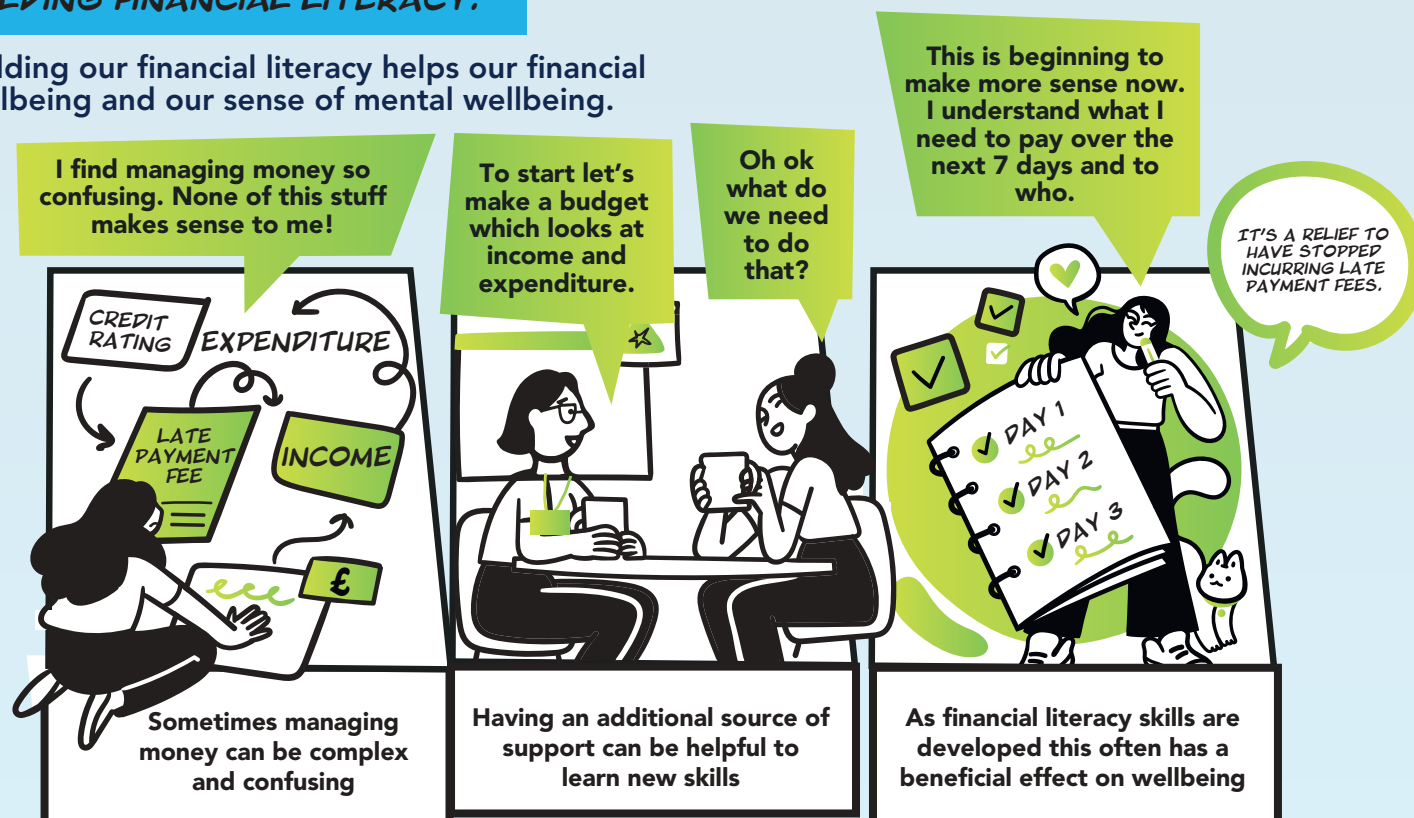
As NHS partners and the advice sector begin deeper collaborations in the years ahead, we are likely to begin to further understand the potential to alleviate the problematic correlation between financial wellbeing and health and wellbeing. This has positive implications for our communities and the ongoing costs of support, which might otherwise been borne by the NHS and the advice sector. This is a challenge that has been recognised by the Money Advice and Pensions service in the UK Strategy for Financial Wellbeing, and is also becoming increasingly apparent through the NHS desire to promote the social prescribing movement.

'Financial wellbeing is good for communities. Financial stress – and its knock-on effects for mental health, relationship breakdown and physical health – creates costs for hospitals and others to repair broken lives. For example, avoiding an episode of adverse mental health saves £600–800 per person, depending on the condition.'

Source: UK Strategy for Financial Wellbeing (2020)

BUILDING FINANCIAL LITERACY.

Building our financial literacy helps our financial wellbeing and our sense of mental wellbeing.



SECTION FOUR

Principles for commissioning projects designed to enhance the financial wellbeing of unemployed and economically inactive participants

Principles for commissioning projects designed to enhance the financial wellbeing of unemployed and economically inactive participants

Over the past six years the Money Sorted project has endeavoured to support unemployed and economically inactive participants to recover, protect and sustain their financial wellbeing. While this is a worthwhile and much needed undertaking, it is seldom easy and is often time-consuming, demanding and intensive for participants and their Personal Navigators. The journey is often complex, and it is possible that such projects might inadvertently add to this complexity through the way that they have been designed, initiated or implemented.

This section of the legacy evaluation aims to illustrate the learning from the Money Sorted project in terms of what works when supporting unemployed and economically inactive participants to recover, protect and sustain their financial wellbeing. It is designed to help commissioners, policy makers and organisations think through some of the key issues that may impact the effectiveness of programmes designed to support participants' financial wellbeing. For each issue, some reflections are offered to explain the key learning and the associated implications for service delivery.

The list is by no means exhaustive, but has been designed to help professionals consider some of the key principles that should be considered in the early phases of project planning. While it is written from the perspective of the third-sector consortium model, many of the principles are transferable to other operating models.

Helping participants overcome negative emotions to proactively engage with professionals

Key learning – Economically inactive and unemployed individuals often experience a diverse range of emotions surrounding their financial wellbeing, including guilt, embarrassment and shame. Many also feel an acute sense of societal judgement. All these factors can have a

corrosive effect on the ability of participants to develop and sustain relationships with outsiders.

Implications for service delivery – Frontline workers giving assistance must have the empathy and respect to build the necessary trust and rapport with a diverse range of participants. The ability of professionals to do this will ultimately be reflected in the willingness of participants to maintain their engagement with the project. The recruitment of frontline workers with the necessary 'soft skills' is therefore a crucial part of an effective service delivery model.

Initial assessments may not consistently capture an accurate position of a participant's financial wellbeing

Key learning – Given the sensitivity and complexity of financial wellbeing issues, we should not be surprised that it can be difficult to fully diagnose and understand the circumstances facing participants through an initial interaction with a frontline professional, as these seldom provide a robust and comprehensive understanding of financial wellbeing. This may be a reflection of participant knowledge, embarrassment or other third-party factors.

Implications for service delivery – Project information and evaluation systems should be flexible enough to capture the emerging financial situation facing participants. While analysis of bank statements and development of budgeting exercises are necessary for an initial understanding of the circumstances of participants, these may not necessarily present an accurate picture of an individual's financial circumstances. For example, hidden debts may only emerge over time.

Provision of support over extended periods of time

Key learning – Given the requirement for frontline workers to establish trust and rapport with participants, it is crucial that support is extended for the timescales necessary to

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achieve significant progress. For many unemployed and economically inactive participants, this means that support will be needed for much longer than three months. For those requiring help to resolve complex benefit issues or indebtedness, this might easily take a year. These situations will often require more intensive administration with large organisations to resolve a variety of legal or compliance issues.

Implications for service delivery – Programmes looking to make significant progress in improving the financial wellbeing of unemployed and economically inactive participants should be resourced for a period of a year. Participants with more complex issues may even require up to two years of support. Most individuals require intensive support over a protracted period of time to help alleviate their financial burdens and establish and review financial skills and approaches to establish some level of financial resilience.

The requirement for projects to maintain a local presence and offer access to personal budgets

Key learning – Economically inactive and unemployed individuals are typically constrained in their ability to access public transport systems. This is often a reflection of limited disposable income and compounding wellbeing or confidence issues.

Implications for service delivery – Projects should think very carefully about the potential to offer services in locations that participants are familiar with. Remote working delivered with appropriate safeguarding measures can be a valuable way to boost engagement. Similarly, participants also benefit from the opportunity to access a personal budget facility to support travel costs and exceptional areas of spend necessary to support progress, for example applications for Debt Relief Orders, uniforms for jobs or applications for replacement identification.

Building voluntary sector consortiums: the challenge of balancing referrals and maintaining service quality

Key learning – Financial wellbeing issues can affect people across a diverse range of ethnicities and life circumstances. Building consortiums of service providers who are trusted and known within a community can be an effective



mechanism to attract referrals. This also helps participants to access support in locations that are familiar to them without the need to incur public transport costs.

Implications for service delivery – Diverse consortiums of voluntary sector providers can undoubtedly boost referrals. Projects should also consider how they will work to ensure consistent service quality across all providers. In this respect, ongoing training needs assessments and robust training and induction plans are required. Careful consideration of the core competencies of consortium members is also required at the procurement phase of the project to ensure partners have the necessary competencies.

Engaging partners to support participants needing welfare rights advice

Key learning – Unemployed and economically inactive participants often benefit from welfare rights advice to help them navigate their financial circumstances. For many, the benefits system is complex, confusing and difficult to navigate in the context of a variety of competing life pressures.

Implications for service delivery – All frontline personnel should have the expertise to help participants identify and apply for the benefits they are entitled to. This may also require that personnel have the capacity to support participants to make necessary appeals.



Engaging partners to support participants in debt

Key learning – Significant numbers of participants accessing financial wellbeing projects are likely have an existing debt problem affecting their financial and mental wellbeing.

Implications for service delivery – All delivery partners and frontline personnel should have access to qualified debt support workers. This may take the form of a national advice line, for example Step Change, or a local advice worker. Where frontline staff can engage a debt advice worker housed within their own organisation, anecdotal evidence suggests this can be beneficial to fully assess the precise circumstances facing participants.

Engaging partners to support participants to access employment, education or training opportunities

Key learning – While projects like Money Sorted have been able to utilise a range of tools to help participants improve their financial wellbeing, for some their long-term financial circumstances are unlikely to improve unless they can engage with education, employment or training opportunities.

Implications for service delivery – Unemployed and economically inactive participants need access to both financial wellbeing and employability support. Ideally, in-house sources of project support to equip participants

to prepare for job search and recruitment processes can be very helpful. For example, the Employment Broker role within the Money Sorted project has been very helpful to complement the work of the Personal Navigators. This support may need to extent to the provision of 'better off in work' calculations and interview preparation. For those participants who have been out of work for over two years, it is essential to provide some form of in-work support over a six-month period to help them sustain employment outcomes.

Preparing frontline workers to support participants within the context of a diverse range of social issues

Key learning – Over the course of delivering the Money Sorted project, it has been apparent that unemployed and economically inactive participants are seldom facing challenges affecting only their financial wellbeing. In many instances, poor financial wellbeing exists in the context of wider life circumstances. These may include domestic violence, relationship breakdown, long-term health conditions and physical disabilities, learning difficulties, long-term unemployment, loneliness and social isolation, poor mental health, substance misuse and issues with poor-quality housing.

Implications for service delivery – This is often intense and demanding work for frontline workers to sustain over long periods of time. It is therefore necessary for workers to receive ongoing training, supervision and support. Building



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supportive and tight-knit teams who can offer peer support and joint case reviews has proven to be beneficial for Personal Navigators on the Money Sorted project. Similarly, projects should consider appropriate systems to ensure workers do not become isolated. For example, it has been beneficial to locate workers together in the same office space to maximise the potential for peer support.

The growing challenge of in-work poverty

Key learning – The proliferation of zero-hours contracts in recent years has meant that more and more people are living financially precarious lifestyles and has given rise to the concept of in-work poverty. It is becoming increasingly clear that employment does not always support good financial wellbeing. Projects or professionals that make this assumption are in danger of excluding individuals who are already struggling to maintain their financial wellbeing.

Implications for service delivery – Commissioners, policy makers and providers should ideally provide equality of access for both unemployed and employed individuals requiring support to sustain their financial wellbeing. For those employed in low-wage, zero-hours contract roles, projects should establish a minimum level of income below which referrals automatically meet project referral

criteria. The Joseph Rowntree Foundation assesses that a single person needed to earn £25,500 a year to reach a minimum acceptable standard of living in April 2022.

Building a pipeline of appropriate referrals

Key learning – A key factor in the implementation of the Money Sorted programme is the development of a pipeline of appropriate referrals. For many referral partners the concept of financial wellbeing is an unfamiliar one, and it is clear that there is significant scope for inappropriate referrals.

Whilst this has been challenge for the project the on-going support of the BBO local authority Stakeholder Managers has been helpful build referrals across a range of partner agencies. More information on the work of the Stakeholder Managers can be found at <https://bbo-d2n2.org.uk/stakeholder-managers/>

Implications for service delivery – Projects should devise clear eligibility criteria and processes to communicate consistently with referral partners. Where possible, referral partners should be kept abreast of inappropriate referrals and the progression of appropriate referrals. The development of case studies can be helpful in

articulating the core principles of a project designed to enhance financial wellbeing. Projects should be designed to enhance the ability of participants to develop the skills to sustain good financial wellbeing. Video case studies are potentially powerful ways to help engage referrals and participants to develop a fuller understanding of a programme from the outset. The work of the Stakeholder Managers also reveals how local authorities have a crucial role to play to help facilitate appropriate referrals into financial wellbeing projects.

Helping participants to tackle the ongoing problem of social isolation

Key learning – Unemployed and economically inactive participants can be socially isolated. Many participants on the Money Sorted project lack a wider support network and have expressed feelings of loneliness. While frontline workers could be perceived as a befriending service, obviously this is not their primary purpose. It is therefore possible to enhance the financial wellbeing of participants while leaving wider issues of social isolation and loneliness unresolved.

Implications for service delivery – The issue of social isolation is particularly pertinent for participant with long-term conditions who may be unable to access employment opportunities. Ideally, projects should offer alternative pathways to help participants develop social networks. These could include volunteering, local interest groups or short courses to provide opportunities for individuals to establish new routines to support their wellbeing.

Provision of educational resources to enhance a participant's life skills and financial wellbeing

Key learning – Managing our finances is a life skill and yet our ability to make appropriate decisions may at times be adversely impacted by gaps in our knowledge. Any assumption that unemployed and economically inactive participants have financial wellbeing skills learned at school or passed on from parents is likely to be flawed. Given that financial and consumer products and services are constantly changing, it can be hard to make informed financial decisions. For these reasons, projects designed to help unemployed and economically inactive participants should also provide opportunities for participants to develop new skills to enhance their financial wellbeing.



Implications for service delivery – The UK Strategy for Financial Wellbeing highlights the UK-wide requirement for us all to improve our ability to manage money. The experience of delivering the Money Sorted project reveals that delivering financial education workshops can be challenging. There can be numerous barriers attached to such initiatives, including the stigma associated with financial difficulties, lack of access to transport and a fear of being patronised or judged. For some individuals there can be a sense of 'returning to school', which can be debilitating if school was not a particularly positive experience. Despite these barriers, the experience of the Money Sorted project reveals that specialist educational providers such as the Workers' Educational Association (WEA) can have a positive impact on participants. Where sessions can be held in accessible venues or online, participants can benefit significantly from a group-based approach to build a wider support network. This has positive implications for participants' financial and mental wellbeing.

Uncontrollable third-party factors will significantly influence the delivery of projects designed to support financial wellbeing

Key learning – Skilled frontline personnel can only help so far in supporting unemployed and economically inactive participants to protect and sustain their financial wellbeing. Our financial wellbeing does not and cannot exist in a bubble – as the coronavirus pandemic and subsequent cost of living crisis demonstrate, it can be affected by global or national events. Similarly, circumstantial issues may adversely affect participants' financial wellbeing, for example domestic violence and coercive control relationships can decimate a victim's credit ratings and mental wellbeing.

IN-WORK POVERTY

Financial wellbeing projects operate within an emerging context of in-work poverty. This can present challenges to establish appropriate eligibility criteria.



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Implications for service delivery – The most effective programmes designed to support financial wellbeing are likely to have a flexible person-centred approach. Rigid, mandated programmes are more likely to encounter problems in response to a range of external factors they are unlikely to be able to control. In many cases, programmes have a responsibility to help reassure participants and minimise the impact of the prevailing economic climate or adverse personal circumstances.

The ongoing drive towards digital transformation and the associated risks of digital exclusion

Key learning – Over the duration of the Money Sorted project, more and more products and services have undergone some form of digital transformation. While this can improve the accessibility of products and services for many people, it does assume that all consumers have equal access to the necessary technology. Similarly, it is necessary that individuals have the skills to navigate a range of digital technologies. Those that do not have access to the appropriate technology or skills are therefore likely to be distinctly disadvantaged in a competitive digital economy.

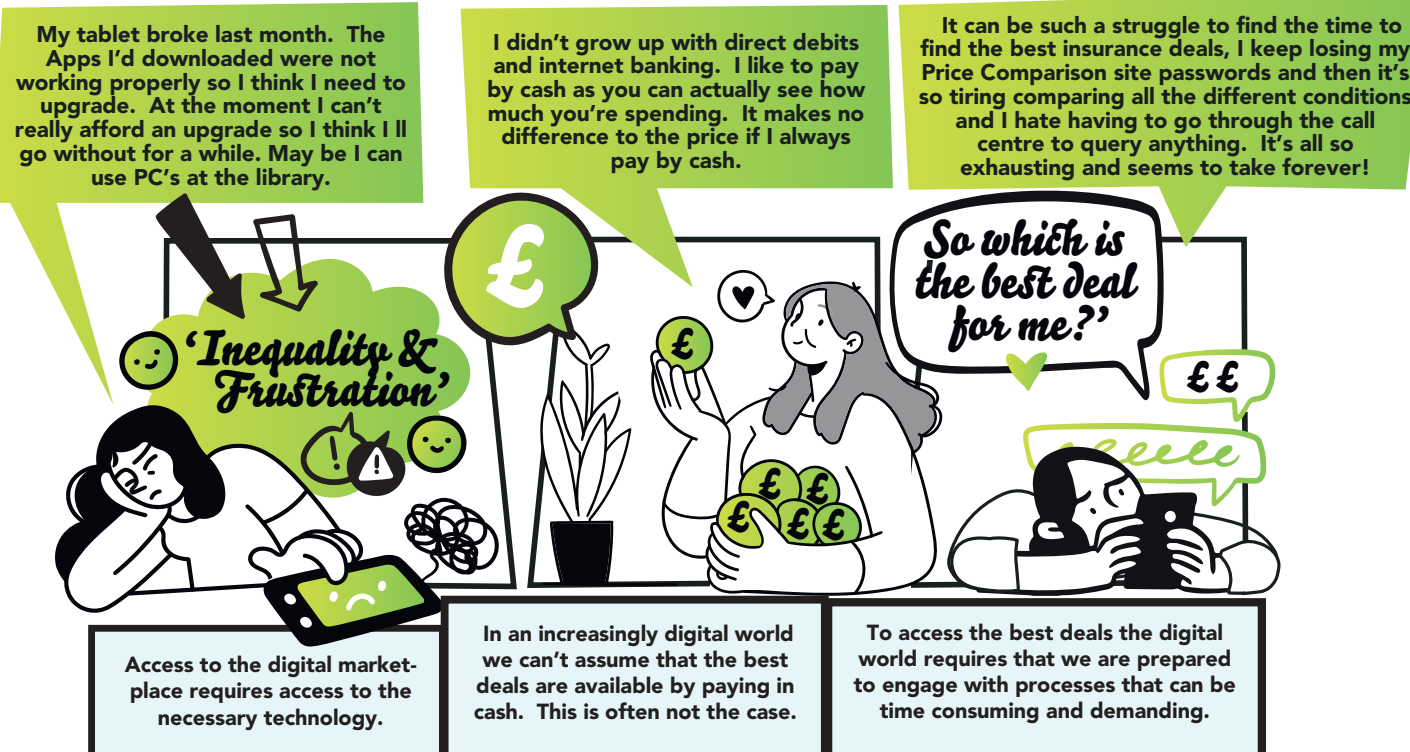
Implications for service delivery – Future projects designed to support the financial wellbeing of unemployed and economically inactive participants will have to consider how they will support participants at risk of digital exclusion. This is likely to require access to discretionary funding to provide access to necessary technology, alongside access to some form of training provision to upskill individuals. In an increasingly digital world, the opportunities and challenges associated with digital inclusion are only likely to grow.

Concluding thoughts on the principles for commissioning financial wellbeing services.

As professionals working within the arena of financial wellbeing will appreciate, there are seldom simple solutions to complex issues. However, projects that are mindful of the diverse array of issues affecting participants are potentially better placed to develop appropriate service provision. In many instances, proactive person-centred responses will be necessary to support participants to secure the best possible outcomes to help sustain and protect their financial wellbeing.

DIGITAL INCLUSION

Digital technology is increasingly changing the way we purchase products and services. Our ability to utilise this technology has implications for our financial wellbeing.



Stuart's story

When Stuart* accessed the Money Sorted project in 2021 it was clear that the coronavirus pandemic has significantly eroded his emotional and financial wellbeing. Stuart had recently separated from his wife and had joint custody of their two children. He was eager to find suitable work that would allow him to earn a reasonable salary but was finding this to be very difficult. The compounding effect of his current circumstances meant that Stuart was struggling to pay off his overdraft, rent and utility bills. Despite selling his car and purchasing an older, cheaper model, he was still struggling to make ends meet. The day-to-day challenge of working through these difficulties had begun to affect Stuart's mental wellbeing and as a result he was experiencing a daily battle with depression.

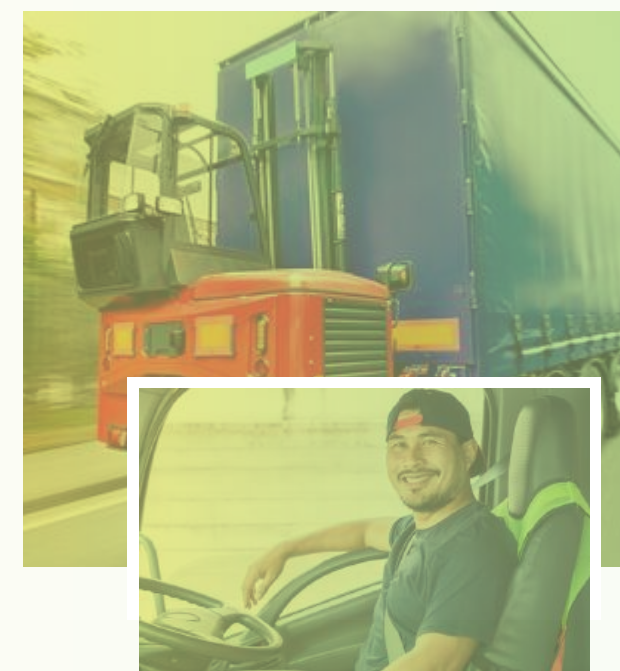
During his initial meeting with his Personal Navigator, Stuart was able to begin the journey of creating an action plan to help improve his circumstances. To help Stuart move forward, it was agreed that sessions would look at how he might reduce his existing outgoings and consider opportunities to return to driving HGV vehicles, which he had not done for some time since leaving the army. During the follow-on sessions, Stuart and his Navigator looked at his outgoings and utility costs. It was decided that an application would be made to the Severn Trent Big Difference scheme, which was ultimately successful and significantly reduced his water bills. Research around Stuart's aspirations to return to HGV driving revealed that the DWP would fund an updated Certificate of Professional Competence (CPC), however it became apparent that these roles now required a variety of additional licences. After a discussion about his options, Stuart agreed that he would consider training to apply for a forklift truck driver's licence to complement his HGV licence.

To help Stuart engage with any future training programme without the distraction of his precarious financial circumstances, he agreed that his Navigator would look at available grant funding schemes that could provide some short-term assistance. This work led to a successful application to The Fifty Fund, who agreed to pay off Stuart's overdraft in full and supply him with a £100 gift voucher to cover his food bills.

These changes had a significant impact on Stuart's circumstances. He was able to complete his training and fulfil his ambitions to return to HGV driving with his newly acquired skills as a forklift truck driver.

At the end of his time on the project Stuart sent the following message of thanks to his Personal Navigator:

'During this lockdown things have gone from bad to worse for me and this service that has been provided for me relief at the most needed time. I have been on a sinking ship since October last year. I struggled with my mental health due to stress from bills and lack of money when my Personal Navigator stepped in after a call to the Citizens Advice Bureau during Christmas time. Since then I have received so much support helping me to manage things more effectively and because of your help I have now managed to secure employment. I never expected this type of treatment from anybody and I just want you all to know that you have saved me from a dire situation and gave me hope for a brighter and better future.'



*This case study has been anonymised to protect participant confidentiality.



Employment and employability

Over the past six years the Money Sorted project has supported 264 participants into employment and has also performed benefit checks on their behalf to help them maximise their income streams. Both are required to help support the diverse range of individuals requiring support. From an employment perspective, it makes sense that unemployed and economically inactive participants might wish to secure employment to enhance their financial wellbeing.

The Money Sorted project has therefore evolved its approach to support participants who wish to explore potential employment opportunities. Although project data reveals that significant numbers of participants have been able to access employment opportunities, the granular-level data also reveals that the journey into employment can involve navigating a variety of obstacles which affect participants in different ways. It is evident that barriers exist in terms of access to transport, ageism, caring responsibilities, low confidence, uncertain working patterns, disabilities and long-term conditions, and the growing precarity of employment (zero-hours contracts and

minimum-wage jobs). These are just some of the obstacles faced by participants navigating competitive recruitment processes in the hope of securing employment. A closer look at project data suggests that most employment outcomes secured by participants are achieved when they have been out of work for two years or less. While employment outcomes can still be achieved after two years, wider research suggests that job seekers can be affected by 'scarring' as they encounter a stream of unsuccessful applications.

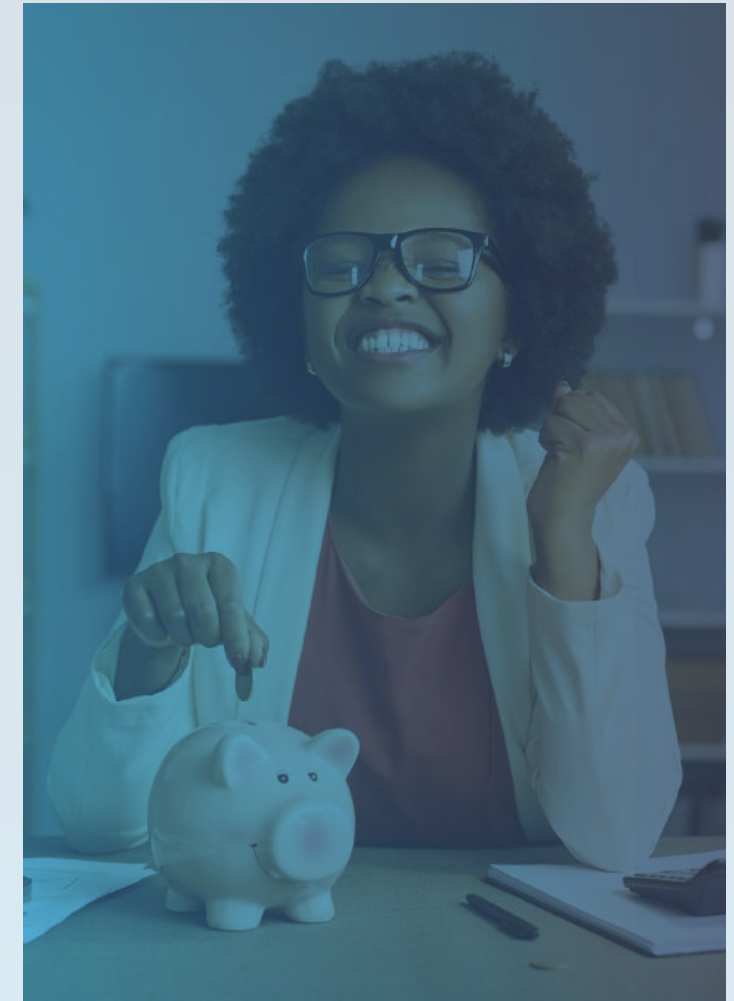
For those participants who have been able to secure an upturn in their financial wellbeing through the resolution of long-standing financial concerns, this may provide the necessary 'headspace' to resume the job search process. This adds an interesting perspective for projects designed to enhance the financial wellbeing of unemployed and economically inactive participants: do positive financial wellbeing outcomes enhance the employability of participants? This is a difficult question to answer; however, the project data suggests that some participants accessing Money Sorted have been able to benefit from support to

enhance their financial wellbeing at the same time as they have received employability support through the project (see Stuart's case study for further details).

Where Personal Navigators have been able to support participants into employment, it has been clear that 'light-touch support' around job search, interview preparation and 'better off in work' calculations have been beneficial. For those participants requiring more intensive support, it has also been helpful to offer an in-house Employment Broker role as part of the project. These developments are likely to have been very helpful for many participants since the cornerstone of the project is based on gaining the trust and rapport of participants. Once established, this trust provides the necessary foundation to help participants seek more challenging outcomes such as employment, education or training. While a counter-argument might be that participants could be referred into an external agency for employability support, this assumes that another worker will be able to establish similar levels of trust and rapport, and this cannot be guaranteed.

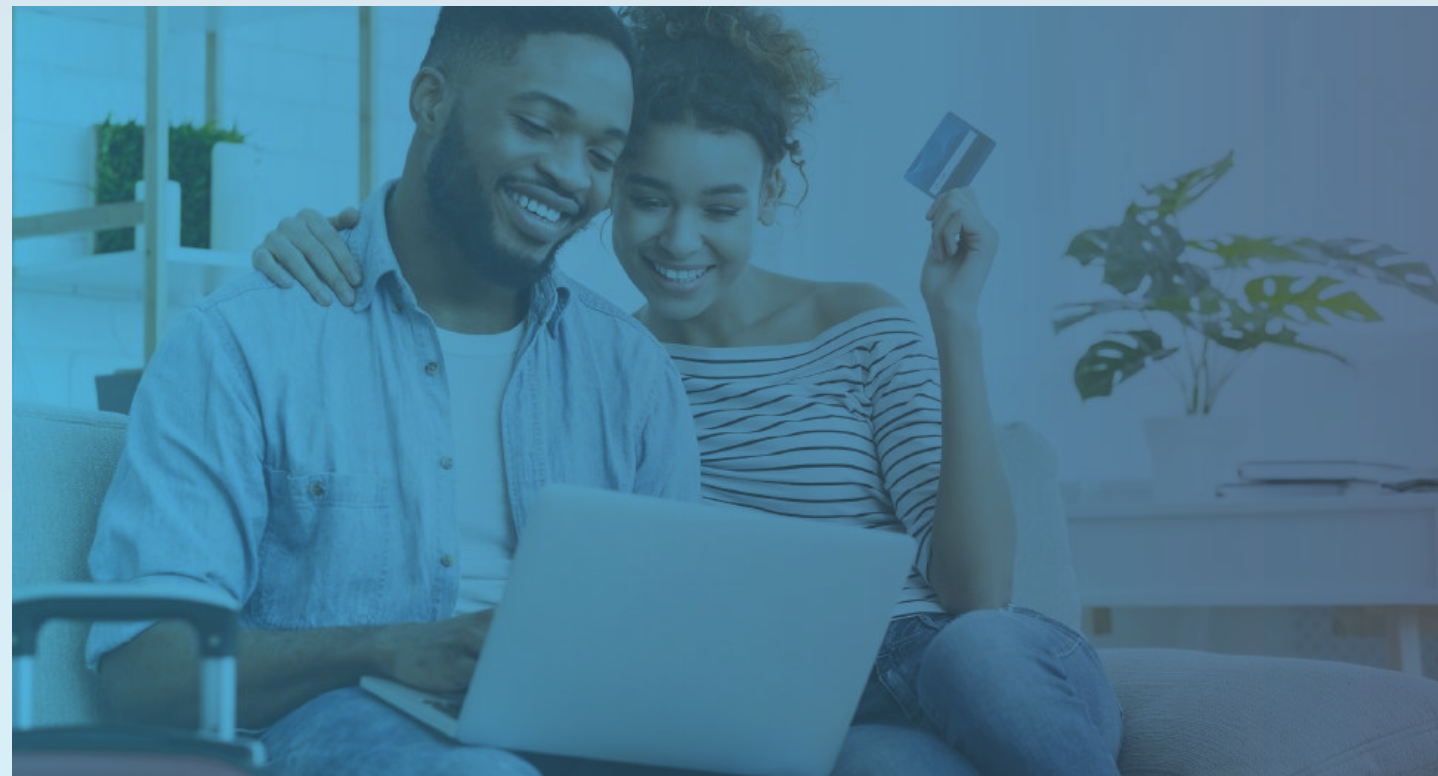
In many cases, protecting this trust and rapport is crucial in helping participants navigate adverse circumstances. While the Money Sorted project has been able to support significant numbers of participants into employment, this has been achieved despite a number of adverse conditions affecting job seekers, which policy makers and commissioners should be mindful of. These include the significant financial and cultural pressures experienced as individuals move away from benefits such as Universal Credit and commence salaried employment. This can present a short-term cashflow crisis and budgeting issues while new employees await their first salary, and can be particularly disconcerting at a time when individuals are getting familiar with a new role and lifestyle. It is therefore highly problematic when the contractual requirements of employment programmes are structured in such a way that in-work support cannot be offered over an interim period of 3-6 months following an employment outcome. It would be wrong to assume that all participants will be able to sustain employment without any interim support.

Similarly, the growing prevalence of low-paid zero-hours contracts also presents serious challenges for projects wishing to support unemployed and economically inactive



participants into work. Income levels that vary significantly from month to month are not helpful for anyone living on a tight budget, and can add to the underlying anxiety of participants.

It is therefore crucial that programmes to support the financial wellbeing of unemployed and economically inactive individuals are also able to offer integrated employment support interventions, for example Information Advice & Guidance (IAG) and Employment Brokerage. While the Money Sorted programme has begun to demonstrate that this approach is feasible, there is clearly more work to be done to innovate effective projects which help individuals to protect their financial wellbeing and find appropriate employment.



Legacy evaluation of the Money Sorted project: Concluding thoughts

Since the Money Sorted project officially commenced service delivery at the start of 2017, a significant amount of learning has taken place.

Through the interactions between Personal Navigators and participants, it is clear that the person-centred ethos of the project was a crucial element which underpinned its effectiveness. Reviews of the granular-level data reveal that the individual circumstances of participants accessing the project can be very different. For example, the interventions required to support a lone female fleeing a domestic violence situation may be very different to an indebted individual who has just been made redundant.

In addition to financial wellbeing issues, the project data reveals that participants are also likely to be struggling with their mental wellbeing and that a diverse range of social issues are often adversely affecting their circumstances. These could include relationship breakdown, anxiety and depression, long-term health conditions and disabilities, poor-quality housing or the pressures of raising a family. This list is by no means exhaustive.

In many cases it is apparent that these pressures do not manifest themselves in isolation from wider systemic issues and global factors. For example, the coronavirus pandemic, cost of living crisis and associated steep increases in the price of food and utilities have severely impacted the financial wellbeing of participants. Government interventions to help individuals stabilise their financial wellbeing often have unintended consequences that may not be fully understood at the time of implementation. This presents us with a complex and ever-changing picture. What is clear is that over the past five years, the prevailing economic conditions have compounded wider pre-existing issues like the poverty premium, the precarity of employment and lack of digital inclusion. The nett effect of these issues typically manifests itself in individuals who, at the point of access onto the project, are often socially isolated and struggling to sustain their mental wellbeing as they try to deal with the debilitating problem of debt or the ongoing challenge of making ends meet on a severely restricted income.

The Money Sorted project operated in a significantly different financial landscape following the onset of the

coronavirus pandemic in March 2020. Although the pandemic typically made service delivery much harder, crucial support was still offered to individuals who did engage with their Personal Navigator. Encouragingly, the evidence reveals that participants' situations are not always as hopeless as they might first appear. The ability of the project to offer free support around welfare rights advice, debt advice and employment support are the some of the key stepping stones that helped participants to move forward. While not all participants required support in all three areas, most participants required support in at least one.

Without support from projects like Money Sorted, it is hard to see how unemployed and economically inactive individuals would stabilise their financial wellbeing and the address the associated adverse impact on their health and wellbeing. Without financial wellbeing support projects, costs are often driven elsewhere – particularly through the health and social care system. In the project data, this has consistently manifested itself in participant



issues with addiction, homelessness, poor mental wellbeing, relationship breakdown, long-term conditions and past offending behaviour. These issues are arguably symptomatic of the wider issues of poor financial wellbeing and poverty, which if left unresolved have negative long-term consequences. In the most acute cases it is clear that the project's interventions have helped participants who might otherwise have been contemplating suicide as a way out.

Financial wellbeing is an issue that affects us all, and yet our ability to make fully informed financial decisions may be influenced by our childhood experiences. It is evident that many participants may not have received a meaningful financial education from their parents or their school, leaving them at a distinct disadvantage in situations where financial resources need to be carefully managed. As the UK Strategy for Financial Wellbeing expresses, this is a national agenda which requires a concerted effort to address. The 'Principles for commissioning' section of this evaluation sets out the learning from the Money Sorted project and its contribution to this important national agenda.

The question that commissioners, policy makers and funders should be asking in the future is not whether demand for financial wellbeing services will continue over the next thirty years: history reveals that financial wellbeing is an ongoing issue affecting us all. The key question should be how we can devise appropriate solutions, interventions and programmes that help us all to sustain a satisfactory level of financial wellbeing. How we answer this question has profound implications for individuals, communities, employers and governmental organisations across the UK in the years ahead.

Crucially, our response to the question should consider the very real need to offer responsive support to individuals in circumstances which threaten to undermine financial wellbeing. As we have seen over the past six years, this is particularly pertinent for unemployed and economically inactive participants who are struggling to avoid crisis situations as a result of unresolved financial difficulties. In many cases it is possible to devise interventions which help individuals move forward. In this respect we would like to conclude the legacy evaluation with another look at the participant reflections shared in the case study on Stuart's story. This provides another timely reminder of the ongoing need to provide support to individuals who may be struggling to maintain their financial wellbeing.



'I have been on a sinking ship since October last year. I struggled with my mental health due to stress from bills and lack of money when my Personal Navigator stepped in after a call to the Citizens Advice Bureau during Christmas time. Since then I have received so much support helping me to manage things more effectively and because of your help I have now managed to secure employment. I never expected this type of treatment from anybody and I just want you all to know that you have saved me from a dire situation and gave me hope for a brighter and better future.'

Source: Money Sorted participant



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Helping people to improve their financial wellbeing across the region.

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