



## Closing the financial capability gap

**New study shows young UK females lack financial confidence and suffer poor mental health due to money troubles**



Financial education charity MyBnk crunched the data on 3,700 11-25 year olds taking part in their money programmes, in-and-out of schools, over a year.

They found nearly half of girls (43%) were not financially confident, 18% less so than boys. And 10% more of young women suffered anxiety and depression about money than their male counterparts.

Of 14 indicators from across a range of financial capabilities, 11-16 year old girls have a higher starting position in just four over boys and spend more money on their wants (17%) and less money on their needs (11%) than males.

This capability gap is starker at school age but, with intervention, closes and exceeds male's abilities as girls get older.

After expert-led lessons with 16-25 year olds we found a 48% increase in regular saving and a 40% decrease in owing money – versus a 29% rise in saving and 31% drop in debt for men.

The findings come during [Talk Money Week](#) (9-15 Nov) by the Money and Pensions Service (MaPS) - a UK wide initiative encouraging everyone to open up about personal finance.

Real world consequences of 'the gap':



- 🔴 69% of UK millennial women defer to their husbands for long-term financial decisions. (UBS).
- 🔴 7/10 millennial women say they have never been taught to manage money, compared to 42% of men. Nearly 9/10 women in the UK feel that their spouse knows more about investing than they do. 73% of millennial women are not investing any of their money, compared to 49% of men. (BBC Moneybox).
- 🔴 Almost 40% of young women struggle to make their cash last until the end of the month and women are twice as likely to be in poverty compared to men. (Young Womens' Trust).

## Talk Money Week

This week, across the UK, MyBnk is helping nearly 1,000 young people in schools and youth organisations learn to manage their money via virtual programmes as covid continues to disrupt education. Most sessions are free or funded.

The initiative supports part of the UK Strategy for Financial Wellbeing, launched by the Money and Pensions Service (MaPS) in January 2020, which has ambitious ten-year goals to help everyone make the most of their money and pensions

Independent evaluation by MaPS has shown after MyBnk's intervention, 2/3 school students work towards a savings goal - double the national average of 34%. Young adult's debts drop on average 60% - compared to control groups who see average debts grow by 50%.

## Quotes

Guy Rigden, CEO MyBnk says: *"When it comes to a basic life skill, money management, we have identified a worrying early indicator of divergence in the life chances of young women compared to young men.*

*Yet this study also reveals the huge potential of young people when they are engaged with money and are motivated to act which also affects attitudes and behaviours.*

*Prevention is always cheaper than the cure and we are calling on education departments, financial services and corporates to back what works in our classrooms to help dodge debt and level the playing field for young people. Funding is tight and it is becoming harder to deliver frontline projects like ours which help narrow the inequality gap."*

## Case Study

Amia, 23 - 11 months post-intervention, said: *"It (sic money) became overwhelming very quickly to the point I thought there was nothing to live for. I was 21 when I first tried to file for bankruptcy, I wanted everything to be over and just start again. Money lessons taught me about my relationship with money and my goals. Some things I didn't really understand right away but it opened my eyes. Learning to live independently is so important. It taught me I had worth, that I am important, and I matter like anyone else. And for that I am very grateful".* [Full case study here.](#)

## [Photos](#)



## Methodology:

Baseline and end line questionnaires including long term surveys of 3,700 11-25 year old females. 3,200 school age participants took three 100 minute [Money Twist Key Stage 3](#) sessions. 16-25 year olds attended a four day specialist youth homelessness prevention scheme [The Money House](#) – full report [here](#).

Sessions were funded by the Quilter Foundation, the Berkeley and JP Morgan Chase Foundations, L&Q and Pimco.

At baseline girls reported being better than males at:

- ⚡ Feeling less under pressure to spend like friends.
- ⚡ Saving at least some money every time they get it.
- ⚡ Understanding bank statements.

At baseline girls are worse off at:

- ⚡ Understanding how treating money now will affect their future.
- ⚡ Stopping myself eating too many sweets (delayed gratification).
- ⚡ Not spending on wants.
- ⚡ Confidence managing money.
- ⚡ Awareness of how adverts affect spending decisions.
- ⚡ Being confident to talk and learn about money.
- ⚡ Understanding what money banks add to your savings.
- ⚡ Having a plan of how to pay for needs.
- ⚡ Keeping track of the money they get and spend.
- ⚡ Saving regularly.
- ⚡ Shopping around.

## About MyBnk:

MyBnk is a UK charity that delivers expert-led financial education programmes to 5-25-year olds in schools and youth organisations – direct, virtually and online. Together with young people, they have created innovative, high impact and high energy workshops that bring money to life.

MyBnk cover topics such as saving, budgeting, debt, independent living and public and student finance. They also design projects and training programmes for others. Since 2007 they have helped over 250,000 young people learn how to manage their money. [www.mybnk.org](http://www.mybnk.org)

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**For more information or to attend a MyBnk session, please contact [declan@mybnk.org](mailto:declan@mybnk.org) or call 0207 377 8770.**