

Inter-generational Rebalancing Conference

Starter capital accounts & incentivised learning

Gavin Oldham OBE

Breaking the cycle of deprivation



Sir Keith Joseph

'Lost Boys' report



Josh MacAlister, OBE MP



Minister for Children & Families

16% of Britain's 16-24 year olds ..



.. are unemployed

Impact of freezing tax thresholds



IMPACT OF THRESHOLD FREEZE

Starting salary 2025-26	Salary 2030-31 at 4%	Tax (frozen 2030-31)	Tax (CPI-uprated 2030-31)	Extra tax from freeze	Extra tax rate
£30,000	£36,500	£4,786	£3,802	£984	2.7%
£40,000	£48,666	£7,219	£6,235	£984	2.02%
£50,000	£60,833	£11,765	£8,667	£3,097	5.09%
£60,000	£72,999	£16,632	£11,624	£5,008	6.86%
£80,000	£97,332	£26,365	£21,357	£5,008	5.15%
£110,000	£133,832	£47,056	£44,003	£3,052	2.28%

Source: Tax Adviser Magazine

Gordon Brown



**Chancellor of the Exchequer
1997 – 2007**



Starter Capital Account for low-income young people ('CTF Mark 2')

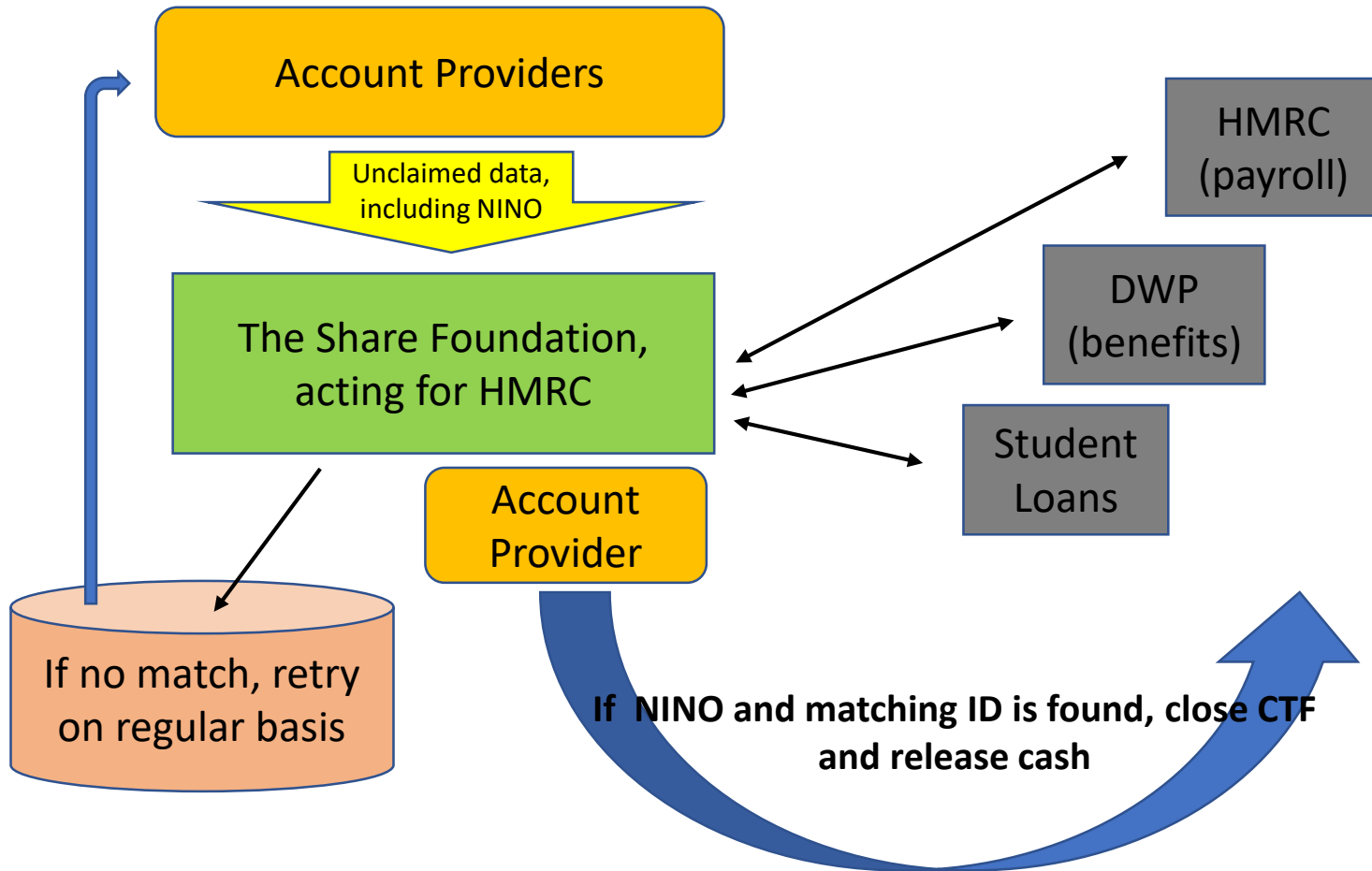
Learnings from the current scheme

- Universality is neither affordable nor appropriate
- Absence of a structured financial awareness element
- Voluntary application & drawdown led to poor communication and unclaimed accounts
- Funded by Government, leading to closure in 2011

Proposal for a new scheme, as submitted to Child Poverty Task Group

- Applicable only to low-income young people
- Includes incentivised learning so that young people can earn as they learn
- All accounts to be HMRC-allocated with an active communication programme, & to include automatic release at 21 if unclaimed
- If Government provides legislation & help with logistics, could be philanthropically funded

Proposal for Automatic Release at 21 for HMRC-allocated accounts



- If this proposal was introduced now, c. 276,000 accounts with a value of over £570 million would be released forthwith, £381 million of which would go to low-income young adults
- The proposal was submitted to the Chancellor and Economic Secretary in early 2025 signed by 12 members of both Houses of Parliament

News story

Economic Secretary on a drive to help young people find their Child Trust Funds

Government boosts efforts to help young people find their Child Trust Funds

From: [HM Treasury](#), [HM Revenue & Customs](#) and [Lucy Rigby KC MP](#)

Published 23 April 2026

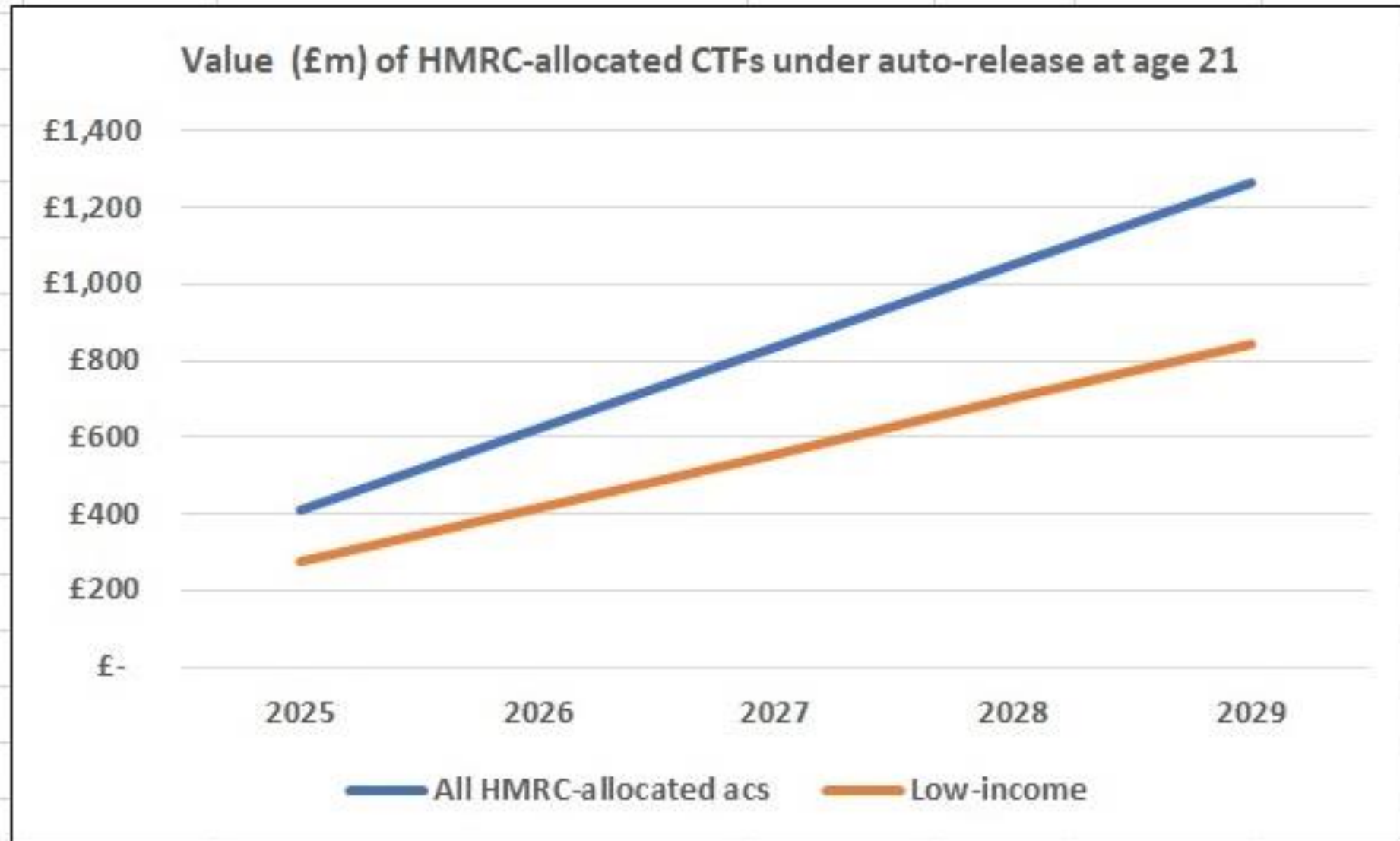


The Government will contact thousands of young people about forgotten Child Trust Funds (CTFs) in a bid to reunite account holders with their



Government sending letters re. unclaimed Child Trust Funds

Unclaimed HMRC-allocated Child Trust Funds aged 21 & over projection

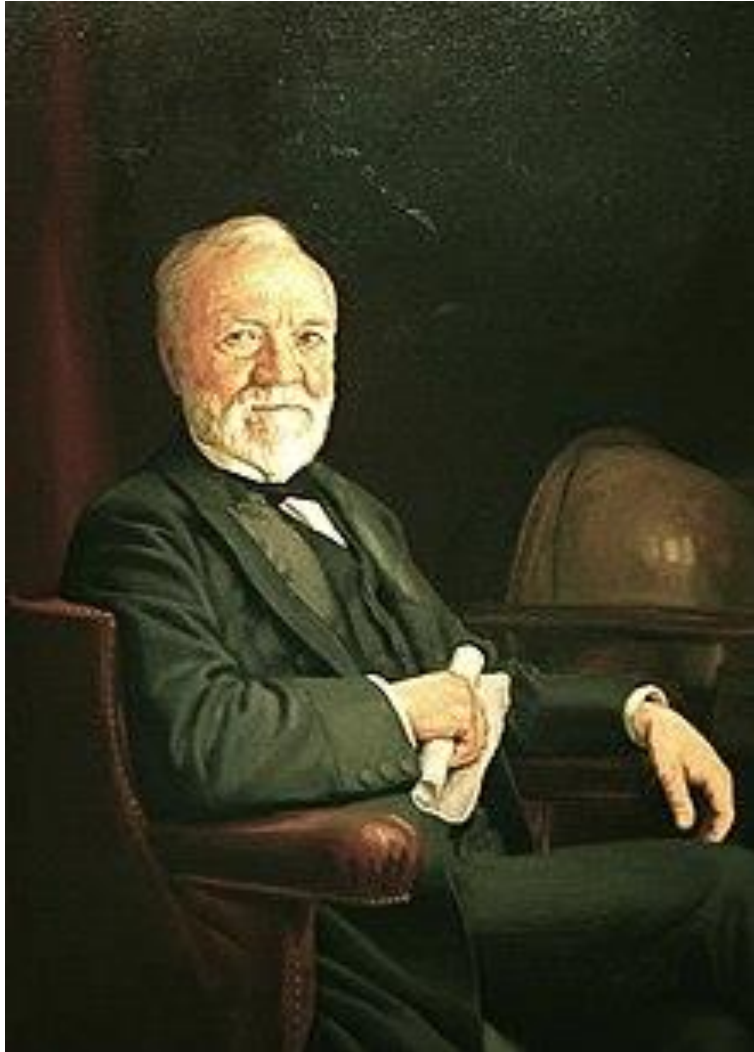


How use of private health insurance drops post-retirement



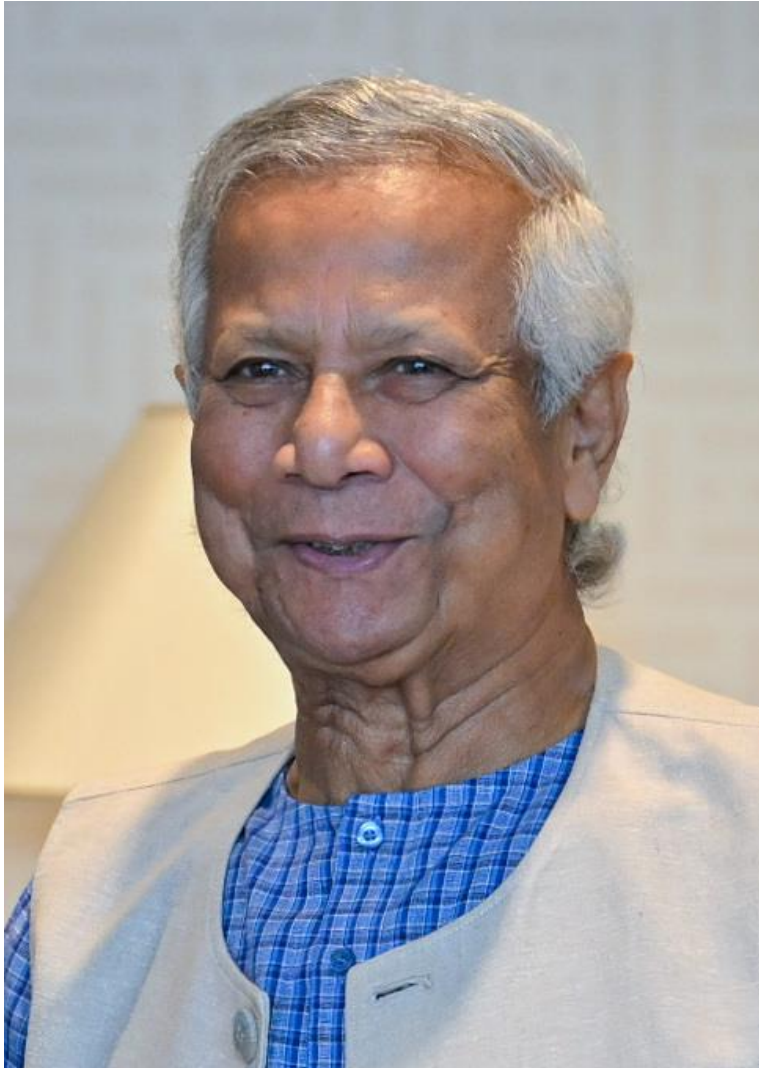
NHS Patients - Age & Use Profile in England, with Private Medical Insurance usage							
Age	Male	Female	Notes	Total FCEs	Population	FCE per Pop'n	% with PMI
0 - 4	786798	647555	Birth	1434353	3,239,447	0.44	
5 - 9	179297	141224		320521	3,539,458	0.09	
10 - 14	146984	137023		284007	3,435,579	0.08	
15 - 19	164469	257230		421699	3,115,871	0.14	4%
20 - 24	200581	483857	Childbirth	684438	3,472,522	0.20	4%
25 - 29	243178	700800	Childbirth	943978	3,771,495	0.25	15%
30 - 34	276363	765585	Childbirth	1041948	3,824,652	0.27	15%
35 - 39	302212	612718	Childbirth	914930	3,738,209	0.24	23%
40 - 44	319438	445881	Childbirth	765319	3,476,303	0.22	23%
45 - 49	413141	510339		923480	3,638,639	0.25	25%
50 - 54	540028	619146		1159174	3,875,351	0.30	25%
55 - 59	731918	738588		1470506	3,761,782	0.39	16%
60 - 64	717075	676482		1393557	3,196,813	0.44	16%
65 - 69	816326	736365		1552691	2,784,300	0.56	11%
70 - 74	1014439	924317		1938756	2,814,128	0.69	11%
75 - 79	919280	877422		1796702	2,009,992	0.89	5%
80 - 84	806790	839860		1646650	1,449,189	1.14	5%
85 - 89	555219	674326		1229545	885,343	1.39	5%
90+	304434	511772		816206	521,067	1.57	
Unknown	60524	103278		0	0		
Totals	9498494	11403768		20738460	56,550,140	0.37	
			Cost per FCE	£ 8,096			
Sources: NHS Digital & Statista							

The Carnegie Conjecture



Andrew Carnegie showed that, if too much money is received as inheritance, it can significantly undermine family descendants' drive to achieve their own potential.

Muhammad Yunus



Founder of Microfinance and with Grameen Bank, Nobel Prize winner – ‘for their efforts to create economic and social development from below’.

Stepladder Plus Incentivised Learning



- **Understanding Money** - using up to date functional skills content, Step 1 assesses the young person's financial literacy skills and is achievable at Functional Skills Entry 3 or above. (Benefit £75)
- **Numeracy** - using up to date functional skills content, Step 2 assesses the young person's maths skills and is achievable at Functional Skills Entry 3 or above. (Benefit £75)
- **Financial Capability (1)** - Practice and assessment with costs of living using Young Money content. (Benefit £100)
- **Plan for the Future** - 250-500 words submitted by the young person and assessed by The Share Foundation, describing their aspirations for the future and how they will use their investment. (Benefit £125)
- **Financial Capability (2)** - *Managing My Money*, Share Radio's broadcast version of the Open University Business School's eight week course with recognised accreditation. (Benefit £175)
- **Securing future education, employment or training** - working with a mentor such as a carer, teacher, leaving care worker. (Benefit £200)

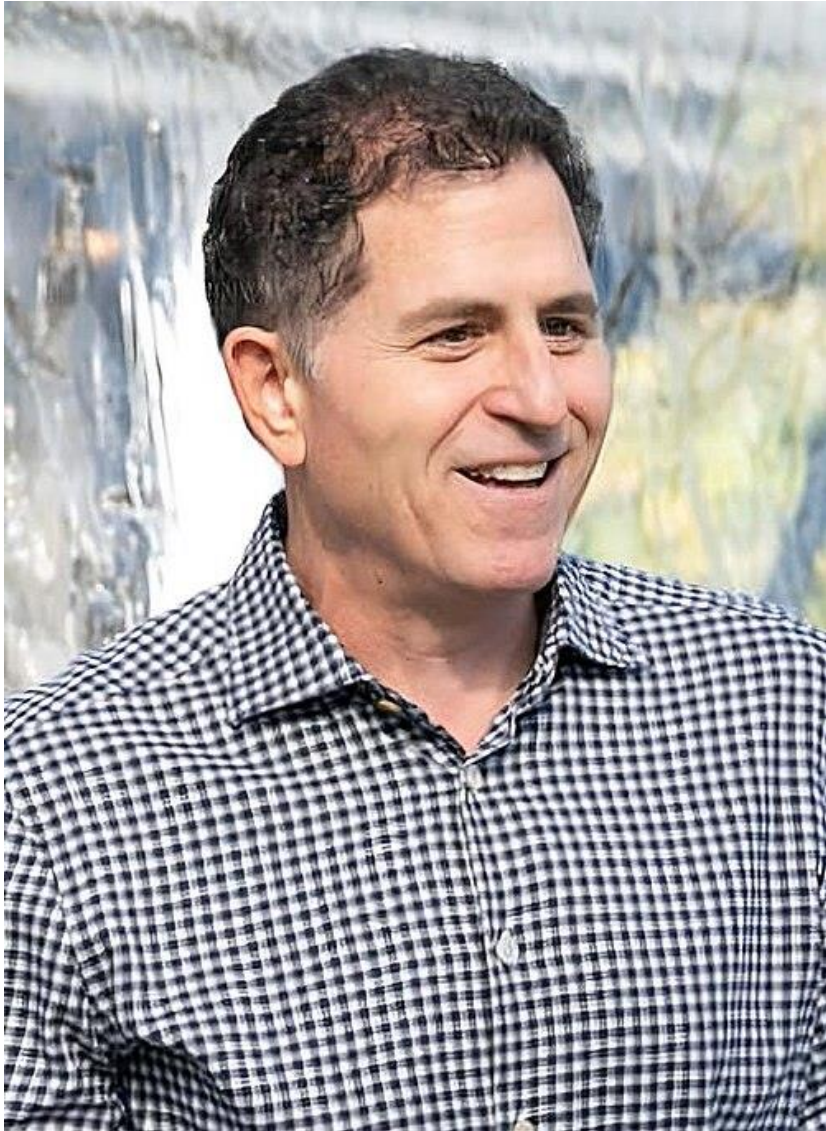
Non-experimental Evaluation

a research method used to assess programmes, behaviours, or phenomena without manipulating independent variables or randomly assigning subjects to groups

Key Characteristics –

- **No Manipulation/Control:** Researchers do not alter the environment or control variables.
- **No Random Assignment:** Pre-existing groups are often studied, leading to potential selection bias.
- **Descriptive/Correlational:** Results describe situations or correlations rather than strict causation.
- **Naturalistic:** Studies often occur in real-world settings where experimental methods are unethical or impractical.

Michael Dell



Universal savings accounts are being set up from July for every American child by the Trump administration, with seed money from the US Treasury for all children born in between 2025 and 2028 – and the Dell Foundation is providing seed money for all other children under 10 years old.

CNN – a potential partner for global inter-generational rebalancing?



What life is like in Sudan, where a devastating crisis has changed lives forever

Cuts in official development assistance



- **The OECD projects a 9 to 17% drop in official development assistance (ODA) in 2025.** This comes on top of a 9% drop in 2024. The outlook beyond 2025 remains highly uncertain.
- **The projected decline is driven by announced cuts in four major providers of ODA.** For the first time in nearly 30 years, France, Germany, the United Kingdom, and the United States all cut their ODA in 2024. If they proceed with announced cuts in 2025, it will be the first time in history that all four have cut ODA simultaneously for two consecutive years.
- **ODA in 2027 is projected to fall back to 2020 levels.** That said, needs continue to grow and the projected ODA cuts will impact the poorest countries and vital services hardest.

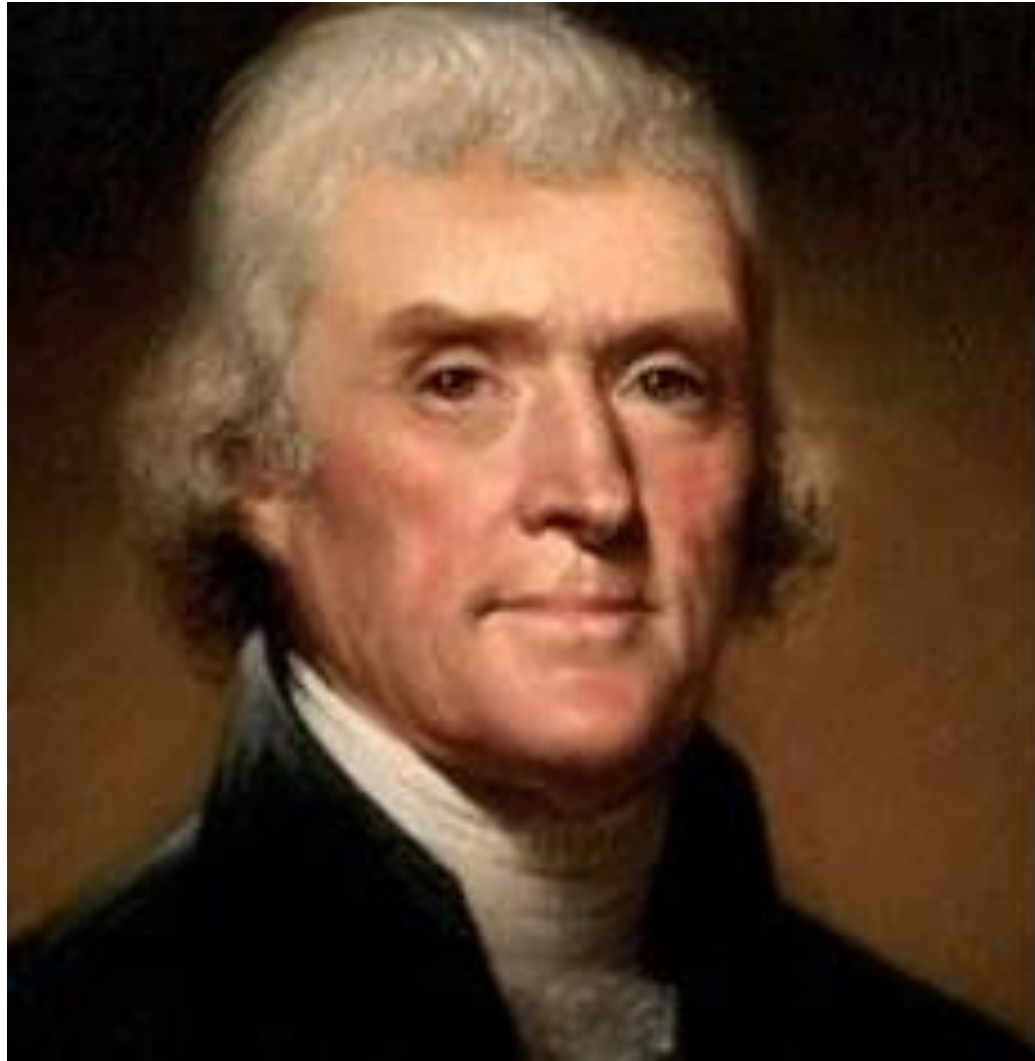
Source: OECD

Lee Kun-hee



**Former Chairman of Samsung
who transformed that business,
and whose family paid
inheritance tax of \$8 billion**

The key criteria by which we are guided - and with a long-term, inter-generational context



“We hold these truths to be self-evident:

- that all are created equal;
- that they are endowed by their Creator with certain unalienable rights;
- that among these are life, liberty, and the pursuit of happiness.”

Thomas Jefferson