



**Education Committee
Inquiry Response:**

FINANCIAL EDUCATION

December 2023



Young Enterprise's Submission to the Education Committee Inquiry: [Financial Education](#)

Executive Summary:

Young Enterprise is at the forefront of financial education with over 60 years of experience, specialising in equipping teachers and educators to deliver financial education in both primary and secondary settings by developing high-quality tools and resources, teacher training and in-school mentoring and support.

We consider the only effective, scalable, and sustainable solution to ensure all young people receive the knowledge, skills, and attitudes they need for financial wellbeing is to equip, train, and empower teachers to deliver financial education in schools. To do this, we ensure all our guidance and resources use a range of educational approaches that empower teachers to adapt and respond to the needs of their students so that all young people can leave school best prepared for their financial future.

Young Enterprise encourages the Education Select Committee to consider the following when forming plans to improve financial education in the UK:

- The barriers teachers face and how they can be better supported through improved CPD and teacher/senior leader training, increased signposting to high-quality resources, and the development of support / recognition initiatives for schools and colleges championing financial education.
- The potential to incorporate financial education across the educational experience, including in the Maths to 18 initiative for post-16 learners, with particular accountability in Citizenship, Maths and PSHE. More detailed guidance should be created for teachers to guide them on how to implement this.
- Make financial education mandatory in primary education in England to ensure strong foundations in understanding and attitudes to money are formed and can be built upon in secondary school.
- The Department for Education to play a key role in sharing good practice of schools who have embedded financial education across the curriculum through applied learning. The Department should utilise their influence to encourage and support consistent and progressive delivery of financial education in all secondary schools.
- Ensure teachers are involved in co-creating solutions, including inviting them to the oral evidence sessions of this inquiry.

About Young Enterprise

As a thought-leader in financial education for young people, Young Enterprise is delighted to respond to this call for evidence to help improve the provision of financial education in schools across the UK.

Young Enterprise is a national financial and enterprise education charity that motivates young people to succeed in the changing world of work by equipping them with the skills, knowledge and confidence they need. Each year, we provide learning opportunities to over 400,000 young people.

Young Enterprise provides resources and training to anyone teaching young people money management skills through the financial education brand **Young Money**. We are a trusted provider, supporting schools, colleges and universities. In the 2022-23 academic year, we trained over 3,700 educators in financial education provision. We are also the issuer for the Financial Education Quality Mark, the UK's only widely-recognised accreditation for financial education resources.

Young Enterprise is the Secretariat to the APPG on Financial Education for Young People, whose research is also cited in this response.

More information is available at young-enterprise.org.uk.

Foreword from the CEO, Sharon Davies

At Young Enterprise, we welcome this Education Committee inquiry. We see first-hand the power that financial education has to prepare young people for the real world, helping them to develop responsible money habits, make informed spending choices and handle financial risks.

Young Enterprise participants consistently rate themselves lower on their baseline personal financial capability than other measures like teamwork, problem solving and readiness for work. Encouragingly, it is also the area where we record the highest levels of improvement among learners, particularly amongst those young people with the greatest barriers to opportunity.

Consistent access to financial education is a significant driver towards improving financial wellbeing in the UK. This is especially the case following the pandemic, which has catalysed moves toward a cashless society, and, amid the current cost of living crisis, makes young people especially vulnerable to financial challenges and threats.

The role of schools in providing financial education cannot be undervalued. It is essential that all schools are supported to provide consistent, high-quality provision so that no young person is left behind because of their background in building a positive financial future.

While there have been positive developments since financial education was added to the secondary curriculum in England, we are almost a decade on and financial education is still not delivered in all schools. There is an inconsistent provision across the country, often relying on the goodwill and passion of individual teachers amid high workloads and competing school priorities.

This is not sustainable, and more needs to be done to support, enable and empower teachers to deliver financial education right across the educational journey – including primary, secondary and further education. Teachers know their students best and are experts in

adapting content to engage them and meet their individual needs. In our response, we are calling on the Government to raise awareness of the importance of financial education provision in schools, ensure high-quality guidance and resources are available to enable its delivery, and shine a light on best practice of schools embedding financial education across the curriculum, providing young people with opportunities to apply their learning to real-world situations through financial contexts.

When equipped with the skills and knowledge to become financially capable, young people are better able to manage their money during their education and more ready to enter the world of work. To achieve this, it is vital teachers are empowered and supported to deliver financial education and that they are key players in designing the solutions to enable this.

Sharon Davies

Chief Executive Officer

Young Enterprise

Introduction

The case for young people to leave school able to control their money and plan for the future has never been stronger. Children and young people are encountering money earlier and earlier – from spending and saving pocket money to part-time jobs to making decisions about student loans and securing employment. Furthermore, there are links between financial wellbeing, resilience and mental health¹, suggesting that building the foundations for strong financial wellbeing from an early age through financial education can help equip them for positive mental health in the future. This is more pressing than ever, with the long shadow cast from the COVID pandemic and a significant deterioration in young people's mental health.

Financial education has been a part of the secondary curriculum in England since 2014, however, recent research from the Money and Pensions Service found that just 38% of children recall receiving financial education at school or college². Research from the All Party Parliamentary Group (APPG) on Financial Education for Young People found that less than half of teachers (44%) in English secondary schools (where financial education is a curriculum requirement) are aware that financial education is part of the secondary school national curriculum³.

Over half of teachers find delivering financial education challenging (55%), with some of the main barriers including time pressures (92% reported this), lack of access to training, insufficient funding and competing priorities within the school. As Secretariat to the APPG, Young Enterprise supports the recommendations made in this most recent inquiry.

¹ Mind (2022) The link between money and mental health <https://www.mind.org.uk/information-support/tips-for-everyday-living/money-and-mental-health/the-link-between-money-and-mental-health/>

² Money & Pensions Service (2023) UK Children and Young People's Financial Wellbeing Survey: Financial Foundations <https://maps.org.uk/en/publications/research/2023/uk-children-and-young-peoples-financial-wellbeing-survey-financial-foundations>

³ APPG on Financial Education for Young People (2023) Building Beyond Barriers: A roadmap for enhancing financial education in schools <https://www.young-enterprise.org.uk/wp-content/uploads/2023/02/Building-Beyond-Barriers-%E2%80%93-A-roadmap-for-enhancing-financial-education-in-schools.pdf>

In order for financial education to be strengthened, teachers and educators must be better equipped, supported, and empowered to teach financial education effectively to the young people they work with.

1. What should we be teaching young people about money? What should financial education include and are there any aspects missing from current provision?

For effective financial education delivery, more detailed guidance needs to be provided to teachers in the national curriculum for secondary schools. For example, schools in England can currently view the *National curriculum in England: citizenship programmes of study for key stages 3 and 4*, which includes one aim referring to financial education: “to enable them to manage their money on a day-to-day basis, and plan for future financial needs”⁴. This also includes the aim of being taught about “the functions and uses of money, the importance and practice of budgeting and managing risk” in Key Stage 3 and “income and expenditure, credit and debt, insurance, savings and pensions, financial products and services and how public money is raised and spent” in Key Stage 4. In both KS3&4 guidance, this constitutes just one bullet point in the Aims and Subject content for each Key Stage.

We believe that this level of detail is not enough to guide teachers to develop an appropriate provision of financial education that will build students’ capabilities through different years for a well-embedded approach. According to the 2011 APPG inquiry on *Financial Education & the Curriculum*, there is a general agreement that personal finance should be taught progressively and build upon the skills pupils learn at different key stages⁵. This should begin with basic money skills at Early Years and progress to ensure that all young people are prepared for financial independence and the challenges this brings, supported by the development of mathematical understanding and skills.

Young Enterprise provides two key frameworks outlining the content that should be taught to take young people from ages 3-11 and 11-19 in a progressive structure. This was created collaboratively with teachers over 15 years ago and has been regularly updated to account for changes in the financial environment, again in consultation with teachers. In addition to educators, this framework is used by many different organisations across the sector, and there is a vast range of resources that have been developed in alignment with these frameworks, including the only financial education textbook, *Your Money Matters*, developed by Young Enterprise in partnership the Money and Pensions Service and the founder of MoneySavingExpert.com, Martin Lewis OBE and supported by the Department for Education.

Financial Education Planning Frameworks provide content guidance to educators in a flexible, progressive approach to meet student needs

Young Enterprise has developed two Financial Education Planning Frameworks: one designed for 3-11-year-olds and one for 11-19⁶. These frameworks support the planning, teaching and progression of financial education in primary and secondary education. They are designed to help educators deliver financial education flexibly across their curriculum in

⁴ Department for Education (2013) National curriculum in England: citizenship programmes of study for key stages 3 and 4 <https://www.gov.uk/government/publications/national-curriculum-in-england-citizenship-programmes-of-study/national-curriculum-in-england-citizenship-programmes-of-study-for-key-stages-3-and-4>

⁵ APPG on Financial Education for Young People (2011) Financial Education & the curriculum <https://www.young-enterprise.org.uk/wp-content/uploads/2019/02/Financial-Education-the-curriculum-Final-report-APPG-on-fin-ed-for-YP-Dec-11.pdf>, Page 16

⁶ Young Enterprise (2019) Financial Education Planning Frameworks <https://www.young-enterprise.org.uk/teachers-hub/financial-education/resources-hub/financial-education-planning-frameworks/>

citizenship, PSHE education, maths and beyond. They are purposefully not curriculum-linked to provide the maximum flexibility for teachers across the UK.

The Financial Education Planning Frameworks set out the key areas of financial knowledge, skills and attitudes relevant to children and young people across four core themes:

- a. How to manage money
- b. Becoming a critical consumer
- c. Managing risks and emotions associated with money
- d. Understanding the important role money plays in our lives

Each core theme is broken down into progressive key learning outcomes across the age group, which encompass the knowledge, skills, and attitudes gained through each outcome, as seen in this extract from the frameworks:

<u>3-11 years</u>	<u>11-19 years</u>
How to manage money	
Recognising coins; the value of coins and notes; keeping track of money; ways to pay; keeping records; foreign currency; simple financial records	Financial paperwork and budgeting; saving and borrowing; planning and budgeting; planned saving and borrowing; financial planning and budgeting; paying, borrowing and saving
Becoming a critical consumer	
Choices about spending; choices about saving; needs and wants; decisions about saving and spending; spending and saving priorities; influences on saving and spending; value for money	Advertising, peer and media pressure; making financial decisions; financial products; consumer rights and responsibilities; using information and advice to make financial decisions; comparing financial products; taking responsibility; seeking finance advice; choosing financial products
Managing risks and emotions associated with money	
Keeping money safe; feelings about money; looking after my money; saving money; using accounts to keep money safe and to save; lending and borrowing; protecting my money; saving and borrowing	Fraud and identity theft; risk and reward; different types of insurance; managing risk; insuring against risk; avoiding and protection from fraud and identity theft; identifying and reducing financial risks; statutory financial support
Understanding the important role money plays in our lives	
Using money; where my money comes from; how money developed; earning money; helping others; links between work and money; wider communities	The connection between world of work and future economic wellbeing; personal finance and public spending; investing in my future; work, income and deductions; relationship between personal finance and economic citizenship; long-term financial planning; links between work, life choices and financial planning; personal and economic links with the wider world;

[3–11-year-old framework in full](#)

[11–19-year-old framework in full](#)

These frameworks are designed to be a flexible guide that teachers can adapt to their students' needs. Considering this, both frameworks can be used in a number of ways, for example to:

- a. Gauge pupils' starting point for financial education
- b. Identify learning outcomes for lessons and schemes of work
- c. Map existing provision and identify gaps
- d. Plan for progression between ages and key stages

Young Enterprise Centres of Excellence⁷ is a financial education programme designed to support schools of all phases that have committed to embedding financial education within their whole school curriculum. Every Centre of Excellence uses these Financial Education Frameworks to map their current provision of financial education and identify where they can improve and build effective content suited to their learners' needs.

The Financial Education Planning Frameworks are supported by all members of the Youth Financial Capability Group (YFCG): Young Enterprise (creators), MyBnk and The Money Charity⁸, as well as the Money and Pensions Service (who lead the UK's Strategy for Financial Wellbeing)

Aligning Resources to the Financial Education Framework

The Financial Education Planning Frameworks form the foundations of the Financial Education Quality Mark, administered by Young Enterprise to ensure financial education resources are of the highest quality (see Section 3). This means that some of the most used resources in the sector have been fully aligned to the Financial Education Planning Frameworks, including NatWest's *MoneySense*, HMRC's *Tax Facts*, HSBC & Young Enterprise's *Money Heroes*, among many others⁹.

One of the most high-reaching of these resources is the *Your Money Matters* textbook, the first school-based financial education textbook in the UK, created by Young Enterprise in partnership with Martin Lewis OBE, founder of MoneySavingExpert.com and endorsed by the Department of Education. Subsequent versions of the textbook have been created by Young Enterprise for each UK nation in partnership with Martin Lewis OBE and the Money and Pensions Service.

Designed for use with young people aged 14-16, the textbook covers topics including:

- a. Spending and saving
- b. Borrowing
- c. Debt
- d. Insurance
- e. Student finance
- f. Future planning

In 2018, Young Enterprise distributed 100 copies of the textbook and accompanying lesson plans to every state secondary school in England, with other UK nations' versions being distributed to schools following this. The aim of the textbook was to improve the consistency of access to financial education young people received within secondary schools by providing teachers with access to a high-quality, free, standardised teaching resource.

⁷ Young Enterprise (2023) Centres of Excellence <https://www.young-enterprise.org.uk/centres-of-excellence/>

⁸ <https://themoneycharity.org.uk/work/young-people/yfcg/>

⁹ Young Enterprise (2023) Resources and Tools <https://www.young-enterprise.org.uk/teachers-hub/resources/>

In an external evaluation performed in 2019 with funds from the Money and Pensions Service, using a mixture of surveys and focus groups, 89% of surveyed teachers agreed that the textbook would increase the quality of financial education, and 88% agreed it would increase teacher confidence in delivering financial education¹⁰. This demonstrates the importance of high-quality resources.

[Your Money Matters – England](#)

[Your Money Matters – Northern Ireland](#)

[Your Money Matters – Scotland](#)

[Your Money Matters - Wales](#)

Young Enterprise has also developed a resource for teachers working with young people who have moderate learning difficulties and social, emotional and mental health needs, *Spending Sense*. This was developed closely with professionals in the field to develop activities that cover appropriate money-related topics that can be easily differentiated and adapted by teachers to accommodate the varying needs of their learners.

[Spending Sense: A financial capability resource for learners with special educational needs](#)

Recommendation 1:

Additional guidance and more detailed content is needed in the national curriculum for secondary schools to better equip teachers with an understanding of age-appropriate content to build young people's financial capability in a progressive way.

Recommendation 2:

High-quality resources should be centralised and more readily available to teachers to guide them on relevant content and build their confidence in delivering financial education. These resources should also be flexible for teachers to adapt to best meet their learners' needs.

2. Where should financial education sit within the National Curriculum between the ages of 11 and 16? To what extent does its current position within the curriculum limit the amount of delivery time it receives? Should financial education form part of a core subject, such as mathematics?

Current Position

The inclusion of financial education within the National Curriculum for secondary schools was very welcome in 2014. However, almost a decade on, evidence shows that this milestone has not marked the growth in financial education that many had hoped for, with 42% of secondary school teachers in England believing that there had been no change in

¹⁰ Young Enterprise (2020) Your Money Matters : An evaluation <https://www.young-enterprise.org.uk/home/impact-policy/research-evaluation/our-impact-reports-2/your-money-matters-an-evaluation/>

emphasis on financial education two years on from change according to research done by the APPG on Financial Education for Young People¹¹.

Financial education currently sits in the Citizenship curriculum, with many schools choosing to deliver significant proportions of their financial education within PSHE/Citizenship sessions and as a context within the Maths curriculum¹². However, financial education is not currently inspected by Ofsted or examined explicitly in these subjects. Because of this and other competing priorities in the Citizenship area of the curriculum, financial education often does not get the time needed to be implemented consistently and effectively at the secondary level.

Embedding in Maths

Financial education and the real-world contexts it provides have been shown to improve student engagement and attainment in maths. In an OECD study, findings showed that students improved their mathematical attainment by around 20% when answering public examination questions that used a financial context, significantly more than the control group¹³.

In a follow-up to this study, Young Enterprise partnered with the Education Endowment Foundation and the Money and Pensions Service on *Maths in Context*, a project designed to improve pupils' financial capability, financial understanding, applied numeracy and problem-solving skills through a two-year intervention targeted at pupils in Year 10 and 11¹⁴. The programme consisted of teacher training, detailed lesson plans, and materials for 12 lessons to be taught during Year 10 designed to embed math topics in real-world contexts.

The project was evaluated and compared to a control group who were taught the same maths content but not in a financial context. The study found that just over half of teachers from the intervention group had noted improved student engagement in maths, and 81% reported understanding and learning of financial literacy. However, the impact on mathematical attainment was inconclusive, and so one of the report's conclusions was the potential to repeat the study with refined research questions.

Continue to Develop Money-Mindsets through Citizenship and PSHE

In addition to the benefits improved integration of financial education can have in mathematics, it is vital that young people also have the opportunity to develop their attitudes to finance as well as their money mindsets. Mindset is crucial when it comes to our relationship with money, creating good financial habits for the future and reducing the risk of financial stress and debt. Therefore, provision must go beyond the mechanics of financial mathematics to ensure there is a safe space for all young people to engage with and learn good financial habits, understand key financial risks, and build positive attitudes to money management.

¹¹ APPG on Financial Education for Young People (2016) Financial Education in Schools : Two Years On – Job Done? <https://www.young-enterprise.org.uk/wp-content/uploads/2019/02/APPG-on-Financial-Education-for-Young-People-Final-Report-May-2016.pdf>

¹² Department for Education (2013) Mathematics programmes of study: key stage 3 https://assets.publishing.service.gov.uk/media/5a7c1408e5274a1f5cc75a68/SECONDARY_national_curriculum_-_Mathematics.pdf

¹³ OECD (2019) Policy Handbook on Financial Education for Young People in the Commonwealth of Independent States <https://www.oecd.org/financial/education/Youth-Policy-Handbook-on-Financial-Education-CIS-EN.pdf>

¹⁴ Education Endowment Foundation (2022) Maths in Context <https://educationendowmentfoundation.org.uk/projects-and-evaluation/projects/maths-in-context>

As demonstrated in the Financial Education Planning Frameworks in Section 1, these attitudes are important for creating and building upon financial literacy and resilience in a progressive way, from the initial understanding of the value of money to the link between employability and economic wellbeing.

For most young people, the development of money attitudes will happen at home, however, whilst this is positive in many households, there can also be negative influences in relation to money that come from within the family home. According to the Money and Pensions Service, children whose parents are more financially capable tend to do better on financial capability themselves when they grow up, which widens the opportunity and social mobility gap¹⁵.

It is therefore important that this element of financial education and capability not be overlooked in the school system, which should equip all young people with the skills, knowledge and confidence to manage money through the PSHE and Citizenship areas of the curriculum alongside mathematics, where teachers are well equipped to engage in such attitude-focused discussion.

Financial Education Across the Curriculum

Some of the most effective examples of financial education are where it has been implemented across the curriculum, bringing real-world contexts for students to apply their learning in a variety of ways and in different subjects.

Our *What Applied Learning Really Looks Like* report, in partnership with The Entrepreneurs Network, showcases some innovative examples of how financial education can be embedded into a wide range of subjects across school years to build students' financial literacy¹⁶. These examples show how applied learning can boost confidence and attainment as well as better prepare young people for the world beyond school¹⁷.

Recommendation 2:

a. First and foremost, it is vital that the Government give more prominence to the value and mandatory position of financial education in the curriculum to increase the importance of financial education delivery in schools. We suggest connecting financial education within the PSHE, Citizenship and Maths Curricula and to strengthen the relationship between these, as discussed above, to best build young people's financial literacy, capability and wellbeing across the curriculum.

b. Furthermore, we recommend that the Department for Education plays a key role in sharing the good practice of schools that have embedded financial education across the curriculum through applied learning and using their influence to encourage consistent and progressive delivery of financial education in all secondary schools.

¹⁵ Financial Capability Strategy (2023) Children's experiences with money will influence how they manage it as adults <https://www.fincap.org.uk/en/articles/parents>

¹⁶ Young Enterprise (2023) What Applied Learning Really Looks Like <https://www.young-enterprise.org.uk/wp-content/uploads/2023/01/What-Applied-Learning-Really-Looks-Like-Young-Enterprise-and-TEN.pdf>

¹⁷ Young Enterprise (2023) Applied Learning <https://www.young-enterprise.org.uk/wp-content/uploads/2023/09/Young-Enterprise-Applied-Learning-Brochure-Spreads.pdf>

3. What steps should be taken to support teachers and schools in their delivery of financial education?

Young Enterprise believes that, as education professionals, teachers are best placed to lead the delivery of financial education from within the school setting in order to reach all young people. We consider this approach to be the most sustainable, scalable and cost-effective to improve financial education, literacy and resilience in young people, and the population in the long-term. Because of this, it is vital that all solutions and interventions be co-designed with teachers.

According to *Building Beyond Barriers*, a report by the APPG on Financial Education for Young People published in 2023, which surveyed over 400 teachers across primary and secondary settings, financial education is considered challenging to deliver by most teachers. The main barriers cited include training, time and funding¹⁸.

To improve this, a teacher-led approach must be underpinned by a range of support, resources, and enrichment activities that are easily available and visible to teachers to reduce these barriers.

Young Enterprise believes that there are three tiers of support the Government should ensure are made available to all schools to meet these needs:

1. Easily accessible, high-quality tools and resources
2. Professional development opportunities
3. In-school mentoring support

Easily Accessible, High-Quality Tools and Resources

38% of teachers cited access to high-quality financial education lesson resources as their most important enabler for delivering high-quality financial education, second only in importance to student engagement¹⁹.

According to the Money and Pensions Service, there were 102 financial education programmes in 2021 involving a combined spend of £9.3m each year, showing that there are a range of third-party resources available in the financial education space²⁰. However, only between a quarter and a third of teachers are aware of and have used third-party resources, showing that this range of resources is not visible or navigable to the majority of teachers²¹.

Furthermore, the report found that teachers need resources to be quality-assured, demand as limited time as possible, and are easily adaptable to their settings and learners, such as SEND pupils.

- What does quality assurance look like?

The Financial Education Quality Mark, provided by Young Enterprise, is the UK's only widely recognised accreditation for financial education resources²². It is designed to give educators the confidence that the financial education resources they are accessing are of the highest

¹⁸ APPG on Financial Education, Building Beyond Barriers

¹⁹ APPG on Financial Education, Building Beyond Barriers, Page 16

²⁰ Money & Pensions Service (2022) Financial education provision mapping 2021: Final report <https://moneyandpensionsservice.org.uk/2022/11/16/financial-education-provision-mapping-2021-final-report/>

²¹ APPG on Financial Education, Building Beyond Barriers, Page 18

²² Young Enterprise (2023) The Quality Mark <https://www.young-enterprise.org.uk/teachers-hub/financial-education/support-training/the-quality-mark/>

educational value, contain accurate and up-to-date information and are engaging and relevant for young people.

The Financial Education Quality Mark is only awarded to financial education resources that meet seven essential criteria:

1. Have been developed in consultation with a teacher or educationalist and tested with young people in the target group
2. Have a dedicated theory of change, evaluation plan and evidence portfolio
3. Have a principal focus on financial education
4. Include opportunities for structured learning
5. Be engaging and relevant for young people
6. Be clearly written and easy to use
7. Contain accurate, up to date information and be free of branding

All Quality Marked resources have plotted their provision against the Financial Education Frameworks (see Section 1). Many of these resources are linked in our Resources Hub, providing a central location for educators to access free resources and use across a wide range of settings²³. This hub is filterable by age, topic and theme of the resources for easier navigation.

However, access to high-quality resources alone is not sufficient to enable the majority of schools to effectively deliver financial education and should be used as one part of a wider solution.

Recommendation 3

Enhance the awareness and accessibility of existing resources by improved signposting or having a centralised platform where all resources listed are quality assured.

Professional development opportunities

Young Enterprise has extensive experience providing teacher training for Initial Teacher Trainees and experienced teachers across Primary, Secondary and SEND, and Senior Leaders.

There are various ways in which financial education professional development could be rolled out more widely, such as ongoing Continued Professional Development (CPD) for qualified teachers, embedding in Initial Teacher Education programmes for newly qualified teachers, train-the-trainer solutions and engaging Senior Leaders.

➤ Teacher Training and CPD

Research performed by Young Enterprise in partnership with the University of Edinburgh Business School found that the most effective financial education provision for young people is that which has been developed and delivered by teachers who have been trained in financial education²⁴. The *What Works for Financial Education* study found that teachers who took part in CPD training were more confident in delivering financial education lessons and evaluating their effectiveness, improved their pedagogical practice, and that it had a positive outcome on the financial capability of the students they taught.

²³ Young Enterprise, Tools and Resources

²⁴ Young Enterprise (2018) What Works for Financial Education https://www.young-enterprise.org.uk/wp-content/uploads/2018/12/Young-Money-WWF_Impact-of-Teacher-Training_-_Final-Report-080618.pdf

Furthermore, in a follow up study which tracked a subset of the teachers and students to assess the longer-term impact of the first CPD intervention, we saw teachers' confidence in delivering financial education continue to strengthen, and their use of technology in sessions continue to rise even two years after training²⁵. The study also found that financial education teacher training is valuable for all teachers, regardless of length of teaching experience, and teachers who took part in training were more likely to spend time delivering more detailed sessions in the years following.

Young Enterprise delivers CPD-accredited teacher training to over 3,500 teachers each year alongside self-paced, e-learning courses for primary and secondary educators²⁶. However, less than half of teachers currently delivering financial education report that they have access to financial education CPD or teacher training or have time to undertake it²⁷.

➤ Train-the-Trainer

A scalable solution could be a train-the-trainer approach, as trialled in a Money and Pensions Service evaluation in partnership with Young Enterprise in which a cascaded, trainer-led professional learning approach was implemented in Wales²⁸.

The project, *Professional Learning Pathfinder*, saw teachers and staff from two Regional Education Consortia take part in financial education training to become volunteer trainers and then cascaded financial education professional learning to other teachers. Overall, the evaluation found positive changes to volunteer trainers' knowledge, skills and confidence to cascade professional learning to their peers. It particularly benefited those who, at the beginning of the project, did not feel knowledgeable, skilled or confident in financial education delivery.

➤ Senior Leaders

In addition to teacher's own confidence, priorities within a school are greatly influenced by Senior Leaders, meaning understanding the importance of financial education is also essential at this level of the school.

Young Enterprise commissioned York Consulting LLP to undertake research, funded by the Money and Pensions Service, across England to draw together findings on current practice surrounding financial education CPD, better understand the needs of senior leaders and how best to encourage, engage and support CPD for teaching staff to inform and enhance future CPD provision.²⁹ The research surveyed 96 senior leaders and interviewed 14.

The top four challenges to delivering financial education CPD were:

- a. Too many other CPD priorities
- b. Insufficient availability of financial education CPD training
- c. Insufficient time to undertake CPD training
- d. Insufficient funding

²⁵ Young Enterprise (2019) What Works for Financial Education (Follow-on Study) <https://www.young-enterprise.org.uk/wp-content/uploads/2019/11/Final-Report-October-2019.pdf>

²⁶ Young Enterprise (2023) Teacher Training <https://www.young-enterprise.org.uk/teachers-hub/financial-education/support-training/teacher-training/>

²⁷ APPG on Financial Education for Young People, Building Beyond Barriers, Page 16

²⁸ Money and Pensions Service (2022) Financial education professional learning for teachers in Wales: pathfinder evaluation <https://maps.org.uk/en/publications/research/2022/financial-education-professional-learning-for-teachers-in-wales-pathfinder-evaluation#Key-findings>

²⁹ York Consulting (2023) Financial Education CPD for Senior Leaders: Research report. Available upon request.

In addition, over half of respondents said they require guidance on how to build financial education into the curriculum and further information about available opportunities. Almost half of senior leaders felt training for teachers would support the prioritisation of financial education.

Following this research, Young Enterprise has just launched its first phase of CPD Certified Financial Education training for Senior Leaders, funded by the Money and Pensions Service³⁰. These sessions are designed to enable Senior Leaders to integrate financial education into their schools and include information about the importance of financial education, homework and assessment and the availability of resources and training for teachers.

So far, this pilot has engaged 30 Senior Leaders in September and October 2023. When asked to rate the importance of financial education, 86% of participants rated between 5 and 10, and after the session, 95% of participants rated the importance between 8 and 10.

We would be happy to share more information with the Committee when the pilot has finished in March 2024.

Recommendation 4

a. Department for Education should work towards improved access to financial education CPD for teachers so that they are informed and equipped in the delivery of financial education. This is particularly important in initial teacher training, so that all teachers are prepared from the beginning of their careers. Where appropriate, train-the-trainer approaches can be considered to cascade this learning more widely across the school and curriculum subject areas.

b. Incorporate financial education in CPD offers for Senior Leaders to make them aware of the available resources, support and teaching to their staff, and the possibilities of better integrating financial education across the curriculum, potentially supporting other school priorities.

In-School Mentoring Support

At the highest level of support, programmes can be introduced to celebrate and support schools committed to excellence in financial education within their own settings and beyond.

The Centres of Excellence programme at Young Enterprise does just this, pairing each school with a financial education consultant to embed financial education throughout the whole school. This consists of curriculum mapping, design and development of appropriate financial education provision, staff training, team teaching and mentoring, and assessment for learning. As the school progresses, they complete a portfolio of evidence. This is submitted, and if successfully reviewed, the school is awarded Centre of Excellence status for a three-year period.³¹

Once accredited, the final criteria of Centre of Excellence begins, which is for the school to support other local schools in their own financial education journey. On average every Centre of Excellence goes on to support four local schools. In this way, a relatively small number of Centres of Excellence can, through a cluster model, engage a much larger

³⁰ Young Enterprise (2023) Senior Leader Events: CPD Certified Financial Education <https://www.young-enterprise.org.uk/teachers-hub/financial-education/support-training/teacher-training-2/senior-leader-events-financial-education/>

³¹ Young Enterprise, Centres of Excellence

number of schools and young people, supporting them to develop a financial education provision that works for them, their settings and their young people.

More than 100 primary and secondary schools have been given Centre of Excellence accreditation over the past 10 years.

In addition to financial education outcomes, when asked to rate the extent to which this level of support contributed to students' competency development, teachers responded it has contributed 98% to students problem-solving and 93% to their resilience³².

Recommendation 5

The Young Enterprise Centres of Excellence initiative shows similar successes to the Government's Maths Hubs initiative, which intended to raise the standard of maths teaching across the country³³. We know that the Government has committed to expand support to these Hubs and to increasing maths teaching capacity and quality through this. Linked to this, there is an opportunity to increase the reach of Centres of Excellence by working collaboratively with these Maths Hubs, ensuring financial education is also championed and supported.

Increased emphasis placed on financial education in schools

The main barriers cited by teachers are training, time and funding, and an important contributing factor is the lack of recognition that financial education receives in the school environment. However, research commissioned by Young Enterprise into Senior Leaders CPD finds that most of these barriers could be overcome if the topic has a higher priority within the school, and Ofsted has a powerful influence in shaping schools' priorities, including through the inspection process:

"If it doesn't provide the school with something to boost their Ofsted rating, they'll not be interested." Secondary School Teacher, England³⁴

Many of the surveyed teachers suggested that Ofsted could help to improve schools' inclusion of financial education through more promotion of its importance within the full curriculum.

Recommendation 6

Ofsted should consider including financial education explicitly within the Education Inspection Framework under the Personal Development section to raise the profile of the topic and ensure schools assign appropriate resource to its delivery.

³² Young Enterprise (2018) A step by step guide to achieving a Centre of Excellence Award in financial education https://www.young-enterprise.org.uk/wp-content/uploads/2019/01/CoE-Step-by-Step-Guide-2018-YM_FE-v15_.pdf

³³ Department for Education (2023) National Numeracy Day 2023: What we're doing to support children, young people and adults with maths <https://educationhub.blog.gov.uk/2023/05/17/national-numeracy-day-2023-what-were-doing-to-support-children-young-people-and-adults-with-maths/>

³⁴ York Consulting (2023) Financial Education CPD for Senior Leaders: Research report. Available upon request.

4. Should the provision of financial education in schools be extended beyond key stages three and four. Is there scope for it to be embedded more extensively at primary-school level?

Evidence shows that teaching money habits early is key to shaping financial outcomes later in life. Research conducted by Cambridge University and published by the Money and Pensions Service found that money habits are formed by age 7, when children are able to recognise the value of money, plan for the future and understand the irreversibility of some choices³⁵.

Without intervention at the primary level available for all young people, children depend on their guardian's financial capability and their willingness to teach their children about money, resulting in unequal provision of financial education and a gap in financial capability.

Introducing financial education earlier at primary school level could help to address the under-development of personal financial capability so that more young people enter secondary school with a better grounding to build upon. Furthermore, evidence from Young Enterprise's *Inspiring Futures* programme is finding that this problem is especially acute for young people in more disadvantaged parts of the country.

Participants of Young Enterprise's Learn to Earn (KS3+) and Company (KS4+) programmes (which both deliver aspects of financial education) consistently record relatively low financial capability self-assessments at baseline, compared to other measures like teamwork, problem solving and readiness for work. For example, just over half (54%) of Learn to Earn participants feel able to calculate and balance a realistic cost of living budget, compared to 70% who can set goals and plan next steps, and 66% who feel able to make informed decisions about their futures. By the end of the course, those able to budget increases from 54% to 77%,³⁶ however this still leaves more than one-fifth of participants under-prepared.

There is no statutory requirement to teach personal finance education in primary schools in England, although it is embedded within the curriculum in Northern Ireland, Scotland and Wales. According to the Money and Pensions Service in July 2023, financial literacy rates are slightly higher in Scotland and Wales, nations where financial education is mandatory in the primary curriculum than in England, where it is not³⁷. Furthermore, the UK Strategy for Financial Wellbeing's Delivery Plan for England references the APPG on Financial Education for Young People's report on primary age financial education and its call for high-quality and effective financial education to be placed on the curriculum for primary schools and taught within PSHE and citizenship³⁸.

The Young Enterprise programme, Money Heroes, is our largest primary-focused financial education programme³⁹. Through a range of resources, guidance and tools, together with free CPD-certified training and bespoke mentoring for teachers, Money Heroes has reached 465,136 young people by working with over 2,500 schools and organisations, supporting

³⁵ Money Advice Service (2013) Financial Education in Schools https://oecd.org/daf/fin/financial-education/FinEdSchool_web.pdf

³⁶ Young Enterprise Learn to Earn Programme - <https://www.young-enterprise.org.uk/programmes/learn-to-earn/>

³⁷ Money and Pensions Service via the Independent (2023) Less than half of children 'have received a meaningful financial education' <https://www.independent.co.uk/news/uk/children-wales-covid-northern-ireland-department-for-work-and-pensions-b2357007.html>

³⁸ Money and Pensions Service (2023) Delivery plan for England <https://maps.org.uk/en/our-work/uk-strategy-for-financial-wellbeing/delivery-plan-for-england> page 13

³⁹ Young Enterprise (2023) Money Heroes <https://www.young-enterprise.org.uk/teachers-hub/financial-education/financial-education-programmes/moneyheroes>

over 3,400 educators and 10,700 parents⁴⁰. After the programme, 96% of students reported they understand how money works and how it is used and 86% can now make informed decisions to manage their money well.

Recommendation 7

We recommend that the Government prioritises adding financial education provision to the primary curriculum in England and learns from the experience with secondary education that, as well as its presence on the curriculum, teachers need to understand the importance of delivering financial education and have access to the relevant training and resources to implement delivery effectively.

5. The Government has outlined proposals to ensure that all students study some form of maths up until the age of 18 – should financial education be included in these plans and, if so, how?

Financial education provision and intervention at the 16-18 level is not widely evidenced. However, the *What Works for Financial Education* report shows that financial provision to this age group can positively increase post-16 students' confidence in managing money to a level comparable with the 18-24-year-old young adult demographic⁴¹. It is particularly important to increase the level of financial capability of school leavers to ensure they are better equipped to deal with the key transitions and financial implications they are about to encounter as young adults.

It is particularly important for those on vocational pathways to receive a robust and thorough offering of financial education to manage the employment elements of their course, such as an apprenticeship income or becoming self-employed, as is a common career pathway for someone studying T-levels.

Finally, financial education can play a significant role in providing real-world contexts to engage learners in mathematics. As discussed in Section 2, the embedding of financial education as an applied learning opportunity has been shown to boost student engagement and even attainment in maths. This means that embedding financial education in provision for 16-18 learners can not only improve financial literacy in school leavers but also contribute towards the objectives of the Government's Maths to 18 initiative.

Recommendation 8

a. Ensure financial education provision is available to all 16-18 learners as a progression from the secondary curriculum. This should be embedded in the plans brought in by the Government's Maths to 18 initiative as a real-world application of maths alongside building student financial literacy before leaving school.

b. Create a specialised curriculum of financial education for students on vocational pathways to ensure their money management skills are relevant to their education pathway and future career plans.

6. Examples of best practice in teaching financial education are welcomed.

Young Enterprise would be delighted to facilitate a meeting between some of the Financial Champions from our Centres of Excellence schools to further discuss the improvements that

⁴⁰Young Enterprise (2023) Money Heroes Impact Report 2023 https://issuu.com/young-enterprise/docs/ye_moneyheroes_impact_report_2023_april23_sgls

⁴¹ Young Enterprise, What Works for Financial Education (2018)

can be made to financial education provision in schools in order to give insights from those who have on-the-ground experience of teaching and championing financial education.

Several real-world examples can be viewed in our *What Applied Learning Really Looks Like* report, which includes in-depth case studies of three schools utilising applied learning approaches to deliver effective financial education⁴².

⁴² Young Enterprise, Applied Learning