House of Commons

Education Committee

Oral evidence: Financial Education, HC 265

Tuesday 30 January 2024

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Watch the meeting

Members present: Mr Robin Walker (Chair); Caroline Ansell; Nick Fletcher; Andrew Lewer; Ian Mearns; Mohammad Yasin.

Questions 1 - 61

Witnesses

I: Liz Moorse, Chief Executive, Association for Citizenship Teaching; Jonathan Baggaley, Chief Executive, PSHE Association; and Sarah Hannafin, Head of Policy, NAHT.

II: Louise Hill, Co-Founder and CEO, GoHenry; Leon Ward, CEO, MyBnk; Sharon Davies, CEO, Young Enterprise; and Andrew Wilson, Director of Communications, Santander UK.

Examination of witnesses

Witnesses: Liz Moorse, Jonathan Baggaley and Sarah Hannafin.

Q1 **Chair:** Welcome to today's session on financial education. We are starting by taking evidence from Liz Moorse, chief executive of the Association for Citizenship Teaching, Jonathan Baggaley, chief executive of the PSHE Association, and Sarah Hannafin, head of policy at the NAHT. You are all very welcome; thank you for coming to give us evidence today. Could I start by asking each of you what your assessment is of the adequacy of financial education in schools and colleges in England today?

Liz Moorse: Thank you very much for the invitation this morning. Financial education is an important part of the curriculum, but how well it is being done is questionable and variable. The location of financial education currently in citizenship and mathematics makes sense. They are both national curriculum subjects; they give it statutory weight and should ensure that schools see this area as a priority. However, the evidence does not quite point to that, and we need to do more work on clarifying curriculum requirements for teachers so that they better understand the expectations, and to consider the role of primary citizenship, which is currently non-statutory and could do with being made statutory so that financial education is also statutory there.

In terms of the data that we can find, there are some useful studies available. We know that the Money and Pensions Service runs a regular survey of financial education and finds that four out of 10 pupils do not receive any form of financial education at the moment. The London Institute of Banking & Finance each year also runs a young persons' money index survey, which reports that young people are clearly worried about financial matters and want to learn more about it. Our own research shows that where there is a citizenship teacher in a school, there is more financial and economic education happening and to a better quality, but it is not being done routinely enough in enough schools.

Financial education is also part of GCSE, both citizenship and to a minor extent mathematics, but the numbers for citizenship at the moment, at around 22,000 students a year, show that there is a long way to go before the vast majority of GCSE students are accessing any form of financial education through that qualification.

Q2 **Chair:** Do you know what proportion of GCSE students that is?

Liz Moorse: It is tiny. There are something like 5.9 million GCSEs taken every year and 22,000 is not much. If you look at maths, there are 820,000 students who take mathematics GCSE, so if a little bit more was done in mathematics that might give us a stronger presence of some financial education in key stage 4.

We are waiting at the moment for the Ofsted evidence on personal development and we have raised concerns repeatedly, not least in this place, about the way in which citizenship is surveyed as part of personal development. It gets lost. I am sure that we will come back to that point.

Overall, we can see that things are happening. We know that where there are trained teachers it happens better and we know that children and young people want this education, from the surveys that are currently running.

Q3 **Chair:** Thank you very much. I will come to Sarah next on that introductory question on the adequacy of financial education from your perspective.

Sarah Hannafin: Thank you for inviting me along today, and apologies that I could not be there in person and needed to join you virtually. However, there were no trains at all from the south coast up to London today.

I would start by saying that our members want to provide the children in their schools with a broad and balanced curriculum that prepares them for the opportunities, the responsibilities and the experiences of later life. That includes financial education. Financial literacy is a vital skill throughout our lives. However, teaching and learning time is finite. The key challenge within schools, our members tell us, is covering the content of the national curriculum and the content of qualification specifications in the time that is available.

That was echoed by the House of Lords 11-to-16 education inquiry, which concluded that the 11-to-16 curriculum was overloaded with content, particularly at key stage 4. The extent of content to be covered has a negative impact on pupils' understanding and their engagement. In that context you can start to understand how challenging it can be to allocate curriculum time across all the subjects. Schools are under pressure to deliver all the subjects—subjects that are important to Government, to parents, to employers and to young people themselves. There is a huge variety within that.

In terms of financial education and getting the time that is needed to have better outcomes for young people, we need to look at the national curriculum. We need to look at qualification specifications and reduce the content. A lot has changed and is still changing in our lives and in the world of work, and we need to make sure that the curriculum and our qualifications are meeting the needs of our pupils for the world that they are going into.

Q4 **Chair:** When you say reduce the content, the suggestion is to reduce the content elsewhere. Where would you start, from that perspective, if you were trying to make a small space for financial education?

Sarah Hannafin: There is significant work that could be done at GCSE specifications. The evidence is that there is too much content there to be covered. When you look at the primary curriculum, our members are talking to us about grammar, punctuation and spelling in particular and whether that is serving the needs of children and young people moving into secondary, so there are different aspects of the curriculum. However, having too much content to cover leads to things being quite superficial. We want pupils to have the time to reflect, to understand, to explore and to engage in their learning. At the moment, trying to cover the content across the subjects is not enabling that.

Q5 **Chair:** Thank you. Jonathan, can I bring you in on the PSHE side?

Jonathan Baggaley: I agree with Liz and Sarah. On the one hand provision of financial education is patchy and inconsistent. We do have the necessary frameworks. There is statutory content in citizenship and there is statutory content in maths. There is also the economic strand of PSHE, which many schools use to deliver the personal aspect of financial education as well. That has been there since 2008, when the Government published financial capability and economic wellbeing programmes of study for PSHE.

Therefore, we know what should be being taught, but whatever we are doing right now is not having the effect of enabling universal access. The 2020 MaPS survey that Liz referenced found that only a third of young people could remember receiving financial education from school. We had the UK financial capability strategy aiming to increase that by 2 million, but the last survey found that only a third remembered receiving financial education in school, so it does feel that we need to do something different.

In terms of PSHE, back in 2019, when the Government were consulting on whether to make all PSHE statutory, they decided to make about 75% of it—relationships, sex and health education—statutory and not the economic aspect, which was a missed opportunity. There are critical roles for citizenship, for maths and for other areas of the curriculum where financial education could be a context for learning. However, there is a role for PSHE that is unique in being able to provide that link to children's everyday lives, managing money in the everyday.

If we think about something like budgeting, there is a numeracy aspect in terms of calculating—making sure that there is more money coming in than is going out in a month—but a huge amount of budgeting is about choices. It is about understanding the difference between needs and wants, understanding when you might want to save for something longer term, how to align your day to day around that and how to think about things like what it is worth saving for. It is thinking about concepts like cost per use, for example. All this comes back to values and goals and the day-to-day management of your life, which is bread and butter for PSHE.

The other aspect that is important is that we have the outlines of what should be being taught but we also have to ensure that that curriculum is preparing children and young people to manage money in today's world, a world in which young people are spending money and making money earlier than ever. Digital technologies have exposed them to money markets and systems of value in ways that we have never seen before. That exposes them to opportunities but also significant risks around scams and fraud, things like money muling and coercive monetisation mechanisms in video games. You have prominent influencers selling a blend of get-rich-quick schemes, misogyny and investments in dodgy cryptocurrencies. PSHE is already exploring these issues through relationships and sex education, through exploring things like online safety and digital literacy.

We need to make sure that we are aligning these things, but I agree that we need to do that in a structural way and in a way that recognises the wider context of the school curriculum, which Sarah alluded to. We cannot prioritise everything, but I believe that financial education needs to be a priority and that we need to get to a point where it is not the unequal access that we have now. You will have seen the UCL study that found that 15-year-olds from the most socioeconomically disadvantaged backgrounds were four years behind their more advantaged peers. We need to do something to address that.

Q6 **Chair:** In terms of protecting the time to deliver that, we have had various things suggested: cutting content from other areas in GCSEs, having more content in the maths space, and making PSHE as a whole statutory. What mechanisms do you think would be most effective at enabling the time to be dedicated to financial education that would make a difference?

Liz Moorse: Let’s talk about curriculum for a minute. There are 14 teaching requirements for citizenship—just 14. There are 420 for maths and 60 for RSHE. What are you going to cut from 14 teaching requirements? The issue for me here is not necessarily cutting, although there may be an argument for that, particularly in qualifications, but being clearer and sharper about the expectations and what we want teachers to focus on and prioritise.

One of the frustrations in 2014 when the national curriculum was being reviewed was the lack of support for exemplifying the curriculum and giving clear messaging to our schools about what those new teaching requirements meant. If we look at the pages of content and guidance, there are plenty there for many subjects, but that is certainly not the case for citizenship. What makes citizenship work is trained teachers, supportive senior leaders and clarity about how to organise, sequence and teach a rigorous and progressive citizenship curriculum. We know that it can be done. I have a number of examples from the schools that we work with of how it can be done and they are doing it. For me this is about giving clarity and power to teachers to create curricula that are meaningful for their students and address the needs of those students in schools. That is what good citizenship teachers are doing every single day.

Q7 **Chair:** Citizenship at the moment is getting a very small share of the market for exams and, therefore, what people are dedicating most of their time to at key stage 4.

Liz Moorse: It is, and that has to be addressed. We have to get away from belittling a national curriculum subject and belittling the very good work that trained and experienced citizenship teachers are doing. It is not acceptable. It would not be acceptable in maths or history and it is not acceptable in citizenship. We have to see this as an important part of a balanced national curriculum.

Q8 **Chair:** Can I come back to Sarah on this question of how to guarantee the time and the space for financial education? Your members work across a huge variety of different schools. Where do you see that being most effectively done and where are the examples of good practice that we should be learning from?

Sarah Hannafin: There is still something about a need to create the space within the timetable. Liz and Jonathan have raised the point about priorities. It is very difficult to prioritise everything and it is very difficult if those priorities are changing. What is key is not necessarily the label, because there could be a specific role in financial education for maths and for citizenship and for PSHE. What it needs is a very coherent approach so that schools are clear about what is being delivered in what aspect of those subjects. How it is labelled is not as important as how it is delivered. As Liz said, what we need is high-quality teaching with a well-thought-out curriculum and sufficient time that gives young people the skills and the knowledge that they need in their lives now and beyond.

Q9 **Chair:** On the progression through that, Jonathan, you made the point about young people being exposed to money-making schemes earlier and being bombarded with marketing. That is one of the reasons why we thought that this was a timely inquiry. How do you feel that that should be best brought in through the school system? At what ages and at what level do you think it will make the most difference in that respect?

Jonathan Baggaley: It is about having a financial education programme that is linked to the other knowledge and skills that you would need to be able to manage those influences. We are already addressing that through PSHE from primary—the very early stages of primary—in terms of understanding that there might be things online that you see that might be upsetting or might not be true, and building up through that. Inevitably, this needs to start as early as possible. You will have heard the very strong evidence on attitudes and habits towards money being formed around the age of seven. That is a clear argument for ensuring that this is incorporated there.

To your question about how we ensure and protect that time, particularly in primary, Sarah has raised the point that we do have to look at this holistically, otherwise we end up in a whack-a-mole situation—push it down here and the problem emerges somewhere else. There are many examples of schools doing this well through citizenship, through PSHE, where they have confident, trained teachers who are able to prioritise it because of senior leadership. Those examples can exist.

What we have seen with the statutory requirements for relationships, sex and health education is a significant levelling up of provision on those aspects of PSHE. One of our calls when we were calling for statutory status was for timetabled lessons, because many schools were not seeing it as a subject that needed to be timetabled. We have seen a sea change in the number of schools timetabling. I would be surprised if assessments like the DfE's policy evaluation and the forthcoming Ofsted professional development report do not find the same things, because that is our experience. It does feel that that has been an effective lever for change, and it could be effective in financial education, but it has to be looked at in the round because not everything can be prioritised.

Q10 **Chair:** To the point of statutory curriculum, in a sense there is so much content already that is statutory that it does not necessarily help with the issue of congestion, but it gives you the same priority as other subjects.

Jonathan Baggaley: Indeed. I would say that the economic strand of PSHE has been a part of our programme of study since the Government introduced it in 2008 and schools are managing to teach content and prioritising it in line with the needs of their pupils, because it is going to be different in different parts of the country.

Q11 **Caroline Ansell:** On a point of clarification, Jonathan, I picked up on the UCL study that you referenced, where you said that students in more deprived socioeconomic settings were four years behind their peers in more affluent areas. Do you mean four years behind in terms of their financial literacy? If so, how is that literacy assessed and evaluated?

Jonathan Baggaley: It was in terms of their financial capability. I would have to go back to the study to see how it was evaluated, but I can certainly send you the study afterwards.

Caroline Ansell: I would be interested in that. Thank you very much.

Liz Moorse: On that, I would suggest strongly that this Government or a future Government consider looking at the PISA financial literacy study, which is an international study. The UK, or England, is not currently part of that study. It is one of the things that sometimes helps push things up the agenda when you become part of an international comparative piece of work. One of my recommendations to this Committee is to consider that and to ask Government why that is not happening now and whether it perhaps can happen. Clearly, there is a lot of support for this area and we need more data on how to make it a fundamental part of our education system.

Q12 **Chair:** Thank you. Out of interest, are major other comparable systems taking part in that study?

Liz Moorse: Yes, they are. There are something like 23 or 25 countries currently part of that study. It has been running since 2012. It has done four international surveys of students and it is providing high-quality information that national Governments can use to plan national strategies for financial literacy. That is what we need to coalesce around a national strategy for financial literacy, where maths, citizenship and perhaps other subjects play a part. That would be something to take forward.

Q13 **Ian Mearns:** It has already been touched on, Sarah, but you highlighted in your written evidence that insufficient time is a major obstacle for teachers of financial education. Is there anything specific that you would like to see Government, Ministers and the DfE do to address the particular issues?

Sarah Hannafin: A lot of the challenges our members are seeing are broader systemic challenges, so I think there are answers to be made. I have already talked about the finite curriculum time and the need to review what is in there, so I am not going to go over that again. We could also point to the impact of recruitment and retention and the crisis that we are having, and the broad impact that has across lots of subjects. There is also a need to look at some of the policies and some of the high-stakes accountability measures, which focus very much on and give more weight to certain subjects, like maths, English, EBacc—those subjects. Those measures can make it challenging to find the right balance in the curriculum time.

A better balance is needed between the policy emphasis on maths and English. Our members completely agree that it is vital that young people have the necessary skills in maths and English to go forward, but there feels an imbalance and a push towards certain subjects, which can mean that in reality school leaders find it difficult to get the right balance across the curriculum.

Q14 **Ian Mearns:** We have had Ministers in front of this Committee over the years—the likes of Nick Gibb, as Schools Minister—talking about accountability measures. Is it the accountability measures that schools are measured against that are driving schools away from providing this financial education for young people?

Sarah Hannafin: Yes, because those accountability measures are so high stakes. They are published; the league tables are created. We know that the creation of league tables, particularly locally, has damaging consequences for schools. We know also that that data is just one very small part of what a school delivers for the children and young people in its community. However, the high-stakes nature of those measures does mean that there is more focus on maths and English, and there is less choice at key stage 4 with the drive for EBacc. You can look at the GCSE entries and see that arts and humanities subjects, design and technology, are suffering as a result. That is why we say that there needs to be more balance in those pushes and a reduction of the stakes of some of those performance measures.

Q15 **Ian Mearns:** I saw you nodding, Liz. Is there anything that you want to add?

Liz Moorse: The situation around Ofsted inspection of citizenship, in particular, is something that we have brought to previous Committees. We are very concerned about it. There is complete irony in the chief inspector's final report, which was published just before Christmas. It seems to suggest that something like 84% of schools do personal development to a good or outstanding standard, yet hardly any are doing citizenship, and very poor-quality PSHE. The two things do not add up to good or outstanding.

This is part of the problem. Ofsted arbitrarily chose to put citizenship, a national curriculum subject, into something called PD rather than inspect it in its own right, which it does for every other national curriculum subject, so we do not have a good level of national information and intelligence about the picture on the ground. If Ofsted is going to be a useful organisation to teachers in schools, it needs to work with them. Too often we find that inspectors do not understand what citizenship is. They conflate it with PSHE or something else and they do not know what to look for. If you do not know what to look for, you do not know what to report.

So it goes on and we get caught in this cycle—a downward spiral of poor-quality reporting on citizenship. Our teachers repeatedly come to us concerned about that, but they are too scared to go through the Ofsted complaints channels to raise the matter formally and they do not want to upset school leadership teams by doing that. The problem is that if you do not inspect citizenship properly, you are not going to inspect financial education properly either, because citizenship and financial education have that relationship. If you are not doing the depth of investigation and supporting schools to do better and highlighting the ones that do it well—and there are many that do it well—we are not going to make progress in the area.

I am deeply worried about the forthcoming personal development report that will come out from Ofsted at some point. I very much hope that the new chief inspector will take a hard look at this and reconsider it and question whether the model is currently right for citizenship.

Q16 **Ian Mearns:** Another challenge that we are aware of is a lack of training for teachers. What can or should be done to support teachers in their training in financial education?

Liz Moorse: This is another critical matter. At the moment there are something like 50 teachers trained to do citizenship as specialists each year. That is a tiny drop in the ocean. If we want every school to have a trained citizenship teacher, there is a long way to go. The frustration is that we have known about this for a very long time. We have been raising this issue with the Department for Education for over a decade.

Citizenship is also one of the only subjects not to have a teacher training bursary to enable young people and older people from every background—every walk of life—to train as a citizenship teacher. In the context of the current retention and recruitment crisis, we need to show every subject teacher that they matter and that they are valued by society. Not training enough teachers and not providing financial support to help people train in a subject that they are often passionate about is frustrating. If you look at the comparison with something like maths, maths trainee teachers can get a salary of up to £27,000 to help them while they are training. There is nothing like that at the moment for citizenship and some of the other subjects. The playing field is anything but level and that does need to be seriously looked at.

Jonathan Baggaley: I see this in two ways. First, there is a lack of specialist routes for PSHE teachers full stop, despite a huge desire among initial teacher trainees to train in PSHE. We do a lot of work with higher education institutes delivering initial teacher training. They tell us that there is an expansion of interest from younger teachers who want to teach this subject, which is about supporting young people to thrive in their day-to-day lives. There is a lack of training at that level. If we got some of that right, some of the issues—not all in financial education—would be ameliorated, because one of the reasons why it makes sense to teach financial education within PSHE and within citizenship is that there are some shared pedagogical approaches.

These are both subjects that are dealing with sensitive and often controversial topics in the classroom, dealing with having difficult conversations with young people and dealing with a topic that is very sensitive. Within PSHE people often think that financial education is not as sensitive a topic as sex or talking about some of the challenging topics that we will talk about in PSHE. However, when you think about the huge variety of socioeconomic backgrounds in a single class, it is a historic thing that people find it hard to talk about money, and there are reasons for that.

There is a pedagogical approach that PSHE teachers can bring to bear and we need to improve that basic training. Within that, there is a further lack of the additional knowledge that teachers need to be confident in walking into the classroom and teaching financial education. If they are not confident, they are less likely to try to prioritise it and get the experiences from it that will lead their children to thrive and lead them to think that this is something they should keep doing.

Sarah Hannafin: I very much agree with Jonathan on the lack of specialist routes. I would flag—and it is not necessarily a benefit—that we have to recognise that there will be teachers teaching across several subjects. Their teacher training might have been in one specialist subject, and we know that teacher training is crammed. Things are touched upon and teachers need to develop the skills in the classroom. There will be lots of teachers who teach some PSHE or citizenship alongside their specialist subject. We know that in primary schools teachers are teaching all subjects. Therefore, there is a need to look at the ongoing training for teachers that is available. If this is important, it should be funded, high-quality training for teachers, so that they maintain and develop their skills to teach financial education.

Q17 **Chair:** Can I follow up on that? Given that financial education, and the content in that respect, was a new subject in the national curriculum as of 2014, is there a case to be made for more investment in CPD to support the existing teaching profession—particularly primary teachers, who, as you say, are teaching cross-curricula—in skilling up to develop that relatively new content?

Sarah Hannafin: Yes, there is a case for that. I do not think that there has been enough investment, not just in financial education but, you could argue, in some other subjects. I agree with Jonathan that this should be something that is in the primary curriculum as well. We need to support that with appropriately funded training for teachers.

Chair: I see Liz nodding.

Liz Moorse: Absolutely. For existing teachers the need for CPD is ever present. We are an organisation that provides training in CPD for teachers, and the PSHE Association is too. During covid, the lockdowns had many negative effects, but one of the positive effects was that we could engage with teachers online in new forms of CPD more regularly than we can now. Now the busyness of school life takes over. We are calling for a guarantee for CPD for every subject teacher. There ought to be an absolute minimum every year guaranteed—a subject-specific CPD entitlement for every teacher.

We see this in the health profession, where you have a responsibility to keep your practice up to date. It should be the same in education for teachers. However, until schools and the system are geared up for that, it is not going to happen. It is increasingly hard to encourage and support teachers other than through example lessons and schemes of work and curriculum plans. If you do not back up those teaching resources with proper CPD and opportunities to discuss pedagogy and practices and share knowledge and share experiences of what works, it lacks the richness and depth that we need teachers to have.

Q18 **Ian Mearns:** I take it that you all agree that teachers who are teaching financial education in classrooms should have relevant qualifications and experience and expertise in order to do so properly.

Liz Moorse: Yes, I would say that. When I had a look through the list of qualifications available for financial education and personal financial education, there are many, both for students and for adults. There is perhaps an argument that there may be some existing qualifications that translate well for existing teachers—small qualifications that could help top up knowledge, in addition to what we and other organisations provide.

We have had an opportunity much more recently to do that properly. We were funded by the National Crime Agency and the Home Office to do some work on fraud and financial crime, including money muling, and we have developed a package of materials—curriculum resources, lesson plans, assembly guides and other things—for teachers. We have also had extra funding to beef that up with proper CPD. That makes a difference and that is what we need across the piece for financial education, too.

Q19 **Ian Mearns:** Is there anything that you think your organisations should be doing to help support schools to deliver financial education?

Liz Moorse: I can kick off with a couple of suggestions. One of the things we do as well as offering curriculum resources, sequences of learning and CPD, is quality-mark citizenship resources. Young Enterprise also offers a financial education quality mark, and I would welcome discussions with Sharon and colleagues about the opportunities to join those quality marks up to look at financial education resources for citizenship.

There are a lot of financial education resources out there. The banks, the mortgage providers—all sorts of people provide them, and quality has to be key. However, there are very few that tackle citizenship. There are very few that look at financial education through a citizenship approach that brings together real-world and real-life contexts, personal financial education and public financial education, linked to wider understanding of the economy. We have been trying to model that for teachers. We have done that recently with some new materials and we put a couple of snapshots of that into the written submission for the Committee to see, but there is much more depth behind the scenes. I would welcome that as one particular thing that we could do.

We have never had any Government funding, as the subject association for financial education. We have never received any funding from a Government agency to support this area, either. When you introduce new things, there does need to be a support package and funding to make them happen on the ground and provide the proper support. We have seen that with RSHE, where there has been a huge amount of funded support from central Government. That never came in with citizenship and personal financial education. I am sure that Jonathan will say that more could have been done and it might have been done differently, but the reality is that there was a good proportion of public money made available for that. That was not the case in this example.

Q20 **Chair:** To follow up on the question on external resources, as you say, there are a lot of different resources from different sources in this space. Do you see that engagement with outside organisations as a strength or a weakness when it comes to financial education? We have a panel with some of those organisations coming up, but is that a reflection that there is not enough material, resource and information within the school system and, therefore, they are reliant on outside agencies, or is there an opportunity to engage with people who can bring greater credibility and greater relevance to students in school?

Liz Moorse: We need a bit of both. Subject associations have an important role here, and I would probably class Young Enterprise as the subject association for financial education. It is set up as a charity. Banks and others are doing their bit and many have done work in this space for a very long time. However, we still need to help teachers to navigate through those resources to know which are good quality and to model best practice when it comes to curriculum design, teaching sequences, lesson planning and how to build it into core topics of existing national curriculum subjects. That is true as much for mathematics as it is for citizenship.

Q21 **Ian Mearns:** If I can make an observation, when banks and financial institutions provide resources and engage with schools, it seems that they are filling a void, but quite often that does not come for free. Every time that I have seen programmes delivered in schools by banks or financial institutions, there has been a certain element of product display on view. It does not come for free from that perspective.

Liz Moorse: The product placement issue is an interesting one, but most of the providers are sensitised to that. It is interesting to look at the way that children engage with money and money matters, which is so different from my era of piggybanks and going to a bank and having the excitement of putting my Christmas money in a bank account. It is a bit different now when it is online, it is app-based, it is a GoHenry card or another card of a similar sort for your pocket money. It is a whole different set of experiences for our children and young people to engage with.

Jonathan Baggaley: Similarly, we provide a quality mark for those resources used in PSHE on financial education. As in any aspect of the curriculum, in particular around PSHE, where external providers are bringing something to the classroom, you have to be very mindful of what other interests there may be there in terms of branded product placement, and what expertise they are bringing to that and how we are ensuring that that expertise is being translated properly for the classroom. A huge amount of our work is ensuring that what is coming in is pedagogically sound and is going to be effective in any classroom on a wet Friday afternoon. We have done that recently with a range of organisations. The *Financial Times* financial literacy and inclusion charity is a good example of bringing, yes, a brand, but good knowledge and experience of current issues in money markets and day-to-day personal finance into the classroom.

To the point about what organisations like ours can bring, similarly to Liz, we provide training and provide a programme of study with an overarching structure that enables schools to plan their curriculum. All that is critical. There is also the point about keeping on top of the changing environment. We are currently working on a child financial harms consortium with UK Finance, Cifas and Parent Zone, looking in broad terms at some of the issues on regulatory grey areas, on emerging issues with monetisation in video games, online scams and cryptocurrency and those sorts of things. We have that role, but without governmental direction and priority—that is why we like Liz's idea of a coherent national financial literacy plan looking at maths, citizenship, PSHE and other curriculum contexts so that schools know where the priorities lie.

Q22 **Nick Fletcher:** As chief executive of the PSHE Association, you talk about quality assurance. With the materials that we have seen with regard to sexual and health education in our schools, do you think you are the right organisation to do that? Some of the materials that I have seen are completely and utterly abhorrent and should not be taught in our schools. You have material saying that sex was assigned at birth instead of observed at birth; you talk about 100 different genders. We have talked about all kinds of different porn to seven-year-olds. I would imagine that you had a look over all that, or your organisation had a look over all that, and quality assured that. Do you think that it is acceptable for these children to see that?

Jonathan Baggaley: I can only talk about materials that we have quality assured and we have not quality assured materials that do any of the things that you have just referenced. Within PSHE there is a huge diversity of resources out there from all sorts of organisations. That is why we provide a quality mark to ensure that the resources have been gone through with a fine-toothed comb to make sure that schools can be secure that the materials that we are putting out are safe, effective, in line with facts about sex and relationships, and that they are appropriate for children of different ages.

It is really important that we recognise that it is essential for schools—the Government have mandated what schools should be teaching at different ages. There are lots and lots of really appropriate resources out there and our quality mark is part of ensuring schools can—

Nick Fletcher: Well there's no—

Q23 **Chair:** We need to stick to the subject of financial education rather than stray into other territory, but the point about age appropriateness is a valid one. You are saying that when you quality mark it is one of the things that you take into account.

Jonathan Baggaley: Certainly.

Chair: One of the things that this Committee has previously been concerned about is that while the Government talk about age appropriate, there seems to be very little detail about what that means in the guidance.

Q24 **Nick Fletcher:** I appreciate that, but if we cannot even get the fact that a boy is a boy and a girl is a girl right, I am sure that some of this financial stuff is going to say two plus two is five. We just need to get these basic facts right, don't we? I am concerned, and it needs to be said, that some of the material that is out there on PSHE is of extremely poor quality. If the same people are going to be putting the maths and financial education into our schools, we have a right to question the quality assurance.

Jonathan Baggaley: Of course there is a right to question it, but we do not recognise a widespread picture of problematic practice. The way to solve that is to ensure that teachers are confident and well trained and are able to make decisions about the children in front of them and ensure that the resources that they are using are age appropriate and suitable and will be effective to do the critical work of PSHE in terms of safeguarding and preparing children for life that we know is effective. The research is absolutely clear that, when taught well, relationships and sex education delays the onset of sexual activity among young people, makes it more likely that it will be consensual and reduces the age gap between people having sex. We know that this plays a critical safeguarding role, and I think it is really challenging to say that there is a widespread picture of problematic practice. We need teachers to walk into the classroom confident.

I think the Chair would like us to bring it back to financial education—

Chair: Yes, I ask Members and witnesses to focus on the financial education aspects of what we are doing. Caroline, can I bring you in on Ofsted?

Q25 **Caroline Ansell:** Yes, back to the money, and back to Ofsted. We have touched on that subject and the impact on prioritisation, for example, or esteem, or even students selecting options, that its place within a subject could have. You said that it should be a stand-alone subject for the purpose of Ofsted. You mentioned the new chief inspector. I understand that he is very much in listening mode. What would you say to him?

Liz Moorse: I would have this conversation with him and I hope that we can. We do work with some of the schools from his previous multi-academy trust, where they do good-quality citizenship, including using the GCSE for citizenship studies. I very much hope that he will take a different view and reconsider this particular aspect.

Q26 **Caroline Ansell:** What would it look like? I know that we are talking about citizenship as that great umbrella of important questions, but specifically on financial education or financial literacy.

Liz Moorse: If Ofsted is going to look in great depth at citizenship, it will be able to pick up more information about key areas like financial education. We could also request that Ofsted does a special report into citizenship and maths, as the national curriculum subjects where financial education sits. The DfE would need to talk with Ofsted colleagues about that as a special commission, but it is perfectly legitimate for that request to be made. Perhaps that is something that we need, given that I fear that the forthcoming personal development report will tell us very little that we do not already know, because there is not the depth and the research rigour that sits behind that work that has been done.

Q27 **Caroline Ansell:** In terms of consideration of financial literacy through maths inspection, to what extent does that reflect the work being done or the value of the subject?

Liz Moorse: You would ideally need to talk to a maths organisation. It is a shame that they could not join us today, but there are maths organisations that are thinking deeply about the future of maths education. The Royal Society is doing an important piece of work about the future of mathematics. It is looking at the connections between maths and citizenship, not least because of the connection with financial education, but also public understanding of information, statistics, countering misinformation and those things. The Royal Society is one of the organisations that could be approached, as well as the maths subject associations, of which there are a couple. They try to work together to support schools and teachers in maths.

Q28 **Caroline Ansell:** What about working together across the maths department and citizenship—a cross-curriculum approach. Does that routinely take place?

Liz Moorse: It can be that, but we need to enable that in our schools. It is something that has happened in the past. Perhaps in recent years it has not happened as much. It is something that we are very keen to work with the maths subject community on. We are in active conversations with people about that work.

Q29 **Caroline Ansell:** Do you think that financial education needs to be a stand-alone consideration for Ofsted?

Liz Moorse: It can be looked at through a special report. I do not see financial education as another separate subject. It is something that has been embedded within citizenship and within mathematics, and that is right and gives it statutory clout. As I said at the beginning, we do need to sort out primary citizenship. Having a non-statutory framework that is over 20 years old and that has not been updated since is remiss. We have entered into conversations with the Department for Education about that previously and we continue to advocate for that particular part of the jigsaw puzzle to be resolved so that there is progression from primary citizenship to secondary citizenship. That will give a clearer framework for financial education as well.

Q30 **Andrew Lewer:** In the evidence to this inquiry, we have had a wide range of views on where financial education should sit within the curriculum. We have had people saying that it should be spread; we have had people saying that it must be absolutely specific. We have had submissions, which are more helpful than they sound, saying, "On one hand…" and "On the other…". We have accepted that financial education is important. Moving on from that, how important is its position within the curriculum, and does that affect fundamentally how successfully it is taught? The corollary is to ask you where you think that it should sit within the curriculum.

Jonathan Baggaley: On the one hand, as Sarah says, not worrying too much about the wrapper and giving schools the opportunity have a very clear framework for what they should be teaching is one approach that could work. From a PSHE perspective, however, there are very clear reasons for ensuring that the personal aspects of financial education are incorporated there because of the clear links with other aspects of the subject and the clear pedagogical clarity with the things that you are trying to teach and the sense that we are teaching young people about choice, about decision making, about risk and about managing their day-to-day lives.

Clearly, there is a vital role for citizenship in terms of the more societal aspects of money and there is a vital role for mathematics, and of course any curriculum area can be a location. Financial education can be a context for that teaching. But given that things are not changing and things are not improving with financial education, maybe it is time to try something different. The power to make the economic aspects of PSHE remains on the statute book in the Children and Social Work Act, so we could expand that so that schools and young people can benefit from the benefits that we have seen with the RHE aspects of PSHE being made statutory. From an Ofsted perspective, we have seen Ofsted prioritise PSHE more than it had before, but primarily looking at relationships, sex and health education. That feels like something that we have not tried and that could be an effective lever.

At the same time we need clarity about which bit of the curriculum is doing what. None of this is about "Let's do it all in PSHE", but nothing is happening to help them understand the wider societal implications, or they are not getting the numeracy. So it is on an "On the one hand…" and "On the other…", I think. There is a clear role for PSHE but there is a critically important role for citizenship and there is a critically important role for maths. We should all get our heads together, articulate that clearly, put some statutory requirements in, look at the wider curriculum in terms of time and—I love Liz's point—ensure that teachers have time for CPD. We think about all sorts of different interventions that we can do from a policy perspective, but we rarely see time as an intervention itself. On so many different levels, including recruitment and retention, teachers need to be given more time to learn and reflect on their practice.

Liz Moorse: Curriculum location is one thing, but having a teacher to lead financial education in schools is critical. Where the citizenship teacher takes responsibility for leading financial education in schools—and we have examples from many different schools—they are planning lessons on money, inflation, deflation, spending, paying, borrowing, debt, credit, money advice, minimum wage, taxation and linking to wider economic issues.

We also need to remember that the E in PSHE was introduced in 2008 and withdrawn in 2014. The non-statutory framework for PSHE disappeared at that point and was eventually replaced with an RSHE framework. Part of the reason was that a decision had been made to put financial education more clearly and more explicitly in citizenship and in maths. We need to let that model work. We cannot keep unpicking it. Schools also need to be given choices about how they decide some of their priorities that meet the needs of their own students. It cannot always be top down; it needs to be bottom up, too. We need to empower teachers to make good decisions. The way that we do that is to support them with the training and the resources and the expertise that they need to do good curriculum design, to develop good and progressive lessons, and to understand where they want to get their children to by the end of schooling.

We do not have that clarity at the moment because, as I mentioned earlier, the citizenship curriculum is just 14 requirements and there is not enough space or depth to uncover what the expectation should be. Any future review of the national curriculum needs to look very hard at this and to consider the language and the clarity that is used on the teaching requirements that signal to schools what is important.

Sarah Hannafin: What is important is that there is a coherent approach. Financial education does not sit in a silo in isolation. There are aspects of it that sit rightly in maths or citizenship or PSHE. It is a question of bringing those together. It is really good for young people to see connections between different subjects and to develop their skills across different subjects rather than just seeing a subject in isolation, similar to how literacy skills are developed right across the full curriculum. It is not a question that financial education needs to be a separate subject, delivered on its own, because I do not think that is deliverable and it is not in the best interests of the subject.

Q31 **Andrew Lewer:** No, I suppose it is like we were talking about with sex education, which has the citizenship but also religious education and biology elements to it. No one would argue that all sex education should be in a biology class.

Liz said something about choice. Inevitably, as a House of Commons Committee and given the nature of the modern British state, there is always a tendency to prescriptive centralisation—that this will only be done better if the state descends on everyone and tells them exactly what to do. Is there an argument for choice and for schools being innovative and being able to offer something interesting to parents looking at what school their child could go to—being able to show that they are good at this and it is exciting and prepares them for adult life in a way that would appeal to parents?

Jonathan Baggaley: Unquestionably, there is no one-size-fits-all solution. Thinking about resources, for instance, we certainly would not want a single set of resources that all teachers should use for financial education. It has to be about choice, but we can only enable teachers to do that confidently if they have the training and they are able to prioritise financial education, for the reasons that we have already discussed. Choice, yes, and the ability to tailor your financial education programme to the children in front of you and their needs, but that can only work if you feel confident and trained in doing so.

Liz Moorse: We should not forget the post-16 dimension here. At post-16 there is enormous choice—not completely, but in many senses. Generally, you need to choose a route to education and training that goes through to 18. More often than not, that encompasses choosing qualifications and awards and activities that support whether you want to go into university and undertake further study or go into the workplace and train. There are lots of potential ways of looking at choice, particularly with that older age group, but there is also widespread discussion about whether some basic entitlement is needed for some of these important areas that everybody needs. That includes citizenship, voting, politics, financial education and a few other things in the mix. Careers and enterprise education would be part of that as well. There is an element of choice.

I am a great advocate of choice by schools, but I also strongly believe in a national curriculum that is truly national. We do not have that at the moment because schools can opt out if they are in a multi-academy trust or part of a trust set-up. We have to come to a philosophical agreement and a cross-party consensus around whether we believe in a national curriculum. It should be a benchmark of the minimum guaranteed standard for every child in the country. It expresses what we believe in as a nation as being so important that every child should have the opportunity to learn these things. We have lost sight of that.

We have also lost sight of the fact that when the national curriculum was first designed, it was not supposed to do everything a school does. An 80:20 model, approximately, was built into the design of the national curriculum because, yes, it probably provides most of the things that subjects and other parts of the curriculum need to address, but there should also be that flexibility to develop enrichment and to deepen study and to undertake other work.

When we talk about citizenship with our schools, we talk about citizenship in the curriculum, in the culture and ethos and in the community of the school. We see the strongest citizenship where all those are in place, because children, like anybody else, are quick to spot when they are being taught about democracy but actually do not have many opportunities to have a voice in decisions that affect them in the daily lives of their schools. Some of the best schools in the country offer proportionate and responsible ways of doing that that encourage the idea of responsible citizenship in the school culture and community as well.

Q32 **Andrew Lewer:** Sarah, do you have anything to add—particularly given what you said earlier about spreading the topic across subjects and how we would tackle the concern about that leading to a lack of ownership of the subject because it is part of what everybody does rather than the focus for anybody in particular?

Sarah Hannafin: I was reflecting on the way you phrased the question previously. We need to remember and trust the professionalism of our school leaders who want to do what is right for the children and young people in their schools, which is to provide them with a broad and balanced curriculum and prepare them for their life outside of and beyond school. You are right that the freedom for school leaders to develop their curriculum to meet the needs of the young people in their schools has gone too far the wrong way. I talked about how there is too much content and Liz talked about the 80:20 model. We need to rebalance the system to create that space and to allow school leaders to do more in different areas.

A cross-subject approach is not necessarily bad. In all schools, someone would oversee that content, whether it is PSHE or citizenship or maths. It is a more difficult model than delivering it just in one subject but that is appropriate for financial education because it does not sit in one box.

Andrew Lewer: Okay. Are there any additional thoughts on that or should we move on?

Chair: We will move on, if we may.

Q33 **Mohammad Yasin:** The majority of the evidence we have seen suggests that financial education should be expanded to primary schools. Do you agree, and what would be the most effective way of doing that?

Liz Moorse: Yes, I agree with that. Financial education is included in the current non-statutory primary programme of study for citizenship but it is non-statutory and, as I mentioned, has not been updated since 2001, which is completely crazy, but it is still the published DfE programme of study for citizenship.

We urgently need to look at that non-statutory framework. I strongly advocate for making it statutory in the future and levelling it out so that where this starts and where this continues is clear. Until we sort out that little fudge, we have a problem.

We know that primary schools can do this stuff well, but they also need to be clued into the importance of it. As I said, I am not a fan of statutory frameworks and everything being top-down. We should allow teacher professionalism and school judgment to come into play here, but we should also signal those important things that need to be addressed in our schools. It is helping teachers know where to spend time and where to prioritise if we send those signals with clarity. There is not clarity at the moment and we urgently need that.

Sarah Hannafin: Yes, I agree that it should start in primary school. I go back to the Money and Pensions Service, which talked about financial behaviour starting to be shaped between the ages of three and seven. That is clear evidence that we need to build the foundations at key stages 1 and 2 and then build on them further throughout key stages 3 and 4.

Jonathan Baggaley: I feel similarly, again because of the Money and Pensions Service research and the fact that young people spend and make money earlier. One in 10 seven to 11-year-olds has bought something online outside of adult supervision. We need to integrate it at key stages 1 and 2 and take a holistic approach to the experiences of young people.

Q34 **Mohammad Yasin:** Should the economic wellbeing strand of the PSHE curriculum be made compulsory in primary schools?

Jonathan Baggaley: Yes, that is certainly my view. Many primary schools teach this either through PSHE or through citizenship. Making that change and incorporating the economic aspect, to some extent, for many schools, would add something new. It would solidify what they already do and level that out to ensure that we move from a third of young people remembering they have had financial education at school to all children and young people from all backgrounds.

Q35 **Mohammad Yasin:** Jonathan, according to a MyBnk survey, about 43% of girls and young women aged between 11 and 25 are not financially confident, while the figure for boys and young men is 61%. Why does this discrepancy between genders exist and how does this impact or change the way financial education is taught?

Jonathan Baggaley: That is a big question. From the perspective of how financial education is taught and whether there may be gender disparities in how it is received, if that is an issue—bearing in mind that most children do not get their financial education from school—this might be more widely societal, which would mean that school would be a mechanism to redress that balance.

However, again, with PSHE, you are able to make links across different aspects of the subject. When we think about gender equality in relationships, we might think about pay gaps in the workplace, talk about that and explore that with boys and girls in a way that brings girls into the conversation. PSHE teachers are extremely adept at managing some highly gendered issues—nude image sharing, for instance—where expectations are different across boys and girls, while ensuring equity for both. I would be interested to look further at the whys and wherefores, but school and PSHE could help to redress that balance.

Q36 **Mohammad Yasin:** Sarah, as with all education, it is important where possible that learning in the classroom is reinforced at home. Given the lack of financial literacy in the adult population, what methods could schools employ to share learning and resources with parents or guardians?

Sarah Hannafin: Yes, the collaboration between school and home is vital across education. Alluding to something Jonathan said earlier, some families talk about money but some families do not. Talking about managing money is difficult. Financial education coming in and building from primary school will help, hopefully, to encourage some of those conversations to happen that are not happening at home and to support those parents who do have those conversations.

Schools can share resources with parents. I often share with our members resources that are designed for parents. Schools share those with their parental communities. Perhaps some of those external providers we were talking about earlier have a role to add to what the school maybe cannot do. Some external organisations may facilitate some sessions for parents and carers to build their financial confidence.

Q37 **Mohammad Yasin:** Do you have any view on my previous question about the discrepancy between boys and girls when it comes to financial education?

Sarah Hannafin: I do not have anything to add to what Jonathan expressed.

Q38 **Nick Fletcher:** The Government are considering whether to integrate financial education into their plans for all young people to study maths up until the age of 18. Do you have any thoughts on that and other ways we could do that?

Jonathan Baggaley: It is critical that post-16 young people get financial education at the point at which they are about to transition into jobs, into renting, into all sorts of challenging day-to-day financial management questions. It is important. In terms of maths, providing the numeracy to be able to do the calculations to manage your money is really important, but it will not provide the personal decision-making ability and understanding of risk that PSHE and citizenship will provide.

So, yes, why not? I am not qualified to say from a maths perspective, but that may be a necessary albeit not sufficient condition.

Chair: It is interesting you used the word "numeracy" rather than necessarily "maths". Part of the conundrum is that if something is to benefit people post-16, on the pathway that Liz was talking about where they are choose from their options where they want to go next, it may not necessarily be advanced mathematics, just financial literacy linked to numeracy.

Q39 **Nick Fletcher:** I am a Yorkshireman; I have always been good with money—very careful with it. What we are trying to do is to set people up going forward, and much of this is about being disciplined with money. I know an awful lot of people who are extremely intelligent intellectuals who are always overdrawn and never any good with money and life is always a challenge for them. They are on six-figure salaries and still struggle. It is a discipline more than anything else, and that is what we are trying to achieve with this—at least, I think it is.

In all fairness, mortgages and compound interest are fairly basic maths. Hire purchase on cars and that sort of thing is relatively easy. If I have £1,000 here and these are my bills, it is basic maths. It is the discipline part of it. We live in a world full of credit. I imagine most people in this room have a credit card. This is where we are.

We could probably do with focusing on what we are trying to achieve with this as the goal. Concerns with money cause huge anxiety through life. I know I have moved over slightly, but it is worth saying, and I am happy for you to come back on that.

Jonathan Baggaley: If I could make one final point, to have that discipline is about having a real sense of goals, a sense of your values and what you want out of your life. That is the bread-and-butter stuff of PSHE, thinking about what life you want to lead and how to manage the day-to-day things that might pull you away from that. Again, that will not be taught through advanced mathematics, basically.

Liz Moorse: It is an important area to consider. We know that young people at that age are some of the most likely to have issues with unsecured loans and payday loans. They have become taxpayers, sometimes, through paid work, but they do not necessarily have the competencies or the literacy to deal with the financial challenges that they are about to encounter. How many students going to university understand the student loan system properly and the implications and consequences of that and are able to consider that as part of their life plan? These important issues kick in at that age.

That is why we have to reconsider post-16 education in the round. I am quite open to the conversations that happen around a baccalaureate-style approach to the older secondary part of education. That would give us a bit more space and flexibility to consider some of these wider curriculum issues properly.

We need to go there, if I am honest, but if we stay with the current system, numerous qualifications and awards on offer give a good grounding in some of these matters and could be utilised to support better financial literacy and better financial education for that older age bracket. It needs to be looked at in the round. That is why I go back to my point about having a national financial education strategy, looking at it properly and thoroughly, probably as part of a curriculum review and any other future education reforms that may come along.

Sarah Hannafin: We need to be really clear about the purpose of maths at key stage 5, maths to 18—and they all refer to it as "maths". One reason is that evidence shows that compelling students to take a subject can negatively impact their motivation and can impact the breadth of curriculum and the free choice students have.

More importantly, are we saying that our young people leave education with gaps in their skills? If so, are those gaps in academic mathematical knowledge? We have to remember that the Government have put GCSE grade 4 as the bar for mathematical knowledge. Is it broader numeracy skills or is it financial literacy? What are those gaps?

You then need to think about the end result. What do we want our young people to leave education with in maths, financial education and numeracy? Then look at our curriculum through from key stage 1 to key stage 5 and build that curriculum to meet those outcomes that we know young people need.

At the moment, our members are concerned that it feels like maths to 18 is being tagged on in a silo when we need to look at the whole curriculum experience for young people to make sure they achieve the knowledge, skills and behaviours that they need at the end of their education.

Chair: Thank you very much. I am grateful to the first panel. We have overrun slightly, so thanks for the patience of the second panel. If we can switch over, that will be great. Thank you.

Examination of witnesses

Witnesses: Louise Hill, Leon Ward, Sharon Davies and Andrew Wilson.

Q40 **Chair:** For our second panel we have Louise Hill, co-founder and chief executive of GoHenry; Leon Ward, chief executive of MyBnk; Sharon Davies, CEO of Young Enterprise; and Andrew Wilson, director of communications at Santander UK. Thank you very much for coming to give evidence to us and apologies for keeping you waiting a little bit longer than expected but, as you heard, we were having quite a rich and interesting discussion.

Here is my starter for 10: where does each of you rate the adequacy of financial education in schools in England? Perhaps more importantly, what should the Government's key priorities be for improving financial education? I can see Louise nodding sagely, so I will go to her first.

Louise Hill: Thank you to the Committee for inviting me to be here today. The panellists who spoke earlier made some valid points. It is worth adding that this year sees the 10th anniversary of financial education being made part of the secondary school curriculum. The evidence about that education provision and whether young people leaving education remember having received financial education while they were in school is in a pretty parlous state.

Some 60% of children say they do not remember having received financial education. When you look at how many children understand even the most basic things, the proportion of 16-year-olds or 18-year-olds who understand that increased interest rates at the moment mean they earn more on their savings is below 40%, and fractionally over 40% understand that it costs them more to borrow money at the moment. That is awful.

We see centres of excellence. We see schools that deliver this information incredibly well, sometimes internally, sometimes using the resources of some of the other panellists here and other organisations and charities that come into schools and deliver the education to support the teachers.

Most importantly, we should seek to address the inconsistency. I hate to use the overused phrase "postcode lottery", but the likelihood of you receiving any financial education while you are at school depends which school you go to, where you live geographically and which sociodemographic group you belong to. That cannot be right. We know that that then impacts life outcomes for those young people as they go on to become adults.

The key message from a GoHenry perspective is consistency. While schools might not access 100% of all young people in the UK, I do not know the figure but I guess they access 95% to 97% of kids. To us, that clearly makes sense as the place to tackle the problem.

Secondly, start early. Several of the panellists earlier mentioned the MaPS/Cambridge University study showing that financial habits are formed from the age of seven. If they are formed from the age of seven, starting to talk to kids about it when they are 11 is trying to cure problems that have set themselves in place. We should do it earlier. We should help shape those beliefs and that confidence and that understanding.

The earlier panellists also mentioned the point about some form of assessment. I am not an educationalist. I can see places in the education system where financial education or financial literacy could sit. It is not GoHenry's place to say which is the right one. Plenty of experts can figure that out. However, it needs to be assessed in some way, shape or form, with some quality mark or statute about the outcomes we are working towards so that we seek to level up and children leave school—

Q41 **Chair:** Yes, set a standard in that respect. Leon, I could see you nodding, particularly on the point about assessment—

Leon Ward: Yes. Thank you and thanks on behalf of MyBnk for having us here. You might already be hearing that financial education is not a particularly controversial issue. Everybody agrees it is good. Everybody wishes they had it. Most people say they could do with it now and wish their kids had it. This is different from sex education and some other areas of the curriculum that we might debate.

From most of the panellists—from us all so far—you will find broad agreement. Currently, the situation is pretty dismal, as Louise pointed out. Our research with Compare the Market shows that only two in five young people consider themselves to be financially literate and can recall any financial education.

It is a postcode lottery. Mohammad read out statistics earlier from our research about girls and boys. We work in the most deprived areas. Young girls feeling less confident about money than boys is inherently linked with their socioeconomic background, too.

Although you were starting to get to it in the last bit of the first panel, we have not yet addressed financial education and financial literacy being a lifelong skill. You are not expected to know and learn everything at primary or secondary school but, as with all education, it is about putting in the foundational building blocks for schools so that children can understand what they are taught.

I saw a year 3 class in Barnet last week—a class of seven and eight-year-olds—learning about delayed gratification. They do not use those words in the session, of course, but we try to get them to understand choices they have to make. Effectively, we play the game of life with them and they make choices at different junctures. Will they get a taxi because it is raining or will they walk because it is free, not knowing what choices will come later? The kids react to it. The universal demand point is also with children. They talk about liking the subject because it is not about technical maths.

We have a golden opportunity here. The Prime Minister has announced ambitions for compulsory maths up to 18. We welcome that. Anything that drives up financial education is good. The challenge I have is that most people do not use lots of core maths skills when looking at financial education, because tools will do it for you. Banking apps allow you to do your budget there and then, but the discipline of doing the budget is important. When you get your mortgage illustration—this is live for me because mine increases in two days when my product comes to an end—they show you the effect of compound interest. You do not need to do the mathematical calculation yourself.

That is important because if you run financial education into maths solely, you run the risk of turning off half the country. We know that adult numerical illiteracy is quite high and financial literacy across the generations is pretty poor.

One challenge is that we want teachers to deliver this but their own financial literacy is poor. Their skills to teach might be wonderful and excellent, as they typically are, but they learn this, too. Our research shows that teachers think on average they need 12 days to learn the financial education curriculum that we go into schools to teach. They have told us that to deliver an hour's lesson takes nearly 90 minutes of preparation, probably because they learn about it themselves. It is a bit like when you compare the market for your car insurance. You do not remember all the questions they ask you every year and you have to go back and think about how many points you have on your licence and all this stuff. You relearn all the time. It is important to say that because it is about positioning financial literacy as a language for life that changes and develops according to what you access in your life.

The last point for us is that this is not about making judgments about people. Good financial literacy allows you to be a better consumer of financial services and products. They are critically aligned with each other. We know that young people make choices. We want to give them the best information and guidance we can to make informed choices. Young people and adults have a lot of power and agency as they navigate financial services and products.

Q42 **Chair:** Thank you. I will come to Sharon next. You look at a slightly different definition of financial education from some of the others. It also involves that element of enterprise education, which you are involved with. How does that sit within these arguments?

Sharon Davies: A lot of this is about mindset, as we have talked about before, and the ability to adapt and respond to a changing situation. Financial education enables you to do that. We talked about maths and numeracy, but your mindset and thinking about your emotions and the risks and benefits of those choices, as Leon has mentioned, are critical.

In response to your initial question about where we are right now, I am ever the optimist. First, thank you to the Committee for seizing this financial opportunity. We welcome that at Young Enterprise. Financial education has remained static over the last 10 years, despite its being statutory in the national curriculum, but we could use that opportunity at whatever point we seek to bring primary into the curriculum, as the other nations have. We could learn from the experience of bringing financial education into the secondary curriculum and all the reasons why it perhaps has not perhaps worked as well as it could—its not being given the prevalence in the curriculum to have a consistent impact, and teachers not being given the guidance, support and training to do it.

It is important to say—and it came through in the first panel—that in their hearts and minds teachers want to deliver financial education and feel strongly about it. The recent APPG inquiry shows that three out of four teachers highlighted that they feel teachers should play a leading role in delivering financial education. Some 70% of primary school teachers surveyed by EVERFI in 2020 stated that financial literacy was not given enough importance in school and 82% considered teaching financial education as very important.

At this point, I pay tribute to the amazing work undertaken by teachers, voluntary organisations and commercial organisations to ensure that financial education is delivered across the UK. Fantastic examples could be learned from across the panel and beyond and amplified. However, we do not benefit from and we do not capitalise on the huge amount of opportunity we have. Over 100 financial education programmes operate across the UK. Essentially, that is because we are in a system where the subject has not been given the priority on the curriculum that it needs and teachers have not been given the guidance and support on the curriculum.

What are the key messages? For us, they are about sustainability, which is important. It needs to start at an early age, for all the reasons that were discussed before. We have a great opportunity to explore the role of financial education and its contribution to social mobility and aspirations. Great research out there shows that starting early helps you save. We can build a nation of active savers.

A sustainable solution is teacher-led. We need to involve teachers. We need to trust them professionally. They know their learners better than anybody to be able to adapt the content.

Thirdly, it is about improving the measurement of financial education. Liz mentioned the potential for the UK to revisit being part of the PISA studies for the OECD in financial literacy. That would give us a great opportunity to benchmark the UK's financial capability among our peers internationally and for Ofsted and the Department for Education to give financial education an increased profile, perhaps through a deep dive on the topic, to ensure senior leaders are supported to give it the priority it needs in schools.

Q43 **Chair:** Thank you very much. Finally, last but not least, I want to bring in Andrew, who represents one of the major banks. What is the view from that end of things as to where we are? In the opinion of an international bank, how do we compare?

Andrew Wilson: Good morning and thank you for the invitation to be here in the focus on this.

The extent of Santander's education programmes globally was not well known to me before I joined. For the last quarter of a century, it has been probably the biggest corporate donor to higher education internationally, particularly in Europe and Latin America, and then focusing here in the UK since the acquisition of Abbey National and other building societies in the crisis. The programmes have been all about education, employability and enterprise.

Financial education-wise, Santander's focus is relatively recent. The reason for it is that 70% of the people we surveyed told us that if they had had greater financial education they could have coped with the recent cost of living crisis better than they have been able to. Obviously, that is central to all banks and to all of you as well.

It is important to say that there is optimism. Our Numbers Game, which we brought in with Twinkl, the financial education specialist, is a relatively recent arrival. Only in the last couple of years has it been active, but it is already rolled out and is providing curriculum-ready resources created by teachers and applicable by teachers in their own setting. It is in one in four UK schools already and 2.5 million children have been through it. It is successful and regarded well by those who use it. So there is a means by which that can be done. It is free of charge—we, with Twinkl, fund it free of charge.

To Mr Mearns' point, it is not really a product push as such. We definitely see it as good for our brand, the overall feel for a bank to be associated with things that improve financial education—

Ian Mearns: I am not surprised at that.

Andrew Wilson: But we are not pushing products off the back of it. We seek to get engaged with a virtuous cycle there. We think that is something that could be considered. There is no doubt that—

Q44 **Ian Mearns:** It doesn't prevent brand recognition at an earlier age among youngsters who come across brands. It is a kind of advertising in schools. I have seen a number of banks in operation in schools. You ask the kids three or four weeks later if they have a recognition of a particular brand and it is the one that delivered a financial education package in the school.

Andrew Wilson: Well, if you had to ask anyone to recognise a brand, there is a good reason to recognise a brand. We all have our purpose to focus on. We use Ant and Dec as brand ambassadors, as well. That's going to help just a touch, I think.

Ian Mearns: I was surprised you turned up this morning and not Brian Cox, but there you go.

Andrew Wilson: He's busy.

Anyway, that is why we are here. The point is that in the last couple of years, Chair, we have been able to roll this out relatively cost-effectively. So there is a means by which we can achieve this end. We agree with the evidence to date that starting young is really important, not least because children are increasingly exposed to digital transactions at a surprisingly young age, and with that the risk of fraud and all the other online harms that people suffer across our sector at the moment and are a real concern in this House and other places.

Chair: On that point, I will come to Andrew on some of the risks and downsides.

Q45 **Andrew Lewer:** We are a bit short of time, so is there anything you have not already said that you feel would be the likely consequences of not improving financial education provision?

Louise Hill: Leaving our kids behind. I think we have already left them behind. Liz in the earlier panel spoke about the piggybank. I had a piggybank. My dad took me to the bank and I got a bank book. That is not how money works today. The network of systems, processes and financial products is much more complex. We need to equip our kids with the life skills to cope with that as they leave education. We have already left them behind and we need to address that.

Q46 **Andrew Lewer:** Yes, I think we accept that. Building on that and carrying on with you for a minute, Louise, what have the young people you work with, and the people you encounter who report back what young people themselves think about this, said to you about the experience of financial education at school at the moment?

Louise Hill: The research that we commissioned supports a lot of the other research pieces that other panellists have referred to. The vast majority, 60%, leave school with no recollection of having received any financial education.

GoHenry seeks to address some of that. We not only embed the practical tools of being able to use money online, with a debit card, contactless—all the modern ways—in a safe environment supervised by parents, but we embed a huge amount of education. We have Money Missions, which are in-app gamified mini lessons that children can work through systematically, again meeting all the educational and curriculum guidelines for the right ages and stages. We split ages six to 10, 10 to 14 and 14-plus, so that they are age appropriate and gradually introduce more complex concepts.

Children and teenagers love it. They systematically work through them. In the feedback, 92% of GoHenry parents say their kids are more confident with money once they have used GoHenry for three months. Independent research we commissioned from the University of St Andrews shows that a number of months—three months, six months—after having undertaken

Money Missions, children save 50% more than their peers who did not. It sounds grandiose, but it is setting behaviours that changes life outcomes.

Q47 **Andrew Lewer:** Thank you. Andrew, what about young people's feedback about what you do?

Andrew Wilson: It is very similar to what you just heard. I would add that you should treat this as an upside opportunity as much as a problem correction. We know that the UK has a problem with the educational attainment gap. We know that we have a significant problem with inequality by a whole variety of measures—by gender, by geography, by generation. This is a means to an end—a necessary but not sufficient means to an end—for helping that, we argue. Ultimately, a greater understanding of financial matters could assist even the productivity gap that bedevils the UK economy. Money confidence together with numeracy creates the empowerment that you have just heard about, and we believe in that very much. Education is in our DNA as an organisation.

Q48 **Andrew Lewer:** Leon, what have young people said to you about financial education as currently delivered and what could be better?

Leon Ward: The MyBnk programme delivery split has 37% of our hours in schools, which means the remaining 63% are with young adults. We see young people 16 and over as the majority because they had such a poor time receiving financial education in school. We capture them when they fall through the gaps.

We are different from some of the providers that train teachers. We send our trainers into schools, recognising the challenges that teachers express around delivering it. We try to take the pressure off, which I hear is not a completely long-term sustainable option; the best thing to do is to train up the workforce and get them to deliver.

We try to talk to young people about what has changed since they have been on the programme. In primary schools, 80% can correctly identify a habit. The Money and Pensions Service pointed out that financial habits start being built from the age of seven, but what financial habits? It is thinking about the cornerstones of budgeting, of saving and of making decisions, and talking to parents when possible about finances. Those at home and other people in the ecosystems of young people play a critical role, whether it is parents, carers, friends, families, grandparents, neighbours—whoever they talk to about money, this is about trying to destigmatise it.

Fast-forwarding to our older-age programme in secondary schools, 80% of 16 to 18-year-olds—so the latter end of secondary school—tell us they feel confident with making student budgets. Somebody mentioned earlier the role of student finance. We try to run our interventions at key transition points. We have a programme as you go into university. We also have a programme as you enter work.

One of the things that we have not tackled in this session—clearly, because it is focused on schools—is that there are two main places where most of the population goes: school and work. I do think that employers across the country have an impetus and a responsibility to do this. We work with some employers, including Lowell, a debt-collection agency based in Leeds. We run training for its contact centre staff, apprentices and graduates, who typically are of a younger profile, two days before they get their first payslip. Instantly, you can see them re-enrolling in their pensions and not pulling out of them. You can see them starting to think about budgeting. It starts to bring to life the learning that we are trying to teach them in the moment. I think I have pre-empted your question—apologies—but you can ask it anyway.

School and work are the two avenues. Imagine if every newly qualified health professional in the country, as part of their entry into the NHS, received financial education as part of a financial wellbeing package to help them be well at work financially. We would start to really shift the dial on this. Schools are one avenue, but employers are the other big one.

Providers like us can help to catch people who fall through the gaps, because people will always fall through the gaps. That is our specialism and that is where we see a real impact from reductions in rent arrears, for example. The number of young people who never run out of money doubles after our programmes. The programmes can have real-life impacts, but we will never get to the market mass. That is definitely for the levers of Government, as it were.

Sharon Davies: I want to talk about secondary school for a minute. In the work that we do with young people, we do a baseline assessment, which is a personal reflection. Consistently, they will give themselves the lowest measure for financial capability. They will consistently rate themselves lower on that than on teamwork, problem solving or readiness for work. Interestingly, after our programmes, it is the area in which they record the highest improvement, particularly for young people experiencing the greatest disadvantage. The experience of financial education has a massive impact on their financial education levels.

Moving back to primary, there are some fantastic opportunities to work together to bring together the two most influential people in a young person’s financial journey, parents and teachers. We run a programme with HSBC UK called Money Heroes, which is a great example of bringing those two key partners together. After taking part in the programme, 96% of participants aged from three to 11 reply that they understand how money works and 86% can make informed choices about how to manage money well. That reiterates the importance of starting early so that we have fewer young people in secondary, and then going on to work, who have to build their financial capability from scratch.

Q49 **Chair:** Sharon, I was interested in the point Leon made about preparation from employment. It has always struck me as surprising that none of us ever learned at school about how payslips and deductions work and that whole side of things. Do you engage with that through Young Enterprise in trying to build some of that understanding with the young people you work with?

Sharon Davies: Absolutely. In 2018 we worked with Martin Lewis, a fantastic advocate for financial education, and with the Department for Education to look at how we could create a resource that all state schools could benefit from. We created the first financial education textbook. We still have 20,000 downloads of that a year and 100 physical copies went to state schools across all four nations—we are responsive to the curricula of all four nations. It covered elements such as leaving school, preparing for the world of work, tax, payroll and all those important things that Leon mentioned.

Chair: Thank you.

Q50 **Caroline Ansell:** As a teacher myself, I know nothing is more impactful than real-time experience. I am a huge fan of Young Enterprise. It is about as close as you get to the real thing.

Is part of the challenge around financial literacy the demise of the Saturday job and holiday jobs? The employment landscape has changed quite significantly over the decades. There is nothing more impactful than knowing how hard you work for whatever you receive at the end of the day on bringing a whole new respect for money and an understanding of money and opportunity costs and so on. Is youth employment a means of their financial understanding?

Leon Ward: I think there is some degree of truth in that. No longer do you have to tear off the three sides of your payslip before you can open it and see the numbers; it is all online. There are people now who never actually check their payslips. You could do a survey of the room and ask who last checked theirs, but I will leave that to the Chair. I think there is something in that.

We find that a lot of the young people we work with, because they are the most disadvantaged, often are in multigenerational unemployment households and so nobody has worked. How can you talk about a payslip if no one in the family or in the unit supporting you has ever received one? There is something about trying to bring that to life.

An issue around digitisation of everything is that people do not check. There is more to check. Council tax bills now are all online. We print them out for students in our sessions and show them what they look like, even though they might never download theirs and just set up a direct debit.

Q51 **Caroline Ansell:** Do you see among the cohorts that you engage with a difference between those students who have had employment and those who have not?

Leon Ward: Yes. For those who have had employment, we can see them better connect with the curriculum, of course, because you are talking about things that are real to them. If we can get them to pull up a payslip in the session, we will absolutely do that.

Q52 **Caroline Ansell:** Those Saturday jobs and holiday jobs, then, are actually quite an important strategy for financial literacy.

Leon Ward: Yes, and the recent announcement about Vinted and the tax implications of selling your goods—we heard that in the classroom. Last week, I heard that come out in a year 10 group in Southampton. The kids were saying, "I'm selling stuff on Vinted. I saw somewhere that there's tax." It was not in the session—we were not supposed to talk about it necessarily—but they are absorbing what is going on. That is the point. People who have those experiences have better connectivity.

Louise Hill: You asked, Caroline, whether those Saturday jobs have disappeared or shifted in age group. I think physically going out to work Saturday jobs has shifted, because a lot of employers now will not go anywhere near anybody under the age of 13 because of various employment and health and safety regulations. But at the same time, children earn money earlier than ever online. They sell on Depop, Vinted and eBay. They sell on Etsy. They set up businesses. They are incredibly entrepreneurial and they are seeing digitalisation, as many adults are, as a way to be able to access that. They learn that they have to sell 50 pairs of earrings on Etsy if they want to buy the trainers they are saving up for. That is valid learning. I can remember my daughter suddenly exclaiming that maybe she did not want the Superdry jeans because she would have to work in her Saturday job at New Look for three weeks to afford them, which was music to my ears.

Caroline Ansell: That is the language. Thank you, Chair. I am happy to fall on my sword for my later question, because that was fascinating.

Chair: Thank you.

Q53 **Mohammad Yasin:** What methods of financial education have you found to be most effective at engaging young people on personal finances and decisions about money?

Louise Hill: Giving them the real-life tools to use it. I guess you would expect me to say that. I have always been a huge proponent of learning by doing. One of the really important things that GoHenry and I would like to put to the inquiry is that financial literacy is a life skill. It is not simply theory. It has to be applied to how it works in real life. The example of young people having employment or earning money so that they understand that is critical. It is engaging with the practice—the real-life use of money and making those decisions, whether it is how you spend 50 pence or how you spend the £50 that you have earned. The real-life decisions as well as the theory is important.

Sharon Davies: To build on that and to bring in what Caroline was talking about before, we can still use applied learning as a pedagogical approach in schools. We can still set those real-world challenges. It might not be working in employment, but you could be setting up and running your own business. You could be responding to a business challenge set by someone in the community. That applied learning could be undertaken across a number of schools. You could do that with financial education. They could undertake and translate knowledge into action and build those skills. That is a critical area that we could learn from.

To your point, Mohammad, the best and most sustainable way to deliver financial education is to engage teachers. I will give you an example. Young Enterprise undertook some research in partnership with the University of Edinburgh, which found that the most effective financial education was that undertaken by trained teachers. The outcome was that they were more confident delivering financial education, with positive outcomes in terms of financial capability for the students. Trained teachers were more able to adapt their delivery. Rather than being able to just deliver to the plan, they were able to think about it because they understood the why and—back to Leon’s point—they had the confidence to deliver financial education. They were more capable of utilising technology, having had that training. But this is the big one: two years after the training, they continued to develop and deliver more detailed session plans around financial education. It has a sustainability about it. The best financial education you will see is when you twin them both, when you have great input from external providers but it is driven by the teachers who know their students the best.

Leon Ward: In terms of the curriculum that providers of financial education teach, we are all aligned around this. We use the financial planning education framework to design our sessions. Irrespective of your age, if you come on a MyBnk programme, you will learn budgeting, banking, income tax, employability and household costs. We put in additional modules according to where you are at in your life. There is no point talking about housing and tenancies with a nine-year-old but there is with a 16-year-old because they are about to reach that transition point.

There is something about delivering education in the zone of proximal learning, which is, “Can I apply what you are teaching to my real life?”, and then you have the normal creativity that you would see in any teaching. MyBnk is made up of ex-teachers. One of my colleagues in the audience is an ex-teacher who has come in and spent some time delivering our programmes. As I said, we try to bring money to life to people in the moment.

There is an activity we run called a demotivator. It is really simple. Take something that you buy every day or every week and multiply it by the number of days or weeks in the year, and that is how much you are spending on that. It could be coffees, nails or whatever. Young people start to realise they actually have more money than they thought they had, but what they do not have is a good sense of earning potential. A lot of young people come to our sessions saying, "I want to earn £100,000," without knowing that that puts you way in the top percentile of earnings and that the average salary is much lower than that. There is something about managing expectations through the programmes we do.

Young people come to our sessions and sometimes are there for multiple days. Getting them on day one is the hardest because they're like, "Why do I want to go and learn about money?" Then you deliver it in a really engaging way and they come back for days two, three, four and five. Our programmes for young adults are accredited, so young people get a level 1 in personal finance management, which for some of them is the only qualification they have. If you have something higher than that it is not that good a qualification, but it is critical for some of the young people we work with.

It is a carrot-and-stick approach to some degree, but I go back to the earlier point: there is universal demand for this. Once you start it, you see the lights turning on in the moment.

Andrew Wilson: If we are after scalability to deal with the need for volume, we have had our own people going into schools to teach through our MoneyWise volunteering programme, which has reached about 5,500 kids in four years, whereas the provision of materials to support teachers to do it has reached 2.5 million in two years. The point is to give teachers the facility, the space, the training, the confidence and the quality of materials that are curriculum-ready to allow them to do the job. Then it seems to work.

Q54 **Caroline Ansell:** I want to ask about careers guidance. In your estimation, is there enough understanding around potential earnings and what that means in a real-time context?

Leon Ward: No, I don't think there is. There are loads of great examples. I used to work at an alumni charity, which was about bringing state school alumni back into state schools to talk about their journeys. Nearly always the first question was, "How much do you earn?" Children want to know. That is the point. They do not want to ask their parents, or their parents or carers might not earn that much, and they might not know whether it is a lot or not. There is quite a lot of work to be done around tackling the taboo of money. I know people said that we don't like talking about money, but people do like talking about money when they have got some. That is the difference. We are talking about the people who often do not have some and do not want to talk about it. There is a big taboo that we have to unpick.

Sharon Davies: Can I quickly build on that? There is a great opportunity to include financial education within career education plans. The Careers and Enterprise Company does a great job building career hubs. The Gatsby Benchmarks talk about engaging employers. To your point, local employers can come in to talk about the range of careers on offer and the salaries, and you can start to build aspirations.

Q55 **Mohammad Yasin:** Leon, you heard me mention the MyBnk survey, which revealed that 43% of girls and young women aged between 11 and 25 were not financially confident. The figure for boys and young men was 61%. What analysis has your organisation conducted about why girls lack financial confidence in comparison to boys? Is it more to do with perception than reality? Should the teaching of financial education reflect this? If so, how?

Leon Ward: It is very complex, so I will try to summarise it as quickly as I can. The 3,500 young people who produced the results of that survey were in the most deprived areas of the country, because that is typically where we work. I think there is something about traditional values in the household—that the household has not been speaking about money, and certainly the female role models in that family have not been speaking about money. Lots of us will remember from our grandparents, and maybe even from our own relationships, that typically it was the male who managed the household budget and the incomes and looked after the money. We see that—

Q56 **Mohammad Yasin:** Times are changing, though, aren't they? It is a completely different story in my household.

Leon Ward: Good. Times are changing, but it will take a couple of generations for that to settle in. It shows how deeply entrenched some of those challenges are, where those typical role models are still in families.

The last thing I would say is that this is where the impact of parental influence cannot be underestimated. If girls tell us they feel less confident about money, you can bet your bottom dollar it is to do with their not seeing, watching, hearing and having conversations about it at home, as well as wider societal issues. The research showed that the anxiety levels of girls were much higher. When we speak to girls in our sessions, they have poorer mental health and poorer anxiety levels than boys for many reasons to do with lots of things going on in their lives, such as body image, the role they play in school and so on. It is really hard to pinpoint it, but I think there is still a bit of time for times to change. We will have to allow probably another generation, because the figures are so high.

Q57 **Chair:** Alongside this inquiry we are running a separate one on screen time. I was struck by what Louise said about young people's ability to access financial content and, indeed, sources of income through the digital world. We have heard a lot of concerning evidence about some of the harms that people are at risk from in the digital space, and a lively debate about mobile phones being banned in schools. Do you see any risks to financial education if devices are shut out of the classroom? Or are there routes to all that online and digital opportunity in the financial space without having to have devices and internet-enabled phones in the classroom?

Louise Hill: That is a huge question and a tricky one. If we were to shut devices—and I will say devices rather than just phones—out of school classrooms, we would be doing a massive disservice, because, like it or not, the modern world, and the modern work world, incorporates a huge amount of use of screens in one form or another, and of digital services in one form or another, and, indeed, what my 20-year-olds call "adult admin". We have talked here about how your council tax bill is online, your payslip is online, your parking fine is online; everything is online. We need to equip kids and teenagers to use it.

The harms are clear and growing. I go back to the point that what we have to do—addressing the financial literacy point specifically—is to teach kids where to go for valid information sources rather than some of the harmful, unfettered sources out there on the internet, and equip them with the skills to make informed choices, but, no, not to remove devices.

Q58 **Ian Mearns:** Sharon, you said earlier that 82% of teachers surveyed believe that financial education is important. That means that 18% do not think it is important. Is that not worrying?

Sharon Davies: This was a 2020 survey. They actually rated it as "very important"—that is the clarifier.

Q59 **Caroline Ansell:** I wonder if the 18% think that these are more life skills and perhaps should be covered at home rather than in a stressed and pressured school curriculum. That is one element that we have not really covered—the parental side of things and how parents can work with your organisations or with schools. Is there a bit of value judgment around home and school, and parents and teachers?

Sharon Davies: In terms of responsibilities and who should take it on, absolutely.

Leon Ward: We send family packs home with our primary school students. The question is whether the parents use them or not, and that is impossible for us to know without either going to the kids' homes or surveying them through schools. That is a nightmare in itself. But there is something in that.

The bit of innovation that I think is missing in the marketplace—and I am revealing some cards, I suppose, but that's fine—is around young people in the classroom with their parents. What does financial education look like as a family unit, whatever that unit looks like? How can you bring families and young people together to start exploring some of these issues? Maybe that is in school, because schools are community hubs up and down the country. We know that they play a much different role than what they used to. There is probably a bit of work to be done to understand that more.

On screen time, the digital divide in this country is massive and it is huge in schools, too. The power of people having screens in their pockets bridges some of that divide in some areas but will widen it in other areas where kids do not have access to mobile phones. IT in schools in most areas across the country, especially in state schools, is pretty dismal. I am concerned that a blanket ban on phones or devices will harm the problem.

Chair: That is an interesting perspective.

Q60 **Ian Mearns:** Lastly from me, one of the things that I am really wondering about is when youngsters actually engage with the financial education that is available, and the ones who might not do so. I am pretty much convinced that there will be some youngsters who are of an age and an understanding but, for them, managing money will be an abstract concept because they haven't got any and their family hasn't got any. Is there any way to get around that? I think this could be really important for raising aspiration among youngsters at the poorer end of the financial scale.

Sharon Davies: You make my heart soar with that, Ian—just the entrepreneurial opportunities for children and young people. We run a programme called the Fiver Challenge, which is literally £5, for five to 11-year-olds. We run it with Principality. The appetite and the lights that switch on at the potential to learn how to make money but also how to manage your money, and then going home to talk about what they have done and how they have done it, is key. We could do that marrying up of an enterprising mindset and the ability to adapt and respond to those changing situations much earlier.

Ian Mearns: This is anecdotal, but I remember when I was eight, nine, 10 years old I used to take a wheelbarrow to the builders yard, get some wood, chop it into sticks, put it into bundles and sell it as kindling. I got a 2/6 barrow of wood and sold it for 15 shillings. My fingers were all mangled by chopping the sticks, but that is neither here nor there.

Sharon Davies: It makes it real, doesn't it?

Q61 **Chair:** On that point, we had an interesting debate and discussion earlier about the curriculum. Often the enterprise aspect of financial education is seen as more extracurricular. Is there enough of it in the curriculum currently or should more space be made for the enterprise aspect of financial education?

Sharon Davies: It is interesting. I heard loud and clear about the content being very weighted in the current curriculum. I think there are more opportunities to apply enterprise across the curriculum and to embed that applied learning approach regardless of the subject. We see great examples of that in drama and English—marketing, presenting, influencing yourself, doing "Dragons' Den" pitching. There are loads of opportunities to do that, and there are some really creative teachers doing it.

Chair: Thank you. We will wrap up the session at that point. I am very grateful to all our witnesses.