

Financial Education and the Curriculum

SUMMARY AND INSIGHTS

COMPILED BY NATIONAL SCHOOLS PARTNERSHIP



“Managing money is probably the fairest of all starts you can get. Even if you do not have much money, but you can budget well, you have a much more effective, happy, contented life. Economic wellbeing is the basis of all success, really, in that sense.”

David Kennedy, Headteacher of John Warner School

Introduction

The All-Party Parliamentary Group (APPG) on Financial Education for Young People was created on 31st January 2011. Consisting of 225 members, its purpose is to provide a forum for those with an interest in financial education. In March 2011 the APPG launched an inquiry into Financial Education and the Curriculum. Designed to provide an extensive, considered and critical look at the provision of financial education across English primary and secondary schools, the report has consulted with a wide range of stakeholders, from teachers and young people to the financial services industry. The resulting inquiry report is the conclusion of this eight month consultation period, and highlights the recommendations of the APPG.

Report Highlights

- Personal finance education should be made compulsory for all schools (primary and secondary)
- Schools should all have a financial education co-ordinator or ‘champion’
- A greater emphasis should be placed on the delivery of financial education through the mathematics curriculum
- Teaching financial education should be incorporated into teacher training
- Whilst teachers should always lead on delivering personal finance education, there is an important role for volunteers, resources and support from the financial services industry and other external agencies
- Assessment of young people’s learning in financial education needs significant improvement

The Current Picture

The investigation into the current level of financial education provision concluded that just under half (45%) of all English schools currently teach personal finance education. Being a non-statutory topic, this is seen to be a positive step in the right direction; however this still means that millions of young people are not receiving the financial education they need.

Barriers to Overcome

Reasons why financial education is not currently delivered in some schools:

- Pressures on curriculum time (70%)
- Lack of training/confidence (45%)
- Lack of resources (34%)
- Not a priority in school (31%)
- Not statutory (12%)

It is clear from these results that schools do want to provide this for young people, but must find solutions to these barriers before they can do so. Teachers highlight their need for quality teaching resources, quality pupil resources, training and continuing professional development (CPD), interactive whiteboard activities and help from financial sector volunteers to ensure sustainable finance education.

This document is based on and summarises the ‘Financial Education & the Curriculum’ report (Dec 2011), APPG on Financial Education for Young People.



55% of secondary schools deliver finance education compared to 31% of primary schools

Report Recommendations

The overall recommendation of the inquiry report is for personal finance education to be made compulsory for all schools' curricula. Without this, it is deemed that schools will not teach it due to constraints on space and time in the curriculum. The report also highlights specific recommendations for primary and secondary education:

Primary:

- Continued cross-curricular delivery of personal finance education from early years onwards
- A stronger focus on the mathematical rigor of primary teachers

Secondary:

- A greater, and more clearly defined, alignment of personal finance education with mathematics. The report concurs with the Smith Report and Maths Review's¹ recommendation for a twin mathematics GCSE
- Reworking of the PSHE education syllabus into four clear strands, one of which being personal finance
- Encouraging the cross-curricular working of mathematics and PSHE education to deliver effective personal finance education
- Creation of school co-ordinators for financial education to map delivery across subject areas
- Resources produced by outside organisations should be made accessible and quality marked by a trusted body

Insight & Learning Opportunities

Along with the release of the APPG report yesterday, there is also to be a debate in the House of Commons on Thursday 15th December on compulsory financial education in schools. Combine this with the current economic climate, and the issues of being financially capable are a key priority for many at the moment. The inquiry report raises a number of interesting challenges and new opportunities for businesses and charities in this field.

1. Mathematics and cross-curricular approaches

Traditionally personal finance education has been distanced somewhat from mathematics; however, over the last two years there has been some integration due to a need to make maths more real and relevant for young people. With the recommendations of the inquiry report supporting this, in terms of financial education, there are certainly opportunities for businesses to support and develop the quality resources required by teachers and young people.

OPPORTUNITIES:

- Creation of new mathematics rich personal finance resources, which also map where financial education fits within the mathematics curriculum
- Cross-curricular programmes that support PSHE education and mathematics
- Interactive whiteboard activities that support numeracy/mathematics and personal finance education
- CPD opportunities to support the mathematical rigor of primary teachers

Current resources tend not to focus too heavily on the mathematics content of personal finance, more on the PSHE education content. Mathematics skills have been highlighted by industry as the most highly sought after skill for school leavers. Contributing to its development amongst young people ensures a more highly skilled future workforce for businesses.

¹ Smith A. (2004) *Making Mathematics Count: The Report of Professor Adrian Smith's Inquiry into Post-14 Mathematical Education*. The Stationary Office Limited 2004.
Vorderman C., Budd C., Dunne R., Hart M., Porkess R., *A world-class mathematics education for all young people*, August 2011



“Teachers teach. Teachers understand how to teach. We are not teachers. So I think there is a valuable role for volunteers helping teachers.... supplementing and complementing the teacher’s work...”

Peter Bull, HSBC

2. Teacher training

Current Initial Teacher Training does not provide any specific training on delivering personal finance education to young people. The reasons for this may well be similar to some of the barriers that teachers face in trying to deliver within their own schools. Higher Education Institutions (HEIs) have shown a positive response to including personal finance education into their programmes. Further to this, there are very few financial education CPD opportunities currently available to fully qualified teachers.

OPPORTUNITIES:

- Collaborative working with HEIs to support trainee teachers in personal finance education
- Provision of CPD opportunities to primary and secondary schools in the integration of personal finance education
- Mentoring support from the business sector to financial education ‘champions’ in schools.

The impact of working with trainee teachers is potentially very wide-reaching, as through them the personal finance education goes on to reach a very large audience of children. Teachers may be wary of intervention from the business sector, but through providing support at the very outset of their careers this would help to build ongoing relationships.

3. Volunteering

According to the report, 42% of respondents would welcome support from a financial sector volunteer, in order to help make personal finance education sustainable in their school. However, volunteers are rarely used effectively within schools, so ample opportunities exist to improve and aid the volunteer/school relationship.

OPPORTUNITIES:

- Facilitating links between schools and financial sector volunteers
- Providing appropriate training for volunteers
- Creation of resources and support packages for volunteers to deliver/participate in
- Providing opportunities for young people to experience the use of finance in the working environment
- Development of ‘virtual’ volunteering, making use of new technologies to provide support in the classroom

The majority of these functions were carried out by local authority Education Business Partnerships, but many of these are no longer in existence due to budget cuts. Volunteers are able to bring experience and expertise into the classroom that helps bring financial education to life. Bringing experience of the working environment into schools, or vice versa, is a fantastic way of breaking down the barriers between business and community.



Only 22% of schools assess the impact of financial education on their young people

4. Assessment & evaluation

Assessment is key for schools to show the impact of what they deliver to young people. This has always been a problem for personal finance education as the impact is often manifested as a change of attitude or behaviour rather than just knowledge. As such, pupil assessments are limited and can be disengaging for young people. More and more schools will not deliver topic areas if they cannot demonstrate impact; therefore there is a challenge to provide appropriate tools which are also engaging.

OPPORTUNITIES:

- Development of a suite of assessment tools appropriate for measuring impact of personal finance education on pupils at all school levels
- Continuity of pupil assessment through mathematics and PSHE education
- Schools have shown an appetite for having the quality of their financial education acknowledged through a national recognition scheme

There are existing assessment tools available but nothing that moves progressively throughout a child's education, and certainly nothing that provides a level of continuity across PSHE education and mathematics. There are plenty of national recognition schemes within education but nothing of any consistency around financial education within England. One of most successful recognition schemes in schools has been the Healthy Schools Award.

5. Employability skills

The government recently announced that the number of young people classified as NEET (Not in Education, Employment or Training) is at a record high of 1.16 million individuals². With the introduction of compulsory education or training until age 18 by 2015 the NEET figures will reduce, but there needs to be real and relevant provision available.

OPPORTUNITIES:

- Working with groups outside of school to develop skills, including financial capability, in order to improve employment prospects
- Providing student mentoring to increase knowledge, skills and confidence within the workplace

Businesses' involvement in development of such support would enable them to give their input into the type of skills they look for in the young people they employ and build this into the support offered.

² Department for Education: NEET Statistics - Quarterly Brief - Quarter 3 2011



Only 24% of schools currently use resources from the financial services industry

6. Primary schools

Over the last five years the vast majority of support for financial education has been targeted towards the secondary sector. Primary schools are very keen to deliver personal finance to their pupils, and in some cases parents, but so far have not had the same level of support.

OPPORTUNITIES:

- Resources with a financial context that cross a range of curriculum areas
- Opportunities and ideas for schools to engage in 'off-timetable' activities
- Dedicated CPD sessions for primary teachers
- Development of a financial education family learning programme

Working with the very youngest children in education the social responsibility of the business sector can build very sound foundations in those individual's financial education. This can be transferred to parents through family learning; ensuring parents not only pick up financial skills and understanding, but also learn how to work with their own children to build this further.

7. Students Moving to Higher Education

Next year will see the first cohort of students attending university at the increased fee level. Preparation for this within schools and colleges is extremely varied. Ofsted (the school inspectorate) commented themselves on how important financial education is to this group of students, however were surprised at the lack of consistent provision³.

OPPORTUNITIES:

- Development and delivery of workshops to young people on the financial decisions they will face in higher education.
- Training opportunities for teachers on the financial aspects of higher education
- Quality, age appropriate resources for 17-18 year olds

Through providing support for students to make informed financial decisions about higher education, businesses will not only be supporting them, but also their teachers and parents.

Conclusions

The inquiry report is a stark reminder that there is another very important side to education as well as academic achievement. This involves preparing all young people for the challenges they face as they move towards independence. Being financially capable not only has implications on an individual's future financial prospects, but also on their health, safety and contribution to society. Financial education can be a daunting prospect for schools, but with appropriate support from the business sector teachers can build their confidence and utilise quality resources in order to provide a first class financial education for all.

³ Office for Standards in Education, Children's Services and Skills. *Developing Financially Capable Young People*. Ofsted 2008