

SecEd

Guide to...

Financial Education in the Curriculum

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- How schools can easily embed financial education across the curriculum
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In association with

**The London Institute
of Banking & Finance**

GUIDE TO...

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FINANCIAL EDUCATION has never been more important. In today's complex world young people need to be equipped with the skills and knowledge to make key decisions about their finances, from opening a bank account to paying their university tuition fees.

Since September 2014, local authority maintained schools have been required to teach financial education as part of citizenship education at key stages 3 and 4. Similarly, the new mathematics curriculum requires schools to ensure that young people leave with an understanding of the skills needed for personal finance.

But while some secondary schools are doing this very successfully, others are not providing financial education at all. The *Young Persons' Money Index 2016*, published by The London Institute of Banking & Finance, reported that 58 per cent of students currently do not receive any form of financial education at school or college. It also found that fewer girls (36 per cent) receive financial education than boys (45 per cent) and that 61 per cent of teenagers say they have money worries.

The OECD (Organisation for Economic Co-operation and Development) has also highlighted the problem, reporting that financial literacy in the UK lags way behind that of places like Hong Kong. Fewer than half of British adults are able to do basic financial calculations.

Meanwhile, a recent inquiry conducted by the All-Party Parliamentary Group (APPG) on Financial Education for Young People pointed out that since academies and free schools are not required to follow the national curriculum, less than half of all secondary schools are obliged to teach financial education.

MP Suella Fernandes, who chaired the inquiry, summed up the challenge in the APPG's subsequent report, *Financial Education in Schools: Two Years On – Job Done? Writing in the foreword*, she said that "much more needs to be done to

strengthen the delivery of financial education in schools in England, with provision remaining patchy, inconsistent and varying in effectiveness".

The APPG report made eight recommendations to help improve financial education provision. These included encouraging schools to use their Pupil Premium funding to develop their focus on financial skills, encouraging schools to adopt a whole-school approach to financial education to maximise its impact across all year groups and subjects, and the appointment of financial education "champions" in schools, who would ideally be senior leaders tasked with coordinating and promoting learning and training in this area.

The London Institute of Banking & Finance, a university college that provides banking and finance education and qualifications at all levels, is keen to help schools, school leaders and teachers make effective financial education part of the whole-school curriculum. It works with around 500 secondary schools, special schools and pupil referral units a year (around 25,000 students) and offers qualifications, teacher CPD and training, resources, tips and guidance.

"My biggest concern is that because we don't talk about money in this country and because we don't explore it with children enough, it's something to be feared – as opposed to being something we need to be able to understand in order to make provision for ourselves," explained Alison Pask, managing director, financial capability and community outreach, at The London Institute of Banking & Finance.

"Students at secondary school are at a really critical point. They often have part-time jobs and are embarking on the path to university, so they need to have at least a basic understanding of how to manage money. A lot of the skills that they acquire through learning to be financially capable are skills that are also transferable into the workplace."

Ms Pask is concerned that despite lobbying long and hard for financial education to be recognised as “a key part of a young person’s education”, many children and teenagers still do not have access to it. There is the added difficulty that the mathematics and citizenship curricula are already very overcrowded.

“There are three key barriers to delivery,” explained Ms Pask, who worked in financial services for many years and then moved into education.

“The main one is an already busy curriculum. Second, if you try to put financial capability into the curriculum as an environment on its own you need to have teachers who are available to teach it. Third, there’s the whole question around the teacher’s ability in the subject, which is why we have developed our e-learning programmes.”

The London Institute of Banking & Finance’s e-learning programmes include Lessons in Financial Education (known as LiFE). This was launched in June 2016 and enables students to experience financial education on a “learning by doing” basis.

The LiFE programme consists of eight topics – money and income, storing money safely, spending and budgeting, saving and selling, borrowing, what is insurance?, fraud and scams, and where to get financial advice – and allows pupils to study at their own pace, with minimal intervention by teaching staff.

Many schools are running the LiFE programme as part of tutor time, at after-school clubs or as an enrichment opportunity. Once pupils have completed the LiFE foundation course they can achieve a Level 1 qualification via a multiple-choice test.

Ms Pask continued: “We are really proud of the fact that young people can access the programme at home as well. It means that parents can get involved and support them. The role of parents is really crucial in talking more openly about money to their children and helping them to develop good financial habits.

“We are very stuffy about talking about money in this country but our ambition is for the next generation to be far better equipped for the future and far more willing to talk about their finances than previous generations.”

Adrian Lyons, Ofsted’s national lead for economics, business and enterprise, agrees that while financial capability is an essential skill, a skill that equips young people for life, its delivery in schools is “very patchy”.

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He believes that financial education must be planned well, so schools have a coherent view of what they want pupils to know, understand and be able to do. The subject should be taught by people with the knowledge and expertise to deliver it. If that is not possible, banking and finance experts should be invited into school – “but don’t just leave them to it”, he added. Schools should also check that what they are doing is having an impact.

“Financial education seems to work best where it is delivered by specialists,” said Mr Lyons. “Very often, if it is delivered at all, we see it delivered by form tutors or generalist PSHE tutors and they often don’t have the knowledge and skills to do it effectively. It’s like anything else really – having knowledge of what you’re teaching gives you confidence and therefore makes the teaching more effective.”

Verulam School, an academy in Hertfordshire, has taken the specialist approach. The school, which has more than 1,000 pupils (boys only from years 7 to 11 and co-ed in the sixth form), invited banker Ray Blaxill to talk to pupils in 2011. The visit was so successful that after a 35-year career in banking Mr Blaxill moved into financial education

and now teaches financial capability to Verulam's sixth form students. Around 70 students a year opt to take The London Institute of Banking & Finance's Certificate in Financial Studies, a Level 3 qualification that they take alongside A levels. Of these, a third then go on to study for the Diploma in Financial Studies in year 13.

"I'm very keen to instil in my students the fact that financial capability is a life-skill," said Mr Blaxill, who himself is studying for The London Institute of Banking & Finance's new Postgraduate Certificate in Teaching Financial Capability (PGCTFC). "For some of the students it's an add-on, something that will help with their UCAS personal statement. Others use it to gain employment. Two students from last year's cohort got jobs in local banks and one student decided to train as an accountant.

"Some schools offer financial education as part of maths but our school offers it as part of a package of post-16 qualifications. These are students who in one or two years will be living in a hall of residence or rented houses and looking after their own budgets. They need to learn to take responsibility for their finances."

A cross-curricular approach to financial education works well too. Lessons observed by Ofsted inspectors have included a childcare assignment where students had to research, price and select the items needed for the arrival of a new baby, and a GCSE PE class where students had to organise and plan the budget for their forthcoming field trip.

Another school asked a Citizens Advice adviser to talk to year 10 students during an enterprise day. She explained the role of Citizens Advice and the financial issues it gives advice on. Then students took on the role of advisers, drawing on the knowledge they had gained from their personal finance education lessons and Citizens Advice guidance leaflets.

Teachers at Forest Hill School in south London have incorporated financial education right across the curriculum – from drama to PSHE. The 1,700-pupil school has done this so successfully that pfeg (Personal Finance Education Group) recognised it as a centre of excellence for financial education in 2015.

As well as building financial education into mathematics, citizenship and PSHE lessons, Forest Hill offers The London Institute of Banking & Finance's financial studies qualifications to year 10, 12 and 13 students.

Other ways in which the school has developed pupils' financial literacy and understanding include a year 7 and 8 trip to KidZania in west London, where pupils took part in role-playing activities set in the world of work.

Year 10s have also learned about household budgeting in a day run by Keep the Cash!, while GCSE business studies students have learned about setting up a business in a social enterprise scheme run by MyBnk.

The school takes part in My Money Week, an annual activity week where young people develop their skills, knowledge and confidence in money matters, and has also signed up to epraise, a school rewards system. Students are awarded online points for good behaviour, which they can then spend on everything from front of the lunch queue passes to table tennis balls.

"The pupils really buy into the big marquee events that boost and develop their understanding of financial education," explained deputy headteacher George German, who gave evidence to the APPG inquiry.

"Every student has financial education opportunities every year. However, for consistent and long-lasting impact I think that building financial education into citizenship, maths and PSHE is crucial.

"The students are genuinely fascinated by how money works. They see the practical applications of learning about credit cards, finance management and student debt."

Further information

- The London Institute of Banking & Finance: www.libf.ac.uk
- pfeg: www.pfeg.org
- KidZania: www.kidzania.com
- Keep the Cash! www.keepthecashgame.com
- MyBnk: <https://mybnk.org/>
- My Money Week: www.pfeg.org/resources/mymoneyweek
- epraise: www.epraise.co.uk

Case study: Queen Elizabeth's School, Barnet

THE PUPILS at Queen Elizabeth's School, a boys' state school in Hertfordshire, have embraced financial education with enthusiasm – so much so that up to a fifth of leavers choose to study degrees in economics, finance and accounting, or PPE (philosophy, politics and economics) each year.

The school runs a host of activities and courses to equip its 1,200 students with the financial knowledge and skills they need for the future – from offering sixth form students The London Institute of Banking & Finance's Level 3 Certificate and Diploma in Financial Studies, to embedding financial education in the school's Personal Development Time (PDT) programme.

Queen Elizabeth's has taught the Financial Studies courses for six years, with 30 year 12s and 30 year 13s opting to take them each year. The courses involve a double period of study each week, taught by head of economics Liane Ryan and economics teacher Kimberley Jackson, as well as independent study at home.

Students who are particularly interested in studying finance and accounting at university or who aspire to go into banking often take the Diploma in Financial Studies in year 13 as an extra A level. This year, 41 won scholarships from The London Institute of Banking & Finance – to be used if they opt to take their degrees in banking practice and management or finance, investment and risk.

Around 140 students a year do GCSE economics. "It's hugely popular," said Ms Ryan, who has taught at Queen Elizabeth's for 15 years. The AQA specification currently includes personal finance but when the specification changes in September 2017 the school will incorporate this element into its PDT programme.

Ms Ryan is also planning a whole day on financial education for pupils in years 7, 8 and 9 in the summer term and is considering offering younger boys the chance to take The London Institute of Banking & Finance's Level 1 and 2 qualifications.

"Boys don't really give much thought to how money comes in and out of their households," she said. "One or two have savings accounts but they won't really know what interest rate they're getting.

So it's useful to learn about saving, borrowing and budgeting in the context of people's life cycles. It starts them thinking about income and expenditure and the different demands and decisions they are going to face in the future.

"We find that awareness useful in economics because when we come on to talk about how the government manages finances in terms of tax revenue and government spending, the boys relate to it more because they've understood finance in a household sense. They understand that they'll pay taxes when they are earning and they have a clear grasp as to how government receives money through income tax, council tax and those sorts of mechanisms."

Parents are supportive of the school's work in this area, particularly in the current economic climate. Ms Ryan added: "They say their sons have asked them about mortgages, paying taxes and interest rates. In some cases, they have gone home, looked at the interest rates they are getting on their savings accounts and shopped around. It's important for them to understand different financial products and their implications, especially when they go to university."

Ms Ryan encourages the pupils to develop their financial knowledge by taking part in competitions too. For example, more than 200 students a year enter The London Institute of Banking & Finance's Student Investor Challenge, an investment competition for 14 to 19-year-olds, and a Queen Elizabeth's team made it to the national final last year.

Ms Ryan said: "Young people are interested in things that are money-related and relevant to the real world, where they can see there is a use to it. They have to work in teams over a period of months for this competition so they build up their knowledge and pick up skills that will be useful in the future."

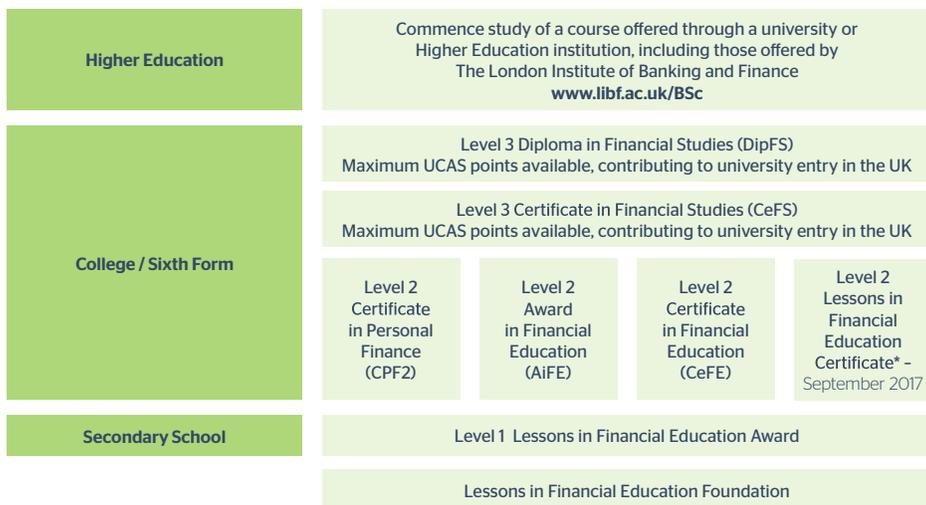
Meanwhile, year 13 student Sahil Suleman recently won The London Institute of Banking & Finance's Young Financial Journalist award and a cash prize of £150 for his article *Generation Homeless*, in which he analysed the problems that today's young people face in getting onto the property ladder.

Further information

- For more on the Student Investor Challenge, visit www.studentinvestor.org

Financial qualifications, progression routes & CPD

Financial Capability Qualifications from The London Institute of Banking & Finance



How The London Institute of Banking & Finance can support teachers

Postgraduate Certificate in Teaching Financial Capability (PGCTFC)

The first and only specialist programme in financial capability education. The PGCTFC will provide you with the subject knowledge, skills and competency to deliver financial education confidently and successfully across all key stages and equivalent lifelong learning provision. To find out more or to register, visit www.libf.ac.uk/PGCTFC

Teacher training days: The London Institute of Banking & Finance's CPD course is available for teachers who are delivering their qualifications. It provides a great opportunity to learn best practice and new teaching ideas, as well as a chance to network and learn from other teachers. Find out more at www.libf.ac.uk/fcevents

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