



Financial Capability in the UK:

Creating a Step Change in Schools



Foreword



John Tiner
Chief Executive
Financial Services Authority

There is an increasingly urgent need for the adults of the future to be able to take responsibility for their financial affairs. Without the ability to make sound financial decisions, we are unlikely to be prepared for life's ups and downs. Yet for most of us, managing money is not something we were taught at school; we have just had to pick it up as we go along, usually by

trial and error. This is going to change.

One of the four objectives that Parliament has set the FSA is to promote public understanding of the financial system. In Autumn 2003, I brought together a partnership of key people and organisations in government, the financial services industry, employers, trades unions, and the educational and voluntary sectors. Together, we have developed a National Strategy for Financial Capability and are committed to securing a step change in the financial capability of the UK population.

We published in March 2006 an action plan for improving current levels of financial capability¹. One of the key planks is the Schools Project, which will make sure that millions of young people receive high quality personal finance education in the classroom.

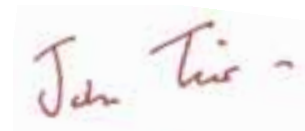
We explain in this document our plans for creating a step change in schools. We also report on a survey we conducted of over 1,000 schools² to help us understand current delivery of personal finance education across the UK. We intend to repeat the survey every four to five years so we can measure the impact of the Schools Project in improving the quality and quantity of personal finance education in our schools.

The key findings are:

- Most UK schools believe that personal finance education is important, but many do not deliver it because they feel the school curriculum is already stretched.
- For those schools that do teach personal finance education, lessons are generally infrequent and cover a narrow range of topics; most schools do not have an assessment policy in place for this subject.
- Few teachers feel confident in delivering personal finance education, and most would like more support and resources to help them.

The findings will make an important contribution to setting the priorities for the Schools Project as it is rolled out across the UK.

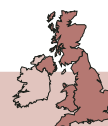
I am enormously grateful for the commitment of everyone who has been involved to date in this partnership, particularly Sue Slipman and the other members of the Schools Project Working Group. I now look forward to the really exciting part: implementing the programme of change which will enable today's young people to become tomorrow's financially capable adults.



John Tiner
Chief Executive, Financial Services Authority
June 2006

¹ For details, see *Financial Capability in the UK: Delivering Change*, 2006 (available at www.fsa.gov.uk/pubs/other/fincap_delivering.pdf).

² For details, see *Personal Finance Education in Schools: A UK Benchmark Study 2005*, published by the FSA June 2006 (available at www.fsa.gov.uk/financial_capability/tools/library-consumer-research.html).



Introduction



Sue Slipman
Chair, Schools Project
Working Group

Young people under the age of 16 are not, in the main, consumers of financial services. But how many of us would find personal finance decisions less intimidating in later life if we had been taught the basics as children? Personal finance education is needed to help young people learn, develop and practise the knowledge, skills and attitudes they will require

to manage their money effectively and to prepare for independent living.

The Financial Capability Steering Group identified a project for schools as an early priority for the National Strategy for Financial Capability. The aim of the project is to give future generations a good grounding in personal finance education before they leave school. I was delighted to be asked to chair the Working Group established to formulate recommendations to the Steering Group.

Working Group members share the vision that, as a result of our work, young people will feel increasingly confident to make independent financial decisions as they move into adult and working life. To realise this vision, a step change is required in the quantity and quality of personal finance education that will benefit most pupils in the majority of UK schools.

We have been able to use the considerable expertise of Working Group members to build on what we already knew about good personal finance education in the classroom. The Working Group has consulted with stakeholders, including headteachers, to seek their views on the best way to create a step change. A clear consensus about the objectives for the Schools Project emerged. They are to:

- raise the profile and status of personal finance education in schools; and

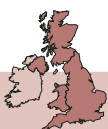
- provide information, guidance and training that will show schools and teachers how personal finance education can be taught effectively, and offer them practical support.

These objectives provided the Working Group with the foundations on which to build a package of support strategies and materials that we felt would have the best chance of making a difference in the quantity and quality of personal finance education in schools.

This publication shows how we intend to put the Schools Project into practice across the UK. Its defining feature is that, to be successful, strategies need to work with the grain of education policy and delivery. Education is a devolved function of government, so approaches must be flexible in order to take into account the priorities, content, experience and structure of education in England, Northern Ireland, Scotland and Wales.

We have gone a long way towards embedding this strategic approach into the educational agenda of each of the four countries. The focus of the work will now move to practical implementation.

In England, a great deal of progress has already been made. The November 2005 Pre-Budget report signalled the government's commitment to include personal finance education within the GCSE mathematics curriculum. The planned changes to the curriculum in 2008 provide us with a unique opportunity to raise the profile and status of personal finance education in England. But we know that this alone is not sufficient to ensure good personal finance education. Teachers need practical help so they are confident to teach personal finance education in the classroom. The *Learning Money Matters* initiative will provide schools and teachers with a comprehensive one-stop shop for support and advice that will enable them to teach personal finance education effectively.



Throughout our work to date, we have recognised the importance of sharing ideas and practice across the UK. To make sure this continues, the Working Group will be replaced by a UK coordinating group that will be chaired by the FSA. Working within the context of the National Strategy for Financial Capability, it will meet twice a year to maintain a UK overview, monitor and review progress in implementation, and provide an opportunity to exchange ideas and good practice.

Finally, I would like to use this opportunity to thank all my colleagues on the Working Group for their commitment and enthusiasm over the past two years.



Sue Slipman
Chair, Schools Project Working Group
June 2006

Schools Project Working Group members

Sue Slipman (Chair) – NHS Confederation

Margaret Atherton – WA Partnership

Graham Davies – Department for Education, Lifelong Learning and Skills, Welsh Assembly Government

Carol Edwards – General Consumer Council for Northern Ireland

Bo Emecheta – Department for Education & Skills

Jim Lally – Scottish Centre for Financial Education

Jacqueline Latter – HM Treasury

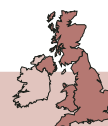
Jackie Laughton – Department for Work & Pensions

Mark Lyonette – Association of British Credit Unions Limited

Jane McDonagh – Royal Bank of Scotland

Martin Slater – Standard Life

Wendy van den Hende – pfeg



Personal finance education in schools: a UK benchmark study

In June 2005, the FSA commissioned the National Centre for Social Research (NatCen) to carry out a survey of personal finance education in over 1,000 schools across the UK³. The main purpose was to provide a snapshot of current practice and establish a benchmark measure of personal finance education provision. As well as providing data on the current proportion of schools delivering such education, it gives an overview of current practices on delivery as well as some insights into the types of support which could be beneficial to schools. The results provided five main themes, as follows.

- Most schools attach a high level of importance to personal finance education. However, the topic has a relatively low profile in the school curriculum, so steps need to be taken to enhance its status.
- Schools believe that a main barrier to the delivery of effective personal finance education work is an already stretched school curriculum. We need schools to appreciate that personal finance education supports and enhances pupils' learning experiences and is complementary to other parts of the curriculum.
- The relatively narrow range of personal finance education topics covered, and the infrequency and inconsistency with which they are delivered, are areas for concern.
- While some teachers have confidence in delivering personal finance education, this is by no means universal; we need to ensure that all teachers feel ready and able to take on this most important task.
- Most schools do not have an assessment policy and practices in place for personal finance education. It is important to know whether measures taken are effective and long-term, hence the need for good assessment methodology.

The FSA's Baseline Survey showed that young people are generally less financially capable than their elders.

These messages are in line with some of the findings of the FSA's recent Baseline Survey into the Financial Capability of the adult population of the UK⁴. Published in March 2006, this demonstrated that younger people are generally less financially capable than their elders, even allowing for their lower levels of income and experience in dealing with financial matters. For

Delivering good personal finance education in schools will enable young people to learn before they make mistakes.

instance, it showed that capability in planning ahead is strongly correlated with age. Meanwhile, the schools survey found that the least

common personal finance education topics taught in schools are those that deal with long-term financial planning.

It is likely that topics which receive less coverage are those where adults generally (including, of course, teachers) feel less confident. This is a particular concern as changes in society mean that younger people face a much more challenging future in managing their finances than their parents ever did. They need to be able to make informed choices and know where to turn for guidance and help.

Our survey showed that many teachers do not feel confident teaching personal finance education – to remedy this, we will ensure that teachers have access to comprehensive support that will enable them to feel confident and competent in delivering this subject to pupils.

3 *Personal Finance Education in Schools: A UK Benchmark Study 2005*, published by the FSA June 2006 (available at www.fsa.gov.uk/financial_capability/tools/library-consumer-research.html).

4 For details, see *Financial Capability in the UK: Establishing a Baseline*, 2006 (available at www.fsa.gov.uk/pubs/other/fincap_baseline.pdf).



Some findings of the schools benchmark survey

Data snapshot

- The vast majority of schools view personal finance education as fairly or very important, irrespective of whether they currently deliver it.
- While 48% of primary schools and 91% of secondary schools say they are delivering some form of personal finance education, the survey raises concerns over the range of topics delivered, the frequency and extent of coverage, the inadequacy of assessment arrangements and the confidence of teachers.
- Among those schools not delivering personal finance education, the main reason they gave for not doing so was the lack of space/time on the curriculum (41% of primary and 67% of secondary schools).
- Among those primary schools not teaching the subject, there was a common perception that it was not appropriate for the age group.
- Among schools delivering personal finance education, this mostly takes the form of occasional lessons (70% of primary and 74% of secondary schools), often happening less than once or twice a term.
- Only a small proportion (around 25%) of schools that deliver personal finance education monitor its impact.
- Of those teaching it, less than a third of primary teachers and less than a quarter of secondary teachers feel very confident in delivering this subject.

Creating a step change in schools

These findings show that there is a need for us to engage and enthuse schools to carry out this work. Ensuring that good personal finance education is delivered in schools will enable young people to learn before they make mistakes, rather than having to try to resolve problems after the event. Schools provide a unique opportunity to reach all sections of society, including many individuals who will subsequently become far harder to reach.

To create a step change, we need to do two key things:

- raise the profile and status of personal finance education; and
- provide comprehensive support to teachers to ensure they are confident and competent in delivering personal finance education to pupils.

To help achieve this, we have been using the opportunity offered by curriculum reviews in England, Scotland, Northern Ireland and Wales to raise the status of personal finance education.

In England and Scotland, we have helped build the capacity of existing organisations – pfe⁵ and the Scottish Centre for Financial Education (SCFE) – to offer better support to schools. In Wales and Northern Ireland, we are currently working with partners to explore ways of creating an organisation that can champion personal finance education there.

The findings of both surveys will inform our future work as we continue to engage with curriculum policymakers and schools to improve personal finance education. Repeating the surveys every four to five years will enable us to measure progress.

In the rest of this document, we will show how we will work with partners to put this into

practice in four complementary ways to take account of the different education systems in England, Scotland, Northern Ireland and Wales.

To create a step change in schools, we need to raise the profile and status of personal finance education in England, Scotland, Northern Ireland and Wales, while making sure that we go with the grain of education policy in these countries.

5 Personal Finance Education Group.



England

For too long secondary schools have sent young people into the world with a very limited experience of learning about personal financial matters... We became a Specialist School in Business & Enterprise to ensure all of our students from Years 7 to 13 experience a coherent & accredited programme in this important skills area. Our excellent collaboration with pfeg is helping us make this principle a reality.

– Secondary Headteacher pfeg, 2006

The government has made very significant commitments to give personal finance education far greater prominence in the revised National Curriculum once planned changes are implemented in 2008. The November 2005 Pre-Budget Report stated that: ‘The government will now address financial capability more explicitly in the curriculum by including it in the new functional mathematics component of GCSE mathematics’.

As a result, from September 2008, personal finance education will have substantially higher status and impact. It will be incorporated into the teaching of functional mathematics, giving schools and teachers a strong incentive to teach it effectively. All educational programmes offered to young people in the 14-19 age range must include functional mathematics. Furthermore, to obtain a grade C or above in GCSE mathematics, a student must reach a specified standard in functional mathematics. In addition to mathematics, personal finance education will continue to be part of personal, social and health education (PSHE), business studies, citizenship, enterprise education and work-related learning.

Learning Money Matters

Learning Money Matters takes forward the Schools Project in England by providing schools with a comprehensive one-stop shop for help, support and advice.

It will help to prepare schools for the planned changes to the curriculum that will come into effect in 2008, and will ensure that teachers feel confident and competent in their ability to teach personal finance education. *Learning Money Matters* will be delivered by pfeg, an independent charity that works with schools to promote personal finance education for young people. pfeg provides schools with support and guidance to help them deliver effective personal finance education to their pupils.

pfeg has been able to learn from the experience it gained from working with 300 secondary schools in England as part of the Excellence and Access project. During this project, which was carried out between 2001 and 2004, expert consultants worked directly with schools to develop effective and engaging lessons that were relevant to the needs of their students. The evaluation of Excellence and Access, undertaken by Brunel University, confirms that this approach makes a difference in terms of both teacher confidence in delivering personal finance education, and the quality of provision offered to students. Providing good quality teaching and learning resources is important. But teachers also need to

understand what is meant by financial capability and know the most effective teaching and learning approaches to use to meet the needs of their students.

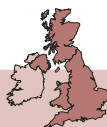
If teachers are confident in the subject matter, they are more likely to employ teaching and learning styles that engage and motivate students and, therefore, help raise attainment.

The *Learning Money Matters* initiative will provide a comprehensive range of resources that can be tailored to meet a school’s individual needs. Aimed at secondary school teachers and curriculum managers, *Learning Money Matters* will help schools deliver personal finance education that is relevant to their pupils. pfeg trained and certificated consultants will offer schools five levels of free support. This will range from three days of intensive in-school support working with senior staff and classroom teachers, to dedicated telephone and email ‘hot lines’.

This sort of thing you’ll use for the rest of your life.

– 16 year old pupil

pfeg consultant pilot project, 2006



Learning Money Matters – Five levels of free support

- **Level 1 – intensive in-school support**
a pfeg consultant will work with senior staff and/or classroom teachers for up to three days per school.
- **Level 2 – half-day in-school support**
a pfeg consultant will support senior staff and/or classroom teachers for half a day per school.
- **Level 3 – remote support**
telephone or email support for teachers and school leaders from one of the pfeg consultants.
- **Level 4 – offsite training**
pfeg offers short training courses (of one day or less) for teachers from several schools; this could be organised through the Local Education Authority if appropriate.
- **Level 5 – Continuing Professional Development (CPD)**
a pfeg consultant will attend a school CPD day, or simply a staff meeting, and run a session on personal finance education.

Examples of ways in which *Learning Money Matters* can help schools include:

- planning units of work and individual lessons;
- developing a coherent scheme for personal finance education across different subjects such as mathematics, PSHE, citizenship and enterprise education;
- accessing suitable, readily available teaching resources;
- using practical examples of what has worked well in other schools;
- helping improve classroom delivery; and
- developing an ongoing plan that will enable a school to sustain high quality financial education.

The target is to reach 1.8 million students in 4,000 secondary schools by 2010/11.

More information is available by contacting pfeg direct on 0845 241 0925, via email at info@pfeg.org or by visiting www.pfeg.org

Case Study: Personal finance education at Lady Lumley's School

As part of its preparations for *Learning Money Matters*, pfeg ran a pilot project developing quality assurance certification for the consultants who will be going into schools. Through this pilot, pfeg was better able to understand what made a good consultant and the participating schools were able to introduce some personal finance education into the curriculum. One such school was Lady Lumley's in Pickering, North Yorkshire where Year 7 pupils (11 to 12-year-olds) benefited from the consultant's support.

The consultant took as a starting point what the school wished to achieve, which, in the words of the school's key contact, 'was exactly the right approach for a consultant to take'. She then worked closely with school staff both on a face-to-face and remote basis, answering points of concern, assisting with lesson planning, signposting resources and, ultimately, team teaching.

The programme started with an interactive assembly which introduced the pupils to the themes they would be working on for the three one-hour lessons. The topics covered were bank accounts, spending, looking at mobile phone tariffs and how to assess needs. One outcome was that the children decided to take up regular collections of spare change from dinner money to buy a water system, mosquito nets and buckets for an African village.

The pupils reacted enthusiastically and it was clear they had received great benefit from the work they had done. They were able confidently to use and explain terminology such as 'account, interest, debt, statement and balance' and the majority rated some of their work on long-term planning as their 'favourite'. They felt they should start work on personal finance education even earlier (back in primary school) and that they should continue to address the topic at least once a year for several lessons for the rest of their school lives. All participating pupils received a certificate from pfeg.

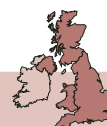
The suite of lessons will remain, after refinement, as part of the Year 7 curriculum and there are now clear plans to introduce personal finance education topics into other areas of work for 11 to 14-year-olds and, indeed, throughout the school.

Lady Lumley's has already indicated that it wishes to become involved with *Learning Money Matters*. The pilot project was regarded by the school as highly successful; it enthused both pupils and staff alike. One senior teacher said: 'To be absolutely honest, I cannot think of anything that did not work.... It [the project] has met so many of our needs we're keen to continue.'

I think it's a brilliant idea teaching us how to use our money wisely as it should stop the next generation getting into as much debt.

– 13 year old pupil

How good are you with your money (Newsround), 2004



Scotland

In 1999, Scotland became the first part of the UK to publish guidance for schools on financial education. The guidance stated that all young people in Scotland should have opportunities to acquire a broadly based 'financial capability'.

To help achieve this, the Scottish Centre for Financial Education (SCFE) was launched in 2002 and given the role of helping local authorities, schools and teachers provide high quality financial education for all their young people. The Schools Project has been able to use the expertise of the SCFE to reach schools in Scotland. To date, the SCFE has worked with over 2,000 teachers in primary, secondary and special needs schools across Scotland by holding seminars and conferences and developing school learning resources, as well as assisting the roll-out of existing ones. The Scottish Executive aims to develop the current work of the SCFE and take forward other projects regarding financial education in schools over the next few years.

A Curriculum for Excellence sets out the Scottish Executive's vision for transforming Scottish education from September 2008. It is the aspiration of the Scottish Executive that all young people develop their capacities as: successful learners; confident individuals; responsible citizens; and effective contributors. Working through the SCFE, we will use the opportunity of this major curriculum review to raise further the profile and status of financial education in Scotland, and to support the Scottish Executive's policies for financial inclusion.

Supporting teachers

In Scotland, one of the key strategies for taking forward the Schools Project is the SCFE's work with local authorities to bring about a step change in financial education. The aim is to:

- develop teachers' skills and confidence in the area of financial education;

- help schools embed financial education into the curriculum as an important cross-cutting area;
- produce examples of good practice and disseminate them to all schools in each local authority, and possibly across Scotland; and
- encourage schools to develop programmes to meet the needs of all their learners, bringing about the step change that is required.

Most of us are looking to go to university; it's [personal finance education] what we need to know; we need to find out about this stuff.

– 17 year old pupil

Bringing Financial Education to Life (pfeg), 2004

We will help to build the capacity of the SCFE so it can help local authorities to identify the areas they wish to develop and work with them to enable them to do that. The SCFE will provide direct support to schools to assist in the development and implementation of the school's programme of financial education.

Other forms of support provided by the SCFE will include:

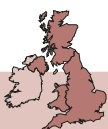
- development of new financial education resources that meet the needs of the Scottish curriculum;
- assistance in the development of approaches to financial inclusion;
- a professional support process to aid the improvement of individual schools; and
- ongoing evaluation to offer feedback to project and school management.

It is hoped that, over the next two to three years, a substantial number of local authorities will opt to receive these levels of support and that, in the slightly longer term, all will opt to make financial education a priority.

More information is available from Jim Lally, Director of the SCFE, on 01382 443600 or via email at j.lally@LTScotland.org.uk

It's very good that there are so many resources available now to people who don't have the background or who aren't involved in personal finance education...this is a huge comfort to teachers going down that road.

– Secondary teacher The Money Quiz (Teachers' TV), 2006



Case Study: SCFE – The strategy for supporting local authorities

In partnership with Stirling Park, the Royal Bank of Scotland and Dumfries and Galloway Education Department, the SCFE organised a series of three one-day seminars to support teachers. These took place between October 2005 and May 2006, with the aim of increasing the quality and quantity of financial education in schools from academic year 2006-07.

The first session was designed to give the message that financial education in Scottish schools is not a new initiative, but that it has always taken place; however, it now needs to be given a much higher priority. Areas of the curriculum where financial education can be included were discussed, and a number of schools audited their provision of financial education following this session.

The second day focused on resources for learning and teaching. Teachers were given time to examine the high quality resources produced by a number of providers, and education-industry link providers were highlighted to the participants. Lesson plans and programmes of work were also prepared.

The third day again focused on resources for learning and teaching. Implications from the FSA's recent Baseline Survey were examined, as well as how these should influence the approach that schools take to developing financial capability in their young people. Further in-school support was also considered. It was decided that a follow-up day would be organised for May 2007 to discuss how well financial education has developed over the year.

This plan will be replicated by several Scottish local authorities over the next few years: it is hoped that all will have opted in by 2008. It is also anticipated that in Dumfries and Galloway the focus will move to primary schools from the academic year 2006/07.



Northern Ireland

Over the past year, we have been working with the General Consumer Council for Northern Ireland (the Consumer Council) to raise the profile of financial capability.

In February 2006, the Consumer Council organised a conference at Stormont that brought together 100 delegates representing government, political parties, the financial services industry and the voluntary and community sectors. An important outcome from this conference was the agreement to set up a Northern Ireland Financial Capability Strategic Partnership. This partnership will address all aspects of financial capability, including the curriculum in schools, so it will be important for helping take forward the Schools Project here. Membership will include representatives from government, community and voluntary advice agencies, formal and informal education, and financial institutions.

Several partner organisations said they would welcome an opportunity for key players involved in financial education to meet in order to share practice and find out what is going on in other areas of the UK. In March 2006, the first meeting of the Northern Ireland Financial Education Forum took place. Organised by pfeg, along the lines of its UK forum, and with the support of the FSA, the event attracted over 70 representatives from government, the financial services sector and community and voluntary groups. It was very well received by attendees and it was decided the Financial Education Forum would meet twice a year.

I'm in debt at the moment to my mum so hopefully this'll help me sort out my money problems.

– 15 year old pupil

Bringing Financial Education to Life (pfeg), 2004

I'm usually really good at saving money and only spend when I see something I really like. But I think it would be good to learn about how to handle more serious money problems for when we are older.

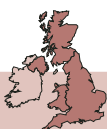
– 12 year old pupil

How good are you with your money (Newsround), 2004

Planned changes to the curriculum in Northern Ireland that will be phased in from September 2007 will raise the profile and status of personal finance education. Personal finance education will have a prominent role in mathematics and home economics. The Council for the Curriculum Examinations and Assessment (CCEA) has also introduced a new pilot GCSE in financial services. Personal finance education will be a component in the Learning for Life and Work course that all young people in the 14-16 age range must follow, and in optional GCSE courses such as economics and home economics.

Supporting teachers

Across Northern Ireland, 15 post-primary schools will be piloting the revised curriculum from September 2006. All post-primary schools will follow the revised curriculum from September 2007. To support financial education, and in line with support for all areas of the revised curriculum, CCEA is to develop specific guidance for financial capability. In August 2006, CCEA will also launch a dedicated financial capability area of its website.



Case study: *Talk Money, Talk Maths*

Mathematics is one of the key subject areas in which personal finance education will be taught under the revised curriculum. To provide resources that are suitable for use within the Northern Ireland curriculum, CCEA has adapted several resources originally developed by other organisations in the UK.

Talk Money, Talk Maths is a mathematics resource for the 11-14 age range originally developed by Learning and Teaching Scotland. As a result of sharing practice through the work of the Schools Project Working Group, CCEA has been able to adapt this resource for use in Northern Ireland.

The resource contains a range of different practical scenarios involving money that require students to develop and use their personal finance knowledge. These scenarios are designed to be relevant and useful to students, and feature money exercises involving phones, school trips, banks and computers. The exercises focus on developing key financial capability skills, such as planning ahead.

To ensure teachers feel confident using the resource, the exercises featured are those which are already firmly within their comfort zones, such as currency calculations, reading graphs, comparing tariffs and making recommendations. *Talk Money, Talk Maths* can also be linked with other subjects, such as information and communication technology (ICT) and Learning for Life and Work.

Talk Money, Talk Maths features scenarios not traditionally dealt with in mathematics classes and deals with those that are especially relevant to school children today – such as using mobile phones, insurance for school trips and choosing a bank account. It also relates to the following key elements:

- **Economic awareness:** applying mathematical skills in everyday financial planning and decision making.
- **Employability:** exploring how the skills developed in mathematics will be useful for activities related to personal finance.
- **Citizenship:** developing the capacity of young people to make informed and responsible decisions.
- **Moral character:** demonstrating an ability and willingness to develop logical arguments.



Wales

I think that personal finance education is very beneficial to our lives as when we reach the time to leave home, it will help us with things like savings, spending and tax.

– 15 year old pupil pfeg, 2006

We are working with the Welsh Assembly Government and other partners to raise the profile of personal finance education within the curriculum and in schools.

It became apparent at an early stage that there was a need to bring together the key players involved in financial education in Wales to share information on current financial education initiatives. To meet this need, the Welsh Financial Literacy Consultative Group, chaired by the FSA, has been established. It is made up of people from government, consumer and education organisations, and the community and voluntary sectors. The group meets three to four times a year to share information on personal finance education initiatives within Wales, as well as to find out what is happening elsewhere in the UK.

Personal finance education currently forms part of personal and social education (PSE) which is a statutory part of the curriculum for all schools in Wales. The Department for Education, Lifelong Learning and Skills within the Welsh Assembly Government is currently undertaking a comprehensive review of the curriculum. This will provide an opportunity to raise further the profile and status of personal finance education within PSE and in other subjects such as mathematics, when the revised curriculum framework is introduced in September 2008.

Supporting teachers

Materials for teachers will be prepared for August 2007, ready for implementing the new framework in schools from September 2008.

The Welsh Assembly Government has indicated its intention to create an equivalent body to the Scottish Centre for Financial Education, which would support teachers and champion personal finance education in Wales. Discussions with partners to take forward the creation of this body are being undertaken.

Case study: *Dealing with Debt/Delio â Dyled*

Dealing with Debt is a CD-ROM that aims to help improve people's financial capability. It has been produced as a result of a collaboration between the Welsh Assembly Government, Basic Skills Agency Cymru, Legal Services Commission and pfeg. The CD-ROM is aimed at young people aged between 11 and 25 from a range of social backgrounds and abilities. It is split into sections covering a range of financial capability topics, including planning, borrowing, debt and buying, as well as a toolbox to help with numeracy and literacy.

During its pilot stage, the Dealing with Debt CD-ROM is expected to reach 400 young people in North and South Wales, with the aim of making it available across Wales afterwards. An evaluation of the pilot project will be carried out to see how effective the CD-ROM has been.



Tools for teachers

Two recent initiatives developed by the FSA on the advice of the Schools Project Working Group are targeted at assisting developments in personal finance education by providing practical support and guidance for teachers.

Teachers' TV

We have worked with Teachers' TV to co-produce a suite of four financial capability programmes for use in schools. Two of the programmes can be used as resources within lessons, while the other pair are continuing professional development (CPD) programmes that can be used to help teachers plan and deliver personal finance education lessons.

These programmes can be viewed in full online at www.teachers.tv/finance. They are scheduled for broadcast on Teachers' TV in Autumn 2006, and will also be available for download on the pfeg website following transmission. Accompanying resources will be made available for teachers to download via the Teachers' TV and pfeg websites.

Toolkit

The FSA is developing a toolkit that will be useful for both the school introducing personal finance education, as well as for the school that wants to expand on what it has already been doing. The toolkit contains sections on: policy and practice implementation, auditing current provision, curriculum progression, enhancing teacher confidence and evaluation and assessment. This latter element is central to the process of developing good financial capability. If we are to have a financially capable adult population, then our young people need to understand their own strengths and weaknesses and work towards enhancing the former and rectifying the latter; good assessment practices will enable them to do this.

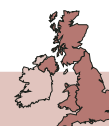
I think lessons on how to handle your money are a good idea because it can really help you in later life.

– 11 year old pupil

How good are you with your money (Newsround), 2004

Catriona's Big Day Out (Primary pupil programme)	Catriona is ten years old and in Year 6 at school. She's been given a bit of a challenge. She wants to organise a day out for her family – so she's been put in charge of planning it and working out how to pay for it; that's quite a responsibility. The programme follows Catriona's progress.
The School Disco (Primary CPD programme)	Teaching personal finance to primary pupils requires bravery, imagination, specialist knowledge and extensive resources... or does it? Teachers introduce their pupils to financial responsibility using one simple technique... delegation; they hand over the School Disco to the pupils.
Paying Your Own Way (Secondary pupil programme)	Moving into your own place is exciting – it's also expensive. Stuff that mum and dad took care of – mainly bills – is now down to you. Any idea where to start? The programme follows how two 17-year-olds get on as they move into a new flat.
The Money Quiz (Secondary CPD programme)	Personal finance education, in a world where financial products and services are ever more sophisticated, is a vital life skill for young people. This programme builds teacher confidence by showing where resources can be found and how to teach the subject in an engaging way.

The photos in this document have been kindly provided by Teachers' TV from these programmes.



Monitoring and measuring success

pfeg will monitor the success of the *Learning Money Matters* project in England by collecting information on the number of pupils and schools it has reached. It will also evaluate the project as a whole to measure how effective it has been in improving the financial capability of children.

We will repeat the survey of personal finance education in schools every four to five years in order to measure the progress and impact of our work to improve the quantity and quality of personal finance education in schools across the UK.

Keep in touch

We will be reporting progress on the FSA's website at:

www.fsa.gov.uk/financial_capability

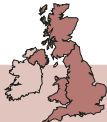
Comments and questions on the Schools Project can be sent via the website or by email to:

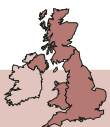
Financial.capability@fsa.gov.uk

Or by mail to:

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