



Education Committee inquiry into strengthening financial education

Response from MyBnk

December 2023

Introduction

[MyBnk](http://mybnk.org) (mybnk.org) is a charitable organisation dedicated to delivering comprehensive financial education programs to individuals aged 5 to 25 within UK schools and youth organizations. Through direct, virtual, and online means, we, in collaboration with young people, have crafted innovative, impactful workshops that vividly illustrate the world of finance. Our curriculum encompasses critical topics like saving, budgeting, debt management, independent living, and understanding public and student finance. Additionally, we specialize in project design and training programs for diverse audiences.

Since our establishment in 2007, MyBnk has empowered nearly 315,000 young individuals with essential money management skills. Notably, two-thirds of our efforts are directed towards supporting young adults facing vulnerable circumstances, such as those transitioning out of the UK care system, focusing on imparting 'survival' money skills essential for independent living.

We warmly welcome and embrace the Committee's forthcoming investigation and analysis of this vital subject matter.

Question 1: What should we be teaching young people about money? What should financial education include?

MyBnk strongly advocates for a comprehensive approach to financial education that encompasses both practical skills and theoretical understanding. Our experience shows us that prioritizing topics such as budgeting, saving, investing, credit, and debt is crucial. Money is not just about finance; it's equally about citizenship. Therefore, subjects like taxation, pensions, and national insurance should also be integral parts of the modules.

Moreover, MyBnk believes that learning about money is a lifelong skill requiring progressive, structured learning suitable for all stages of life. For instance, individuals in the 11-16 age bracket are more inclined toward digital banking via smartphones and financial services like Apple Pay and Klarna. Those aged 16-25 will want to understand student finance, credit cards, rental agreements, taxes, pensions, and mortgages as well as Government fiscal announcements.

Understanding the behavioural and psychological aspects of money is crucial for building habits. Grasping concepts such as risk, delayed gratification, and value are learned behaviours that need time for understanding and implementation. Additionally, the rise of digitization has introduced new possibilities in personal finance, such as cryptocurrencies, blockchain, and NFTs. It's important to include these aspects in financial education too.

Connecting all these aspects is the importance of building good money habits, something that banks are beginning to support customers with, but which still relies on the customer understanding the effects of



good money habits. One increasingly popular saving habit is the option to 'round up' transactions to the nearest £1, automatically directing the excess into a savings pot, making savings effortless.

While this list is not exhaustive, money lessons are lifelong skills. Here are key aspects MyBnk recommends for quality financial education, with these topics forming part of our own curriculum, mapped against [the Financial Education Planning Frameworks](#) to which MyBnk helped create

- **Budgeting and Saving:**
 - Teach the importance of creating a budget to manage income and expenses.
 - Emphasise the habit of regularly saving money.
- **Understanding Credit:**
 - Explain the concept of credit, including credit scores and their impact on financial opportunities.
 - Discuss responsible credit card use and the consequences of debt.
- **Investing Basics:**
 - Introduce fundamental investment concepts like stocks, bonds, and mutual funds.
 - Emphasise the importance of long-term investment strategies for wealth accumulation.
- **Risk Management:**
 - Discuss various types of insurance (health, car, life) and their role in mitigating financial risks.
 - Stress the importance of emergency funds for unexpected expenses.
- **Financial Institutions:**
 - Provide insights into different financial institutions and their services, such as banks, credit unions, and online platforms.
 - Explain how to navigate and choose suitable financial products and services.
- **Taxes:**
 - Offer a basic understanding of how taxes work and their impact on income.
 - Explain the importance of filing taxes correctly and on time, emphasising their role in the broader economy and citizen life.
- **Career Planning:**
 - Highlight the connection between education, career choices, and earning potential.
 - Discuss the significance of continuous learning and adapting to the changing job market.
- **Consumer Awareness:**
 - Educate on making informed consumer decisions, including understanding contracts and avoiding scams.
 - Discuss the influence of advertising and marketing on spending habits.
- **Digital Literacy:**
 - Address the impact of technology on personal finance, including online banking, budgeting apps, and investment platforms.
 - Emphasise the importance of safeguarding personal and financial information online.



MyBnk currently offers a holistic education approach, employing real-life case studies, colourful resources, games, videos, and links to popular culture in our programs for young people aged 5-25. These include workshops for primary-aged children combining teacher resources and family challenges to instil positive money behaviours and habits. Continuous evaluation and adaptation of financial education programs are essential to keep pace with evolving economic landscapes and technological advancements.

Question 1 cont: Are there any aspects missing from the current provision?

MyBnk believes there are significant areas where the current provision of financial education can be improved, including:

1. **Technology and Digital Finance:** The increasing use of technology in the finance and banking sector highlights the need for digital financial inclusion. Understanding these new tools, products, and their impact on those without access to technological developments needs to be addressed.
2. **Integration across the curriculum:** More effort must be made to better connect the world of finance and money to relatable subjects, such as economics, citizenship, and maths and beyond. As an essential life skill, understanding money and finance needs to be embedded across all school-age curricula. Teachers need more help to achieve this.
3. **Consistency across all four nations:** Currently, each of the four nations is at different levels in integrating financial education. For the positive effects of financial education to be felt, there must be a joined-up approach across the UK so that everyone has access to the same opportunities.

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

Currently, financial education is only included in the national curriculum in secondary schools in England, primarily as part of citizenship and mathematics. Presently, all schools are expected to deliver Personal, Social, Health, and Economic education (PSHE) and incorporate 'some financial education,' as per the [Department for Education \(DfE\)](#). MyBnk strongly believes that the National Curriculum should accommodate financial education. However, approximately 80% of English secondary schools are free schools or academies, allowing them to shape their own learning programmes. Consequently, there is a significant opportunity for most secondary schools to integrate financial education into their curricula, moving beyond the confines of mathematics. Especially as our [recent research](#) calls for 30 hours of financial education every school year; this would only ever be possible if it was cross curricular.

A comprehensive approach to financial education will empower young people with the tools to navigate the complexities of personal finances. By aiding young individuals in comprehending key money principles through real-life examples relevant to their circumstances, they will be better equipped to make informed financial decisions in the future.

Below are MyBnk's perspectives on where financial education could fit within the curriculum for students aged 11 to 16:



- Integration with Mathematics:
 - Pros: Integrating financial education into the mathematics curriculum enables practical application of mathematical concepts, such as budgeting, percentages, and compound interest.
 - Cons: While integration ensures relevance, it might restrict the depth of coverage and attention given to financial education.
- Stand-Alone Subject:
 - Pros: A dedicated, stand-alone subject for financial education allows comprehensive and focused exploration of various financial topics.
 - Cons: Concerns may arise regarding curriculum overcrowding and the potential for financial education to be perceived as less important than core subjects.
- Cross-Curricular Approach:
 - Pros: Integrating financial education into various subjects fosters a holistic understanding of its relevance in different contexts.
 - Cons: Implementing a cross-curricular approach may pose challenges, and certain financial topics might not receive adequate attention. It could also lead to a lack of ownership within schools if the subject is spread across various subjects.
- Skills based curriculum:
 - Pros: Embedding financial education within a broader skills-based curriculum emphasises practical life skills.
 - Cons: This approach may necessitate restructuring the entire curriculum, potentially facing resistance.

Several current issues hinder the potential inclusion of financial education in school curricula, preventing it from becoming a dedicated subject. These include:

- Curriculum Overcrowding:
 - Schools struggle to accommodate a wide range of subjects within a fixed schedule, potentially overcrowding the curriculum and reducing time for each subject.
- Assessment Pressure:
 - Emphasis on standardised testing and assessment in core subjects may divert attention from non-core subjects, including financial education.
- Teacher Training and Resources:
 - Limited teacher training for financial education may affect educators' confidence and ability to effectively deliver this content. Teachers also need support navigating the raft of resources available to them. We would recommend one central place, approved perhaps the DfE (like Oak Academy) saving them time and effort and ensuring consistency in quality. Teachers also confirmed the desire for this in our [recent research](#) with Compare the Market.

Ultimately, achieving the right balance requires a collaborative effort involving education policymakers, curriculum designers, teachers, and industry experts. The incorporation of financial education into the



curriculum should aim to strike a balance between integration with core subjects and maintaining dedicated focus to ensure comprehensive coverage and understanding among students.

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

MyBnk stands ready to support teachers and schools in effectively delivering financial education, crucial for ensuring students receive a comprehensive and practical understanding of financial concepts. Here are steps that can be taken to provide support:

- Teacher training and professional development:
 - Considering that financial education is lacking even among adults, with 44% stating they would be better equipped to handle the cost-of-living crisis with basic money management skills, teachers need specialised training and professional development programmes to enhance their knowledge and confidence in teaching.
 - Offer ongoing workshops, webinars, resources, and continuous professional development (CPD) programs to keep teachers informed about the latest developments in financial literacy.
 - Trust teachers and their training to bring the subject to life; avoid hampering their creativity but inspire and support it.
- Integration with existing subjects:
 - Provide guidance on seamlessly integrating financial education into existing subjects across the curriculum.
 - Offer examples and lesson plans demonstrating how financial concepts can be integrated into different subjects.
- Collaboration with financial institutions and experts:
 - Facilitate partnerships between schools and financial institutions, as well as financial experts, to bring real-world insights into the classroom.
 - Encourage guest speakers, workshops, and field trips to financial institutions to provide practical exposure.
- Online platforms and tools:
 - Invest in user-friendly online platforms and tools supporting both teachers and students in delivering and learning financial education.
 - Ensure these platforms offer interactive and customisable resources catering to diverse learning needs.
- Assessment and feedback mechanisms:
 - Develop assessment tools aligning with the goals of financial education.
 - Provide constructive feedback to teachers to help improve their teaching methods and address challenges.
- Incentives and recognition:
 - Recognise and reward schools and teachers excelling in effective financial education.
 - Create incentives like awards or certifications motivating educators to prioritise and excel in financial education.



- Parental involvement:
 - Educate parents about the importance of financial education and provide resources for supporting their children's learning at home.
 - Encourage schools to involve parents in financial education initiatives, such as workshops or informational sessions.
- Government and policy support:
 - Advocate for supportive government policies, including funding allocations for financial education initiatives.
 - Establish clear guidelines and standards for the inclusion of financial education in the curriculum.
- Continuous evaluation and feedback loops:
 - Implement mechanisms for continuously evaluating financial education programs.
 - Gather feedback from teachers, students, and parents to identify areas for improvement and refinement.

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

Yes, MyBnk strongly believes that financial education is a crucial life skill. Extending financial education to primary school level can yield significant benefits. MyBnk places heavy emphasis on cultivating positive money habits, recognising that many habits are formed from the age of 7. Therefore, introducing good money management at this stage is critical for fostering financial literacy.

Topics for primary school children can encompass learning basic concepts such as saving, spending, budgeting, and understanding the value of money. Secondary school topics would delve into more advanced areas, including student bank accounts, credit builder accounts, tenancy agreements, Buy Now Pay Later loans, and new instalment-related products like Klarna and Monzo Flex. Even beyond school, there are opportunities for improving one's financial literacy that is contextual to a person life stage. This continuity ensures that financial education remains a constant throughout the educational journey, reinforcing its importance to young people.

Everyday financial decisions, such as signing phone or broadband contracts or subscribing to services, demand a certain level of financial literacy. Moreover, the popularity of new credit products like Buy Now Pay Later schemes among young individuals underscores the importance of understanding these products and the associated risks. We also support the proposed introduction of financial education to post-16 as part of the recently proposed 'Advanced British Standard' qualification or other relevant reform in this area.

MyBnk outlines several reasons why financial education should extend to primary schools:

- Early Development of Financial Habits:
 - Starting financial education at the primary level allows students to develop positive financial habits and attitudes from a young age.
 - Basic concepts such as saving, budgeting, and understanding the value of money can be introduced in an age-appropriate manner.



- Integration with Core Subjects:
 - Embedding financial education at the primary level provides opportunities for integration with core subjects like mathematics, fostering a cross-curricular approach.
 - Concepts related to counting, basic arithmetic, and simple financial transactions can be seamlessly integrated into primary-school lessons.
- Parental Involvement:
 - Introducing financial education at the primary level encourages parental involvement and consistent reinforcement of concepts at home.
 - MyBnk's educational lessons extend beyond the classroom, facilitating discussions at home during evenings and weekends, promoting lifelong learning.
- Laying the Foundation for Advanced Topics:
 - Primary-school financial education can lay the groundwork for more advanced topics covered in later stages of education, ensuring a progressive and scaffolded learning experience.
- Real-world Relevance:
 - Financial concepts are relevant to daily life, and primary-school students encounter basic financial decisions early on, such as spending allowances or saving for small purchases. Teaching financial literacy at this stage makes the content immediately applicable and relatable to students.
- Building Critical Thinking Skills:
 - Financial education fosters critical thinking and problem-solving skills, valuable not only in financial decision-making but also in various aspects of academic and personal development.
- Global Context:
 - Providing financial education at the primary level prepares students for an increasingly interconnected global economy, where financial decisions have global implications.
- Inclusivity:
 - Early financial education ensures all students, irrespective of background, have equal access to essential financial literacy skills.
- Addressing Economic Disparities:
 - Early financial education can contribute to addressing economic disparities by empowering students with skills to make informed financial choices impacting their future socioeconomic status.
 - In conclusion, extending financial education to primary schools offers a holistic and developmental approach to building financial literacy skills. This approach aligns with the goal of preparing students for a financially responsible and empowered future.

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



Half of working-age adults [have primary school level maths](#), and approximately one-third of children fail GCSE maths every year. This disparity indicates a clear need for continual study of maths, benefiting personal finances and the economy at large. Incorporating real-world applications into maths education presents an opportunity for relevance, as many adults often question the applicability of substantial portions of the subject, such as algebra or the Pythagoras theorem, to everyday life.

This initiative presents an opportunity to make maths more relatable for young people and applicable to real-life scenarios. It can focus on personal and household spending and expenses, budget tracking, money management apps, as well as fundamentals of loans, renting, and mortgages.

Here are several ways financial education can be integrated into these plans:

- Mathematics and Personal Finance Integration:
 - Embed financial education within the mathematics curriculum, emphasising practical applications of mathematical concepts in personal finance.
 - Introduce topics like budgeting, compound interest, and percentage calculations using real-world financial scenarios.
- Dedicated Financial Literacy Modules:
 - Introduce dedicated financial literacy modules or units within the broader mathematics curriculum, covering topics such as banking, investing, and understanding financial markets.
 - Ensure these modules are structured progressively to align with students' cognitive development.
 - Problem-Solving Scenarios:
 - Develop problem-solving scenarios requiring mathematical skills for informed financial decisions.
 - Challenge students to analyse financial data, create budgets, and evaluate investment options using mathematical reasoning.
- Technology Integration:
 - Utilise technology tools, financial calculators, and online platforms to enhance students' understanding of mathematical concepts in financial contexts.
 - Explore interactive simulations replicating real-life financial scenarios.
- Continued Professional Development for Teachers:
 - Provide ongoing professional development opportunities for mathematics teachers to enrich their knowledge and teaching strategies in financial education.
 - Support teachers in staying informed about evolving financial concepts and industry trends.
 - Integrating financial education into the mathematics curriculum enables students to develop a strong foundation in both mathematical skills and practical financial literacy. This approach ensures they are well-prepared to navigate financial challenges in adulthood.