

National Assembly for Wales
Bethan Jenkins AM - Financial Education and Inclusion (Wales) Bill
FEI 23 – Estyn (Her Majesty's Inspectorate For Education and Training in Wales)

Estyn consultation response – Financial Education and Inclusion (Wales) Bill

1. What are your views on making financial education a statutory part of the curriculum (from Key Stage 2 onwards), in a similar way to personal and social education (PSE) and work-related education?

In May 2011, Estyn published a thematic report evaluating the provision of financial education for seven to 19-year-olds in primary and secondary schools in Wales.

We stated that 'Nearly all learners have opportunities in school to develop their knowledge, skills and understanding of financial matters. Most schools, particularly secondary schools, deliver financial education mainly through personal and social education lessons. However, these lessons are not enough on their own to make sure that learners have a good knowledge and understanding of financial matters or the skills to make sound financial decisions when they are older. Overall, learners have adequate financial knowledge, understanding and skills'.

We noted that 'the majority of schools do not plan opportunities well enough for learners to reinforce and apply their financial skills in different contexts across the curriculum or make sure that there is continuity and progression in the financial education curriculum'.

Financial education and using money are highlighted in the revised National Curriculum Orders (2008) and reference is made to them in:

- the mathematics National Curriculum Subject Order for seven to 16-year-olds;
- GCSE mathematics;
- the non-statutory skills framework for three to 19-year-olds;
- the non-statutory Personal and Social Education framework for seven to 19-year-olds; and
- the non-statutory Careers and the World of Work framework for 11 to 19-year-olds.

Although the National Curriculum Subject Order for mathematics and Personal and Social Education are statutory parts of the curriculum, this alone has not led to high quality financial education as schools still have the flexibility to decide how they wish to deliver this aspect of the curriculum. Personal and Social Education should be

broad and balanced, encompassing the range and skills noted in the framework. Similarly with mathematics, schools have some flexibility to decide how much time they allocate to financial education and what and how it is delivered. As a result, there is considerable variation between schools.

Making financial education a statutory part of a crowded curriculum on its own would not be enough. Leaders and teachers need to have access to high quality resources and training and have sufficient time to deliver fully this aspect of the curriculum in manner that is not tokenistic.

We recommend that whether financial education becomes a statutory part of the curriculum should be considered as part of the wider Curriculum and Assessment review – the decision needs to be placed in the wider context of any new approach to the curriculum and what should in general be statutory. Curriculum developments are best conducted within the context of an agreed holistic approach to the curriculum as a whole.

2. To what extent should there be increased provision of financial education in schools to better prepare young people for the challenges and financial decisions they face beyond school?

Estyn identified some good practice in financial education, but there is significant variation in the quality of provision. *'The minority of schools where financial education provision is well established often they have a senior leader who has overall responsibility for co-ordinating the training, planning, delivery and evaluation of financial education across the curriculum. Provision for financial education is less effective where there is no co-ordinator, and this often leads to duplication of effort, and a lack of progression in teaching and learning'*. Support from headteachers and other senior leaders was identified as a key factor impacting on the quality of provision. As noted in our response to Question 1, schools also need access to high quality resources and suitable training in order to improve provision.

We stated that *'very few schools have held in-service education training for all staff about financial education. As a result, not all teachers who are involved in the delivery of financial education have the knowledge, skills and confidence to deliver this aspect of the curriculum well'*. As a result, the content of lessons or activities is not always relevant or matched well enough to the age and ability of the learners. This can also lead to repetition, rather than progression and development in skills, knowledge and understanding.

3. In what ways and to what extent are money and financial matters relevant to what young people should be learning at school?

Estyn noted in its evaluation of financial education that *'many learners enjoy and benefit from the inputs they receive from financial institutions and charitable organisations, such as Debt Cred and the Citizens Advice Bureau, although access to these organisations varies within and between schools. A majority of learners now have an increased awareness of the importance of, and have a positive attitude towards, financial issues.*

In particular, they:

- *regard financial education as a key skill;*
- *take an increased interest in financial issues; and*
- *are increasingly aware of the need to develop certain skills to make sound financial decisions'.*

4. If financial education becomes a statutory part of the curriculum, should schools have flexibility in how they follow guidance on its delivery? (This would be similar to PSE and work-related education but different to the way national curriculum subjects are taught.)

Please see comments relating to Question 1.

5. What are your views on the Welsh Government and local education authorities having a statutory duty to ensure financial education is delivered during compulsory education from Key Stage 2 onwards?

In May 2011, Estyn noted that *'local authorities are at an early stage in developing their knowledge of financial education'*. Since the publication of this thematic survey, local authorities have reduced their capacity to support schools at a subject specific level. At the time of the thematic survey, *'only a few authorities have identified best practice (in this area) in their schools'*.

6. What are your views on imposing a duty on Welsh Ministers to ensure that financial education is taught on a cross-curricular basis in primary and secondary schools and considered as part of any reviews of the curriculum?

No comment

7. What are your views on the Welsh Government being required to formally consult relevant stakeholders and experts when developing curriculum content on financial education?

When developing new curriculum documentation, it is always helpful to canvas the views of teachers and headteachers. In May 2011, we noted that *'there is a lack of Welsh-medium resources for financial education. A number of resources have been translated, but teachers do not always know how or where to access them. National financial institutions have produced resources such as interactive games that appeal to learners, but most of these are not available in Welsh. Many schools have received training from the Welsh Financial Education Unit and have access to a range of resources to support their work. However, only a minority of these resources are available bilingually, and Welsh-medium learners often have to use English-language resources or teachers have to translate them'*.

Recommendations from the report included:

The Welsh Assembly Government should:

- R6 develop a regional database of organisations that can support and share good practice with schools and local authorities; and
- R7 continue to support the development of Welsh-language financial education resources.

8. Which persons and organisations should be consulted?

No comment

9. What are your views on making it a duty on Welsh Ministers to review the progress of financial education in schools and to produce an annual report on this?

As financial education is a very specific aspect of the curriculum, it could be problematic gathering enough suitable and relevant information on an annual basis to draw valid and reliable conclusions.

10. What are your views on how this duty should be delivered? For example, should this be a required part of Estyn's role in inspecting schools and local education authorities in Wales?

In September 2010, Estyn introduced a revised Common Inspection Framework (CIF) with a new emphasis on skills. As a result, we no longer inspect subjects individually, but have widened our range of thematic reports, in negotiation with DfES, to include subject reviews. With the exception of a very few aspects of the CIF, we do not report on compliance. Reporting inspectors use the school's own self-evaluation report as well as data, information from the local authority and the views of pupils and parents to draw lines of inquiry that guide the work of the

inspection team to look in more detail at areas of school work that have a particular impact on pupil outcomes, which could include financial education. As mentioned in this consultation response, Estyn has evaluated financial education as part of a programme of thematic inspections and consider this the best method of evaluating standards and provision in financial education systematically for the future too.

11. How appropriate or necessary would it be to require universities and further education corporations to provide information to students about where to get advice about financial management?

As young people get older, they have more opportunities to manage their own, particularly as they become more independent and may take on part-time or full-time employment. As credit in many forms is available to young people from the age of 18, it would seem appropriate for universities and further education institutions to work in partnership with other organisations such as Credit Unions, the Citizens Advice Bureau and the Money Advice Service to provide young people, making financial decisions for the first time, with impartial and sound advice.

12. Are there any implications for the autonomy and status (classification) of higher and further education institutions in placing such a requirement on them?

No comment

13. What are your views on requiring each local authority to have a strategy outlining how it intends to promote financial inclusion and the financial literacy of its residents?

No comment

14. What are your views on requiring each local authority's financial inclusion strategy to show how authorities intend to:

- **effectively regulate street trading;**
- **take steps to prohibit cold calling in their area;**
- **engage with credit unions in their area; and**
- **promote financial inclusion when buying goods and services?**

No comment

15. Are there any other things that the strategy should contain in terms of how local authorities promote financial literacy and inclusion?

No comment

16. What are your views on requiring local authorities to publish an annual report on how they have implemented their financial inclusion strategy?

No comment

17. Should the Bill make any further provision with regard to monitoring or enforcement arrangements in relation to the financial inclusion strategy? If so, what should these provisions look like?

No comment

18. What are your views on enabling Welsh Ministers to issue guidance to local authorities about any aspect of their compliance with the provisions of the Bill (including the production and implementation of their financial inclusion strategy)?

No comment

19. Should the public be able to use online facilities in libraries without having to pay for them, and if so, is it necessary to put this down in law?

No comment

20. Do you envisage any problems that could arise by prohibiting libraries from charging for internet access?

No comment

21. Do you believe there are occasions when the public should be charged for using computers in libraries?

No comment

22. How appropriate or necessary would it be to require local authorities to provide specific financial management advice to those who were formerly looked-after children?

No comment

23. How appropriate or necessary would it be to require local authorities to provide specific financial management advice to individuals seeking assistance on other related matters?

No comment

24. Do you foresee any financial implications, in terms of either costs or benefits, for any organisations or persons in relation to the proposals in this document? If so, can you describe and quantify these impacts?

No comment

25. Are there any other comments that you would wish to make on my proposals, which are not addressed in any of the previous answers?

No comment