

Comisiynydd Plant Cymru Children's Commissioner for Wales

Keith Towler

Children's Commissioner for Wales' Response to the Children, Young People and Education Committee's Consultation on the Financial Education and Inclusion (Wales) Bill

Question 1 – To consider the general principles of the Financial Education and Inclusion (Wales) Bill and whether there is a need for legislation to deliver the Bill's stated policy objectives

It is clear to me that the general principles of the Bill have been underpinned by Article 3 of the United Nations Convention on the Rights of the Child (Best Interests of Children) and I am pleased to see that a Children's Rights Impact Assessment has been undertaken. The Bill has a significant clarity of focus in seeking to develop a robust, preventative and early interventionist approach to building the financial literacy of children and young people and to promoting their individual autonomy to avoid and mitigate potential financial difficulty.

The Bill reinforces the principles of Article 29 of the United Nations Convention on the Rights of the Child (UNCRC):

“the key goal of education is the development of the individual child's personality, talents and abilities, in recognition of the fact that every child has unique characteristics, interests, abilities, and learning needs... Education must also be aimed at ensuring that essential life skills are learnt by every child and that no child leaves school without being equipped to face the challenges that he or she can expect to be confronted with in life. Basic skills include not only literacy and numeracy but also life skills such as the ability to make well-balanced decisions; to resolve conflicts in a nonviolent manner; and to develop a healthy lifestyle, good social relationships and responsibility, critical thinking, creative talents, and other abilities which give children the tools needed to pursue their options in life” (p.4)¹

The 2012 PISA results demonstrated that many children and young people in Wales face challenges in applying their knowledge and skills for life. With the introduction of this Bill, I welcome proposals which would ensure that children and young people are provided with learning opportunities to apply the development of their financial literacy skills within the curriculum. The setting out of such educative provisions within the Bill is a progressive step towards realising a child-rights approach to tackling poverty. The significant impacts of deprivation, disadvantage and poverty severely damages the life chances of children and young people in Wales, and as expressed within my *Child Poverty Strategy Progress Report*

¹ United Nations Committee on the Rights of the Child (2001) *General Comment No. 1 (2001) – Article 29(1): The Aims of Education* [.pdf] Available online at:

<http://docstore.ohchr.org/SelfServices/FilesHandler.ashx?enc=6QkG1d%2fPPRiCAqhKb7yhsiQal8gX5Zxh0cQqSRzx6Ze%2f9ZHeLgWbPr0TgNk7n2KwvLTyUpYZrr02J%2f7DotFSXAJUSHXkO3j7y04tA46d54m4kcgEa%2b5RtfThvOH2pDQf> Accessed on: 17/09/2014

2013², child poverty is as a result of family poverty. The proposal to introduce such educative provisions within the PSE Framework and wider education curriculum recognises children as rights-bearers with rights. In achieving realisation, this provision would strengthen the intentions of Welsh Government's *Building Resilient Communities: Taking Forward the Tackling Poverty Action Plan*³ by recognising the capacities of children and young people to contribute toward creating solutions.

Question 2 – To consider the key provision set out in the Bill and whether they are appropriate to deliver its stated purposes

- **Section 4: Financial education to be provided in maintained schools**
After section 101(1)(bb) of the Education Act 2002 (basic curriculum for every maintained school in Wales) insert –
“(bc) provision for education about financial services and financial management (within the meaning of section 2 of the Financial Education and Inclusion (Wales) Act 2013) for all registered pupils at the school during the second, third and fourth key stages”

I welcome the proposal to include financial education within the curriculum, however, I am concerned that the non-statutory footing given to financial education, similar to the status given to the Personal and Social Education (PSE) Framework, would result in inconsistencies as to how well this would be delivered to children and young people within day-to-day schooling, and may just be absorbed within the wider PSE curriculum. In a thematic report on the delivery of financial education in schools, Estyn found that the delivery of financial education was most effective when the topic was embedded in subjects and topics across the wider education curriculum. I would expect the Bill to place greater emphasis upon a pan-curriculum delivery of financial education.

- **Section 8: Local authority duty to publish strategy**
- **Section 9: Content of strategy**

I welcome the intentions to introduce a duty upon local authorities to prepare and publish local strategies that promote financial inclusion and ensure that all appropriate stakeholders are involved in its development. These strategies, however, should be joined up with the duties outlined in the Children and Families (Wales) Measure 2010 for tackling poverty and should complement Welsh Government's Child Poverty Strategy. I would expect for these strategies to be aligned with the Single Integrated Plans and to complement the work already being undertaken by Flying Start, Families First and Communities First.

² <http://www.childcom.org.uk/uploads/publications/402.pdf>

³ Welsh Government (2013) *Building Resilient Communities: Taking Forward the Tackling Poverty Action Plan* [.pdf] Available online at: <http://wales.gov.uk/docs/dsilg/publications/socialjustice/130703takeforpovactplanen.pdf> Accessed on: 17/09/2014

- **Section 11: Advice for children looked after local authorities**

Within my *Lost After Care*⁴ report, I detailed a picture of national inconsistency regarding the support given to children and young people transitioning to independent living. The report was significantly informed by children and young people who were leaving or had already left local authority care and enabled them to tell me what the issues affecting them. One of the most significant concerns they expressed was that many children and young people were not ready to make the transition to independent living and that a significant number of them would have benefitted from opportunities to develop independent living skills prior to making transition. And indeed I called upon local authorities to:

“look again at the preparation they undertake with looked after young people getting ready to leave care and the ongoing support they provide once they have left care. They must ensure that the young people not only receive practical skills but also receive advice to help prepare them for the emotional issues that they may face once they move to live independently.” (p.67)

I welcome the provisions outlined in this Bill that ensure looked after children and young people and those moving on to independent living are afforded opportunities to develop their financial literacy and to receiving information, support and guidance.

In addition to this, however, I would like to see greater consideration being given to provision for children and young people with caring responsibilities for a parent, grandparent, sibling or other family members. In 2009 I published my *Full of Care* report⁵ and found that just over a quarter of young carers used their own money to help run the house. This is further reinforced by some of the findings of the *Full Lives* report⁶ which highlight that young carers have enormous pressures to contend with and their opportunities can be limited as a result. There are young carers who live in low income households where money to meet basic needs is sparse. In addition to this, many of the young carers I spoke with felt that many were not ready for many of the responsibilities more traditionally associated with adulthood. The improvement of young carers' wellbeing would benefit from ensuring that there is improved access to financial education and inclusive support:

“All young carers need support and a great deal of understanding from teachers and other professionals in order to assist them in realising their full potential.” (p.57)⁶

Therefore, I would expect that additional provisions would be made within this Bill to ensure that the specific needs and vulnerabilities of young carers and disabled children and young people are considered in seeking to develop the financial literacy and skills.

⁴ <http://childcom.org.uk/uploads/publications/250.pdf>

⁵ <http://www.childcomwales.org.uk/uploads/publications/138.pdf>

⁶ <http://www.childcom.org.uk/uploads/publications/465.pdf>

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Question 3 – To consider the potential barriers to the implementation of the key provisions and whether the Bill takes account of them

In relation to ensuring financial education and inclusion is effectively incorporated into the delivery of the education curriculum, the Bill should consider some of the lessons already learnt in relation to the PSE Framework. Throughout my tenure, I have come across a large number of children and young people who have raised concerns regarding the inconsistent quality and status given to PSE in schools⁷ and I am concerned that the non-statutory footing given to financial education and inclusion would result in the same inconsistencies as seen by the delivery of the PSE Framework. I would expect provisions within this Bill to embed financial education and inclusion throughout the education curriculum. I would also expect this Bill to allow room to be responsive to the *Curriculum for Wales* Review if appropriate.

Question 4 – To consider the financial implications of the Bill (as set out in Part 2 of the Explanatory Memorandum (the Regulatory Impact Assessment, which estimates the costs and benefits of implementation of the Bill))

With regard to establishing monitoring and evaluation positions to assess the progress made on the delivery of the local financial education and inclusion strategies, I have concerns regarding the upper estimation of costs. Whilst I recognise the need and importance of ensuring that strategies are delivered upon, establishing a monitoring and evaluation officer within each of the local authorities is unfeasible, particularly in times of increasing austerity within public sector services. I do, however, welcome the considerations for such posts to be shared across local authorities and be established in line within the footprints and arrangements of the regional education consortia.

Question 5 – to consider the appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Page 47 to 48 of the Explanatory Memorandum)

I agree with the powers in the Bill for Welsh Ministers to make subordinate legislation.



Keith Towler
Children's Commissioner for Wales

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⁷ Carmarthenshire Youth Council (2012) *Let's Talk PSE Youth Conference Report 2012* [.pdf] Available online at: <http://www.youthsigar.org.uk/media/5321/pse-report-eng.pdf> Accessed on: 26/09/2014
