

# Financial education in secondary schools in England

November 2018

The Money Advice Service and  
IFF Research



the Money  
Advice Service

# 1. Introduction

# Background and summary

The purpose of the research was to enable the Money Advice Service to quantify the level, scale and type of financial education being delivered across secondary schools and colleges in England.

Findings will inform the Money Advice Service's future strategy and support provided to schools, to work towards ensuring all children and young people receive a meaningful financial education.

To fulfil this, there were four main objectives:

- ✓ To discover the percentage of state secondary schools and colleges in England currently delivering some form of financial education.
- ✓ To explore *how* schools/colleges are delivering financial education.
- ✓ To understand which types of schools are more/less likely to deliver financial education.
- ✓ To understand the main barriers to delivering financial education in schools/colleges where it is not currently being delivered.

# The population of schools

In 2018, in England, the secondary school population consisted of.....



**3,362**

State Schools

with

**c.3 million**

Pupils



**305**

Colleges

with

**c.660,000**

Learners <19



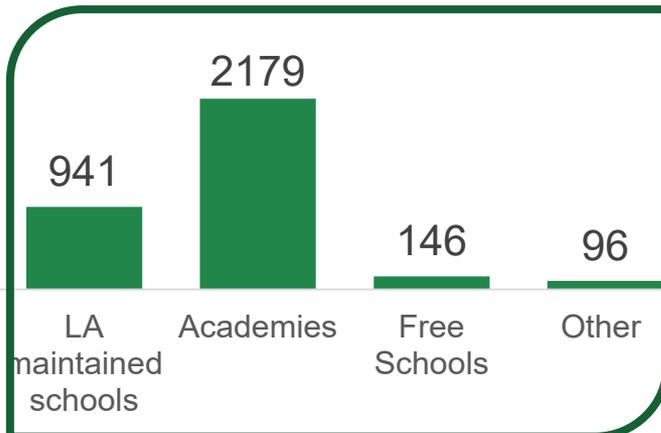
**1284**

Independent Schools

with

**c.470,000**

Pupils



Source: DfE 'Get Information About Schools' database (except number of learners in colleges taken from survey estimates)

# Methodology

The research had both quantitative and qualitative stages; the findings of the quantitative stage are covered in this report.

Subgroup differences have been highlighted where significant (establishment type, region, % FSM, number of pupils)



- 558 interviews\*
  - 356 with state schools and colleges – the main focus of the slide deck
  - 202 with independent schools - chapter 10
- Interviews conducted from February – July 2018.
- The average interview length was 22.5 minutes.



- 11 qualitative case studies
- Conducted during the summer term 2017/18 and autumn term 2018/19
- Involving discussions with heads, other teachers and school governors
- Separate case study report produced

Further detail on the methodology can be found in the appendix in chapter 11.

## Who we spoke to

At the beginning of the quantitative survey, participants were asked whether they were the best person to speak to about **curriculum planning**, or the best person to speak to about how decisions were made about **teaching to the national curriculum**.

Those most common job titles of those interviewed include:

Job Title	%
Assistant/Deputy Head Teacher/Principal	46%
Head Teacher/Principal	21%
Department Head/Head of School	15%
Director/Manager of studies	10%

## 2. Executive Summary

# Executive Summary – what financial education is being delivered and who is receiving it?

- All schools and colleges surveyed deliver some form of financial education
  - the activities most commonly delivered are teaching financial numeracy/calculations (92%) and teaching skills for day-to-day money management (81%)
  - the activities least commonly delivered are teaching learners about where they can get financial advice and when (43%) and giving learners experience of planning/budgeting (40%)
- Although a number of types of financial education are delivered, they are often delivered relatively infrequently (only once or twice a term or once or twice a year) – so the current offer is relatively broad but not deep
- Across all schools and colleges surveyed Years 9-11 are most likely to receive financial education
- Financial education tends to be delivered to all learners in the year groups receiving it rather than being targeted to meet individual pupil needs or pupils opting in

# Executive Summary – how is financial education being delivered?

- Financial education is most commonly integrated into existing subject lessons with 96% of schools or colleges surveyed doing so
  - Amongst those that integrate it, Maths (76%), PSHE (57%) and Business studies (45%) are the lessons most likely to be used
  - Only 16% of those that integrate it within existing subject lessons do so within Citizenship
- Only 31% of schools or colleges timetable financial education in its own right
- Financial education is most commonly delivered by teaching staff without specific training or qualifications (88%). Schools also make use of external specialists, particularly from the finance sector (61%).

# Executive Summary – what support do schools need?

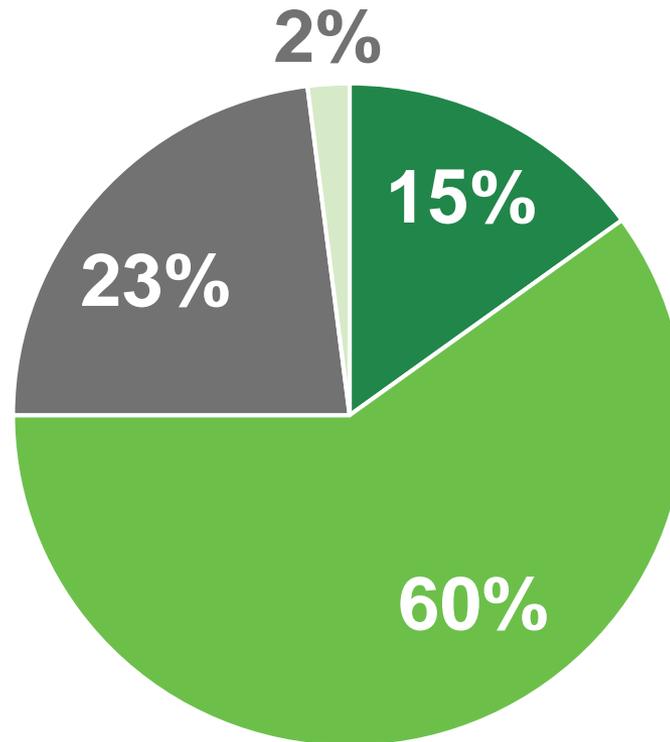
- Most schools and colleges seem committed to the concept of delivering financial education, 92% consider it part of their role to help learners develop financial skills
- 72% of schools and colleges offering some kind of financial education would like to increase their provision
- The top barriers to delivering more financial education are lack of time in timetables (50%), lack of flexibility in the curriculum (34%), the cost of delivery (32%) and fear of not having the necessary skills or knowledge (28%)
  - Only three fifths (59%) of schools and colleges feel they have the necessary knowledge and skills to support their learners develop financial skills
  - Less than half (49%) had a good understanding of what external agencies provide money advice or financial education and are able to signpost learners to them
- There is a need for guidance and support to understand what resources/knowledge is available and to provide skills/expertise (or help schools to develop them)
- Financial education is rarely formally evaluated

### **3. What is being offered by schools and colleges?**

# Extent to which schools feel that they offer financial education

Schools and colleges assessment of whether they offer financial education was mixed. Mostly commonly they felt that they offered 'some'.

Have you delivered any kind of financial education to your learners?

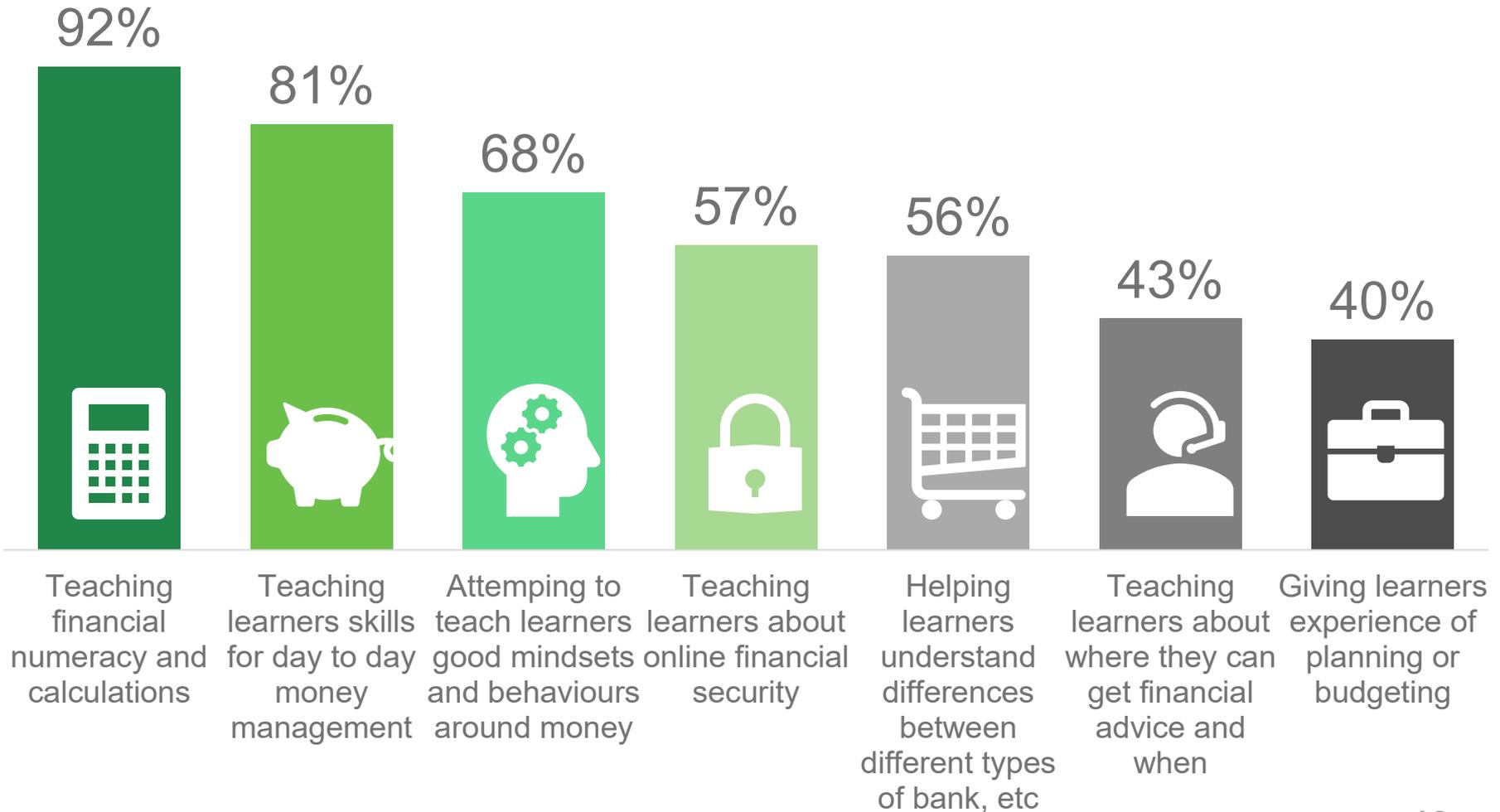


- Yes, a great deal
- Yes, some
- Yes, a little
- No

Overall, these responses were similar across all types of establishment, regions and size bands. Schools/colleges in the Midlands were bit less likely to say that they offered 'some' financial education and a bit more likely to say that they offered 'none'

# Types of Financial Education Offered

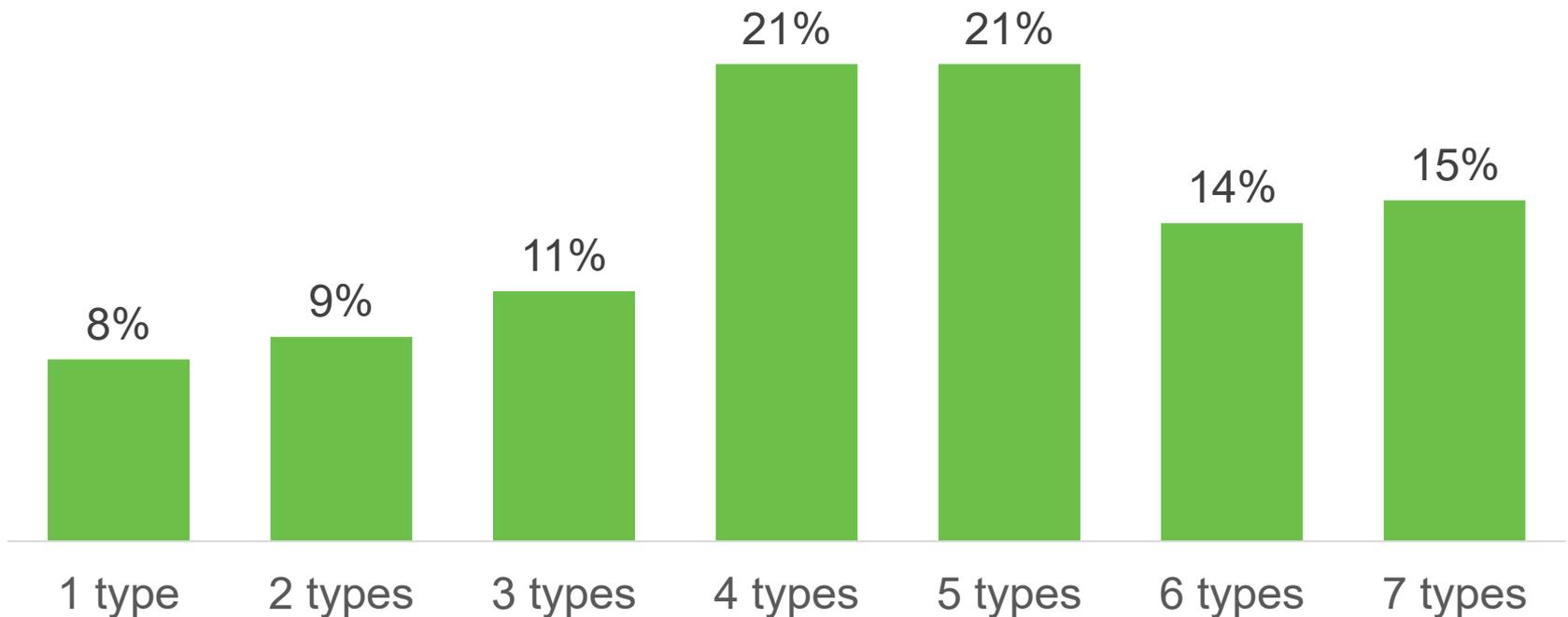
Almost all schools and colleges offer at least one of these types of financial education. Teaching financial numeracy and calculations is the most common approach



Base = All state schools and colleges (356)

# Number of types of financial education offered across the whole school

These figures reflect the types offered across the whole school. There is quite a lot of variation in the 'breadth' of the financial education offer that schools and colleges currently have.



Mean number of types offered: **4.4**

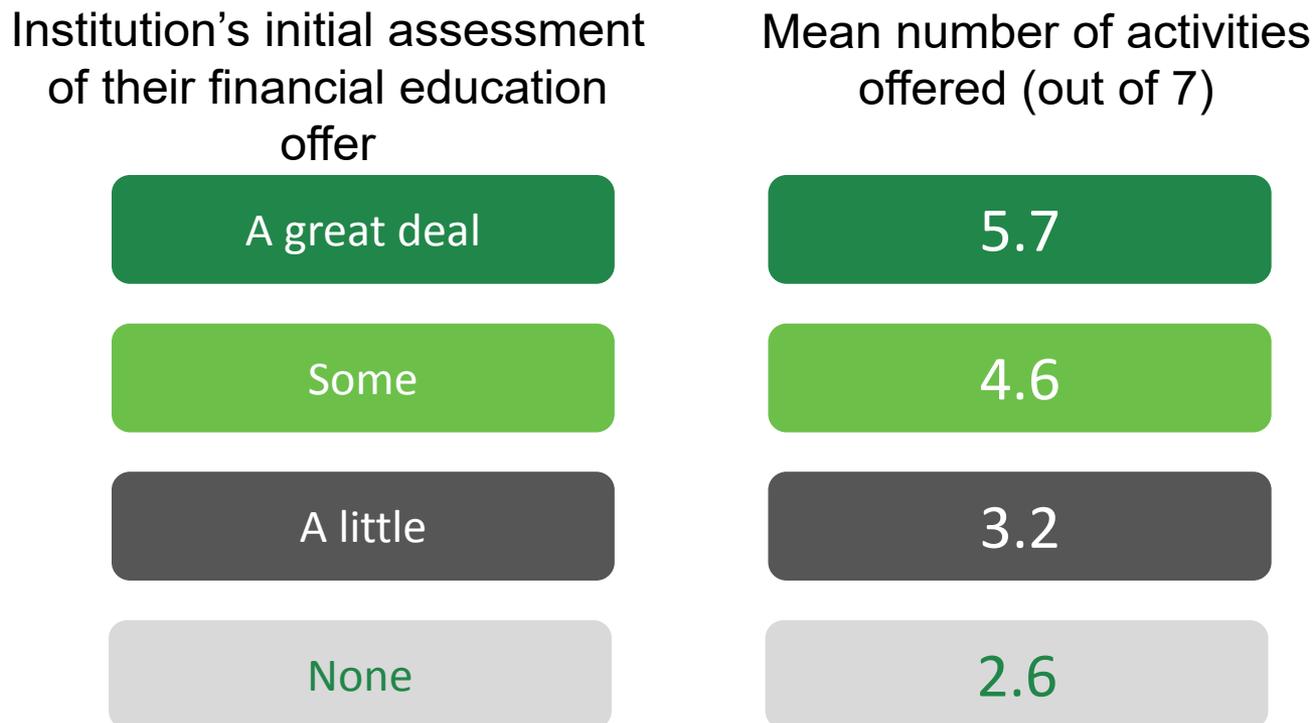
Schools: 4.3

Colleges: 4.9

Base = All state schools and colleges offering fin ed (353)

# Relationship between institutions' own assessment and breadth of offer

There is a correlation between the number of types of financial education that institutions offer and their own assessment of the strength of their financial education offer but it is clear that not all are aware of the range of activities that can count as financial education



Base = All state schools and colleges offering fin ed (353)

# Frequency of offering financial education

Most commonly financial education is delivered once or twice a year. Teaching financial numeracy or skills for day-to-day management are sometimes delivered more frequently.



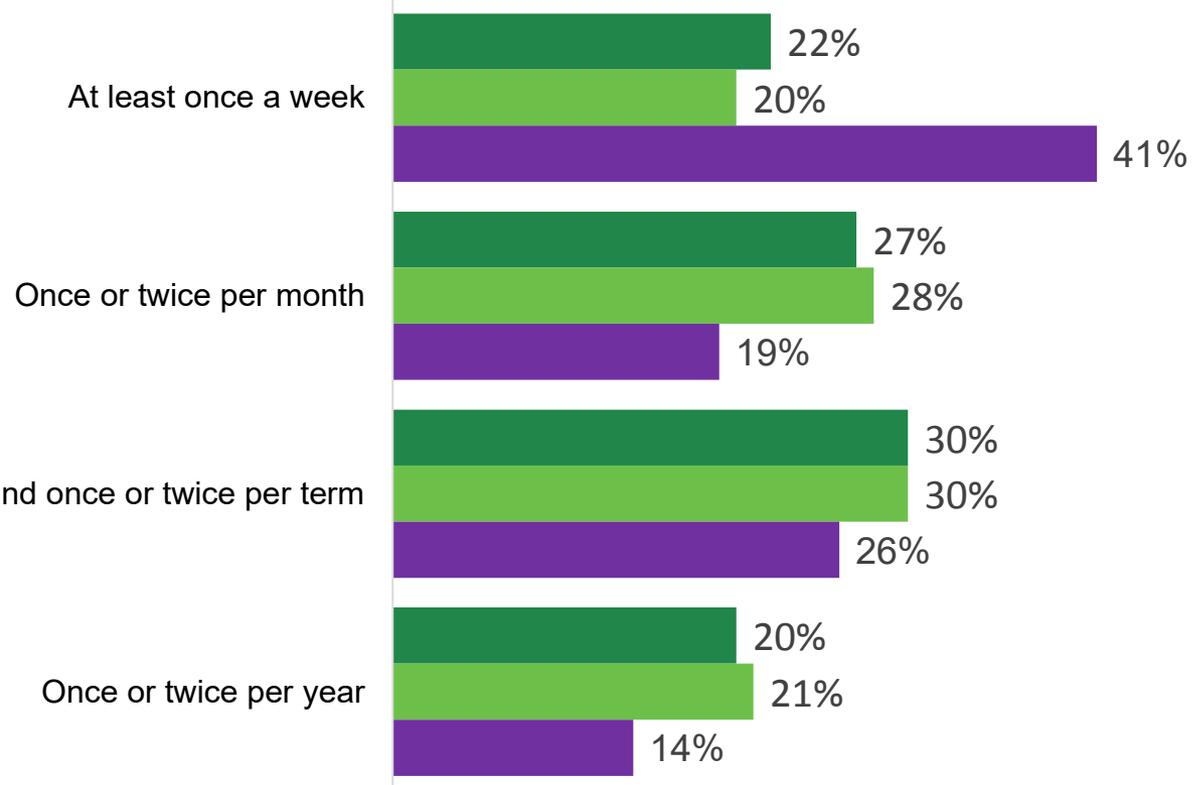
Column percentages do not always sum to 100% because small number answered 'varies too much by year group to say' or 'don't know'

# Frequency of offering financial education

Around a fifth (22%) of schools and colleges surveyed say they offer some form of financial education at least once a week. This is significantly higher among colleges (41% compared to 20% of schools). Teaching financial numeracy and calculations is delivered most frequently and contributes substantially to the proportion delivering at least once a week or one or twice a month.

Institutions with over 1,500 students are more likely to offer some form of financial education at least once a week (32%), as are institutions in the most deprived areas (34%).

Financial education type delivered most frequently is delivered....

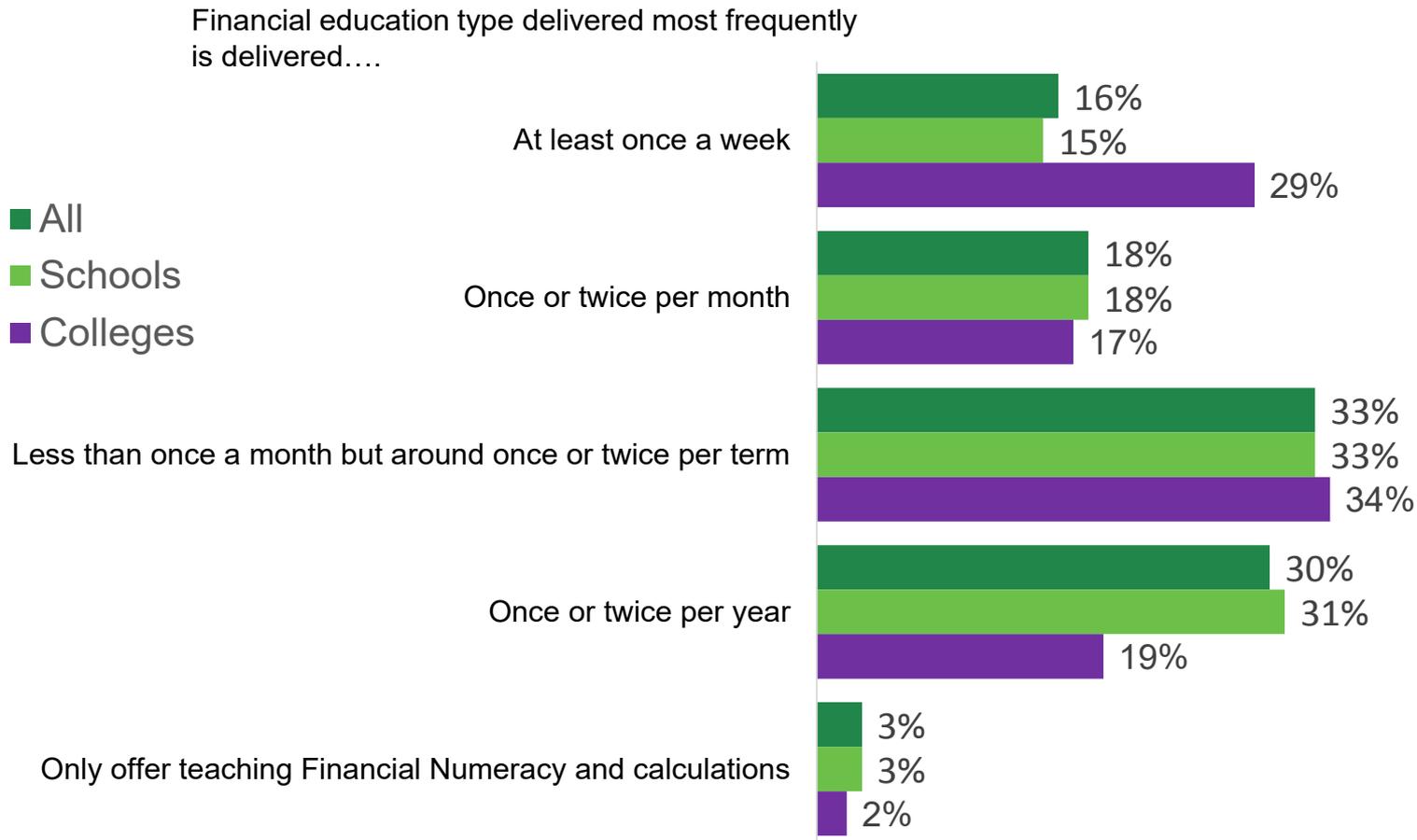


Base = All state schools and colleges offering fin ed (353)

# Frequency of offering financial education

*not including teaching financial numeracy and calculations*

Removal of consideration of financial numeracy and calculations changes the picture on frequency of delivery.



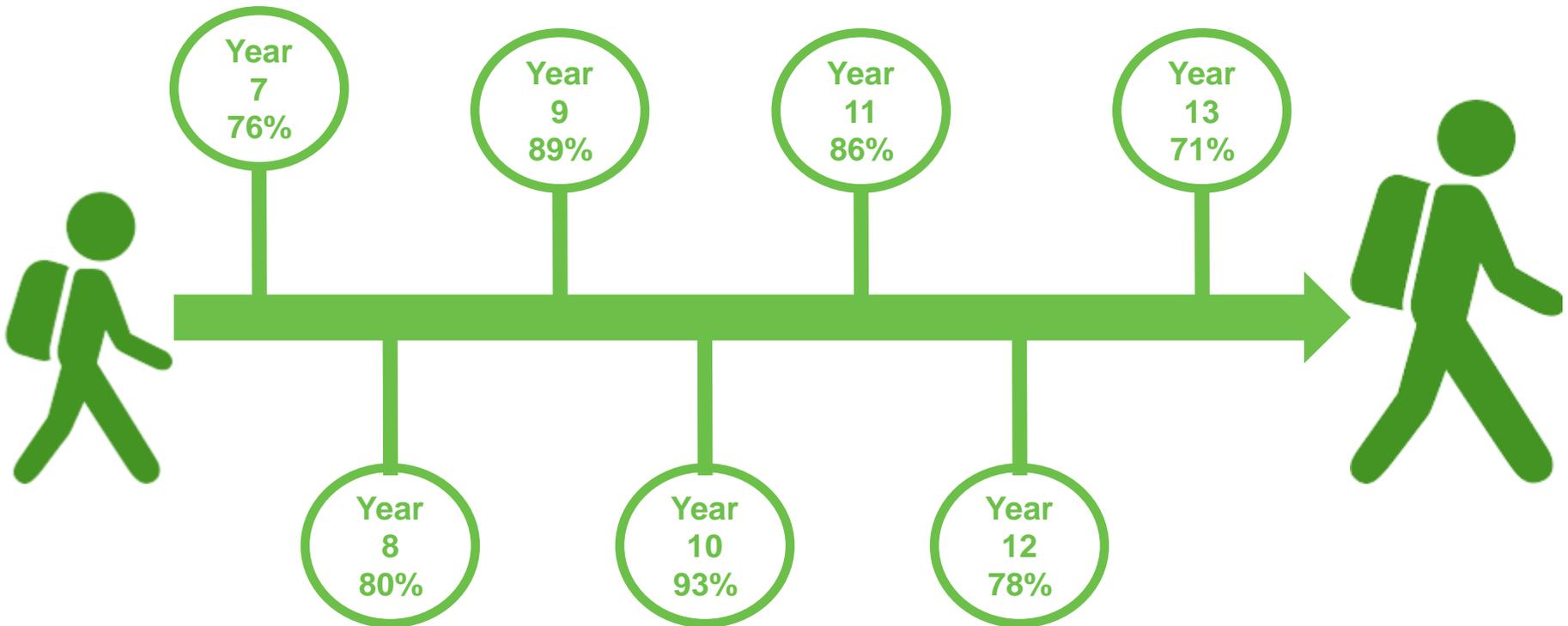
Base = All state schools and colleges offering fin ed (353)

## 4. Who is financial education offered to?

# Year groups that financial education is offered to (overall)

Across all schools surveyed the year group most likely to receive financial education is Year 10

% of schools that offer at least one type of financial education to.....

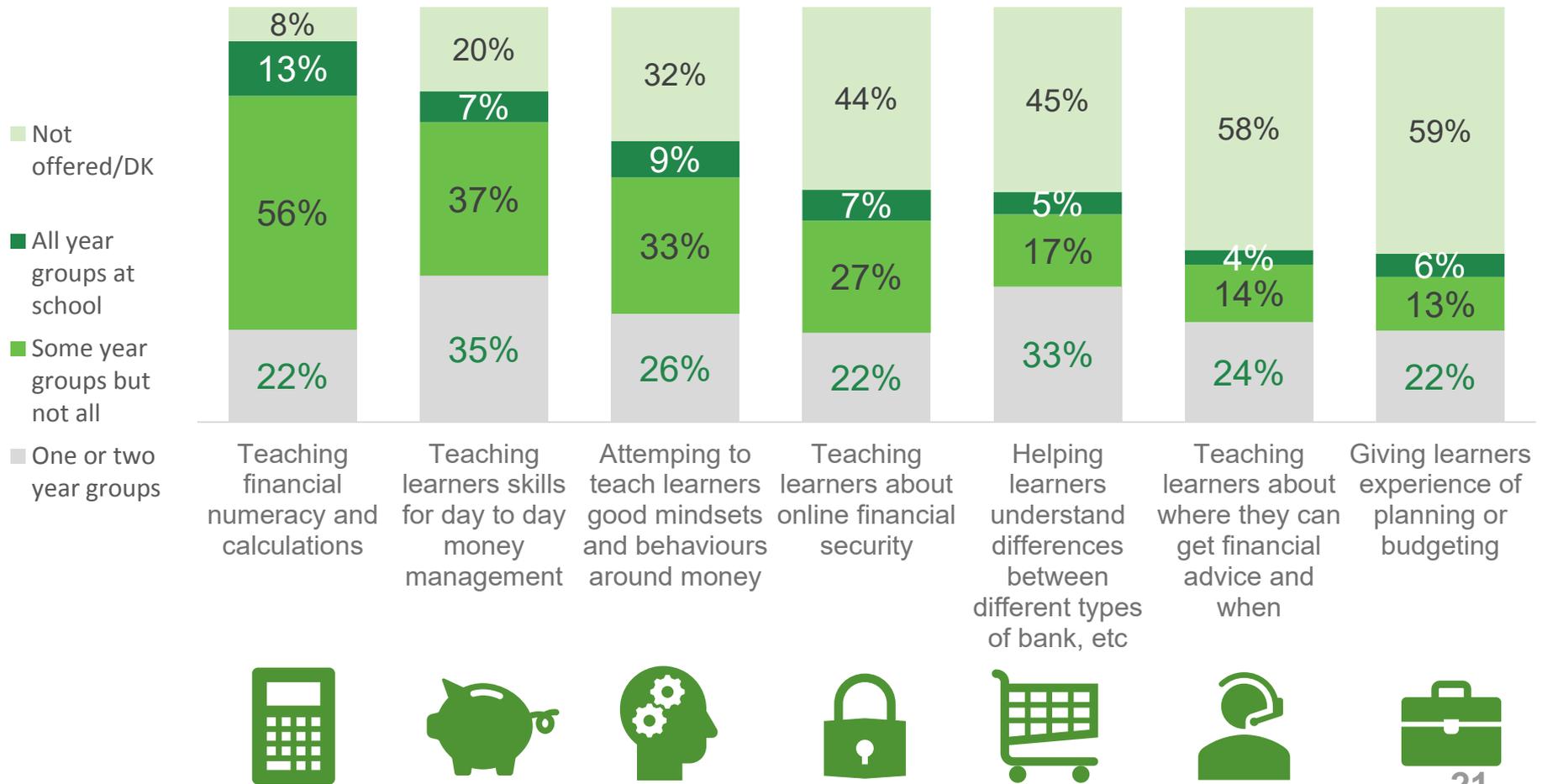


Figures show proportion of schools with each year group that offer financial education to that year group (Around 90% of schools have Years 7-11, around 60% have Years 12 and 13)

Base = All state schools offering fin ed (283)

# Year group coverage of financial education (by type)

Individual types of financial education are very rarely delivered across all year groups in a school



Base = All state schools (287)

# Types of financial education delivered to each year group

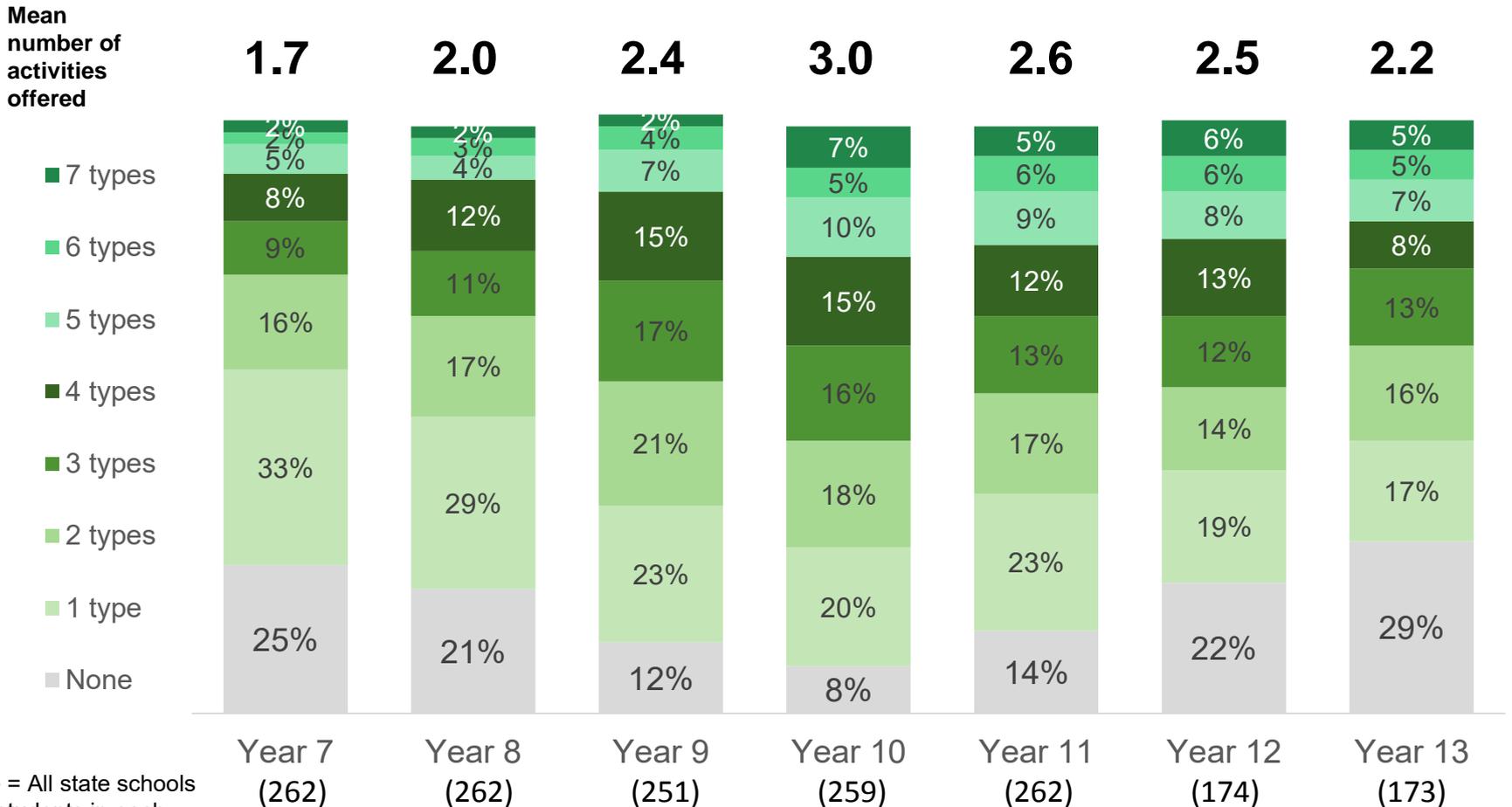
Year 7 and Year 13 students are least likely to receive most types of financial education. Year 10 seems to be a particular focus for financial education

	Year 7	Year 8	Year 9	Year 10	Year 11	Year 12	Year 13
Base (All schools and colleges with each year group)	262	262	251	259	262	174	173
 Teach financial numeracy and calculations	30%	34%	51%	57%	49%	28%	21%
 Teach learners the skills they need for day to day management of money	15%	24%	33%	42%	33%	35%	27%
 Help learners understand the differences between different types of banks, etc	8%	12%	16%	29%	24%	27%	22%
 Give learners experience of planning or budgeting	10%	12%	14%	19%	10%	16%	12%
 Attempt to teach learners good mindsets and behaviours around money	17%	25%	27%	31%	22%	22%	18%
 Teach learners about online financial security	15%	16%	18%	24%	23%	12%	9%
 Teach learners about the different places they can get financial advice	5%	7%	9%	20%	22%	27%	24%

Base = All state schools (287)

# Number of types of financial education offered (by year group)

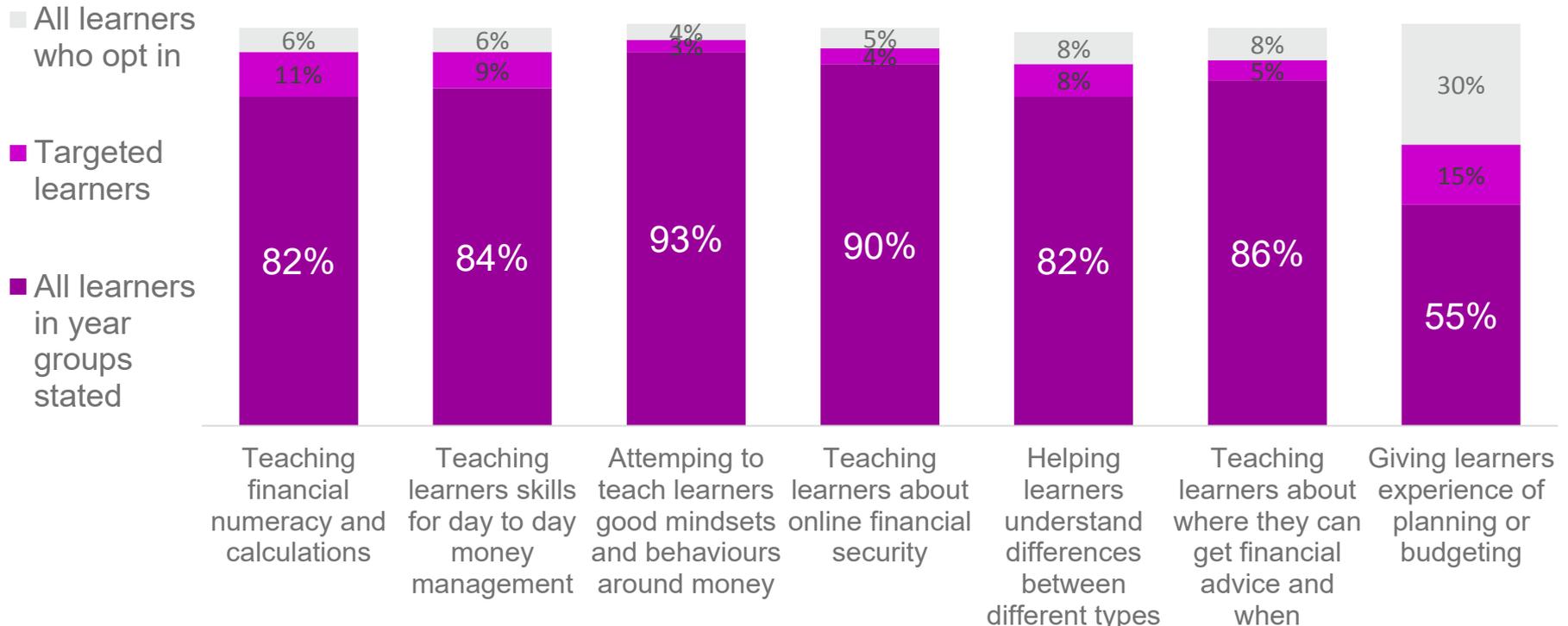
Year 7 students are more likely only to receive 1 type of financial education. The mean number of types offered is highest for Year 10 students



Base = All state schools with students in each year

# All-inclusive v. selective financial education offers

Generally schools and colleges provide financial education to all students in the year groups that they chose to work with. Experiencing planning or budgeting is the activity most likely to be offered to a select group.



Base = All state schools and colleges offering each type of financial education



(322)



(284)



(242)



(210)



(196)



(163)

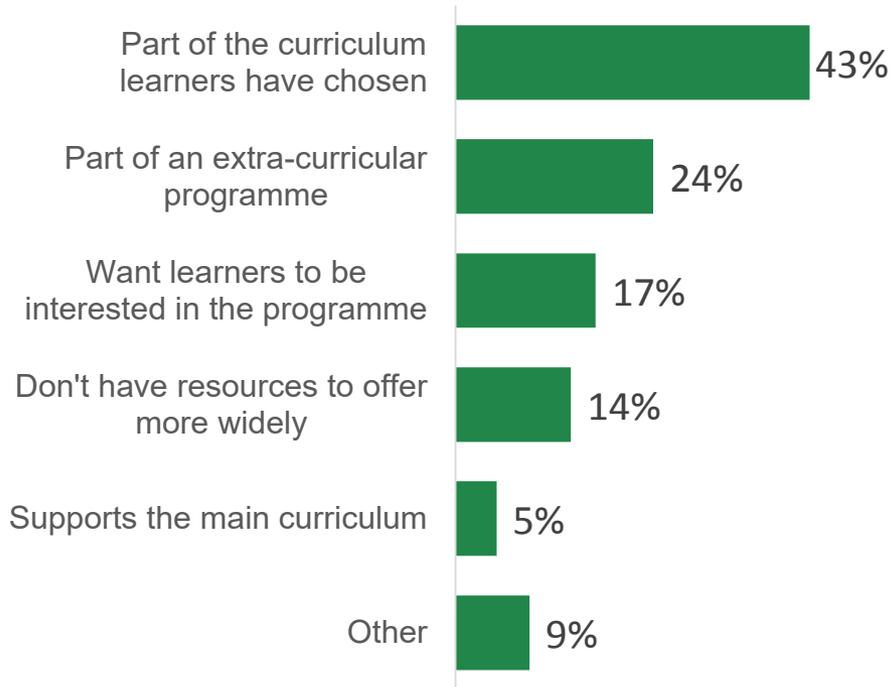


24  
(138)

# Reasons for selective offer of opportunities to plan/budget



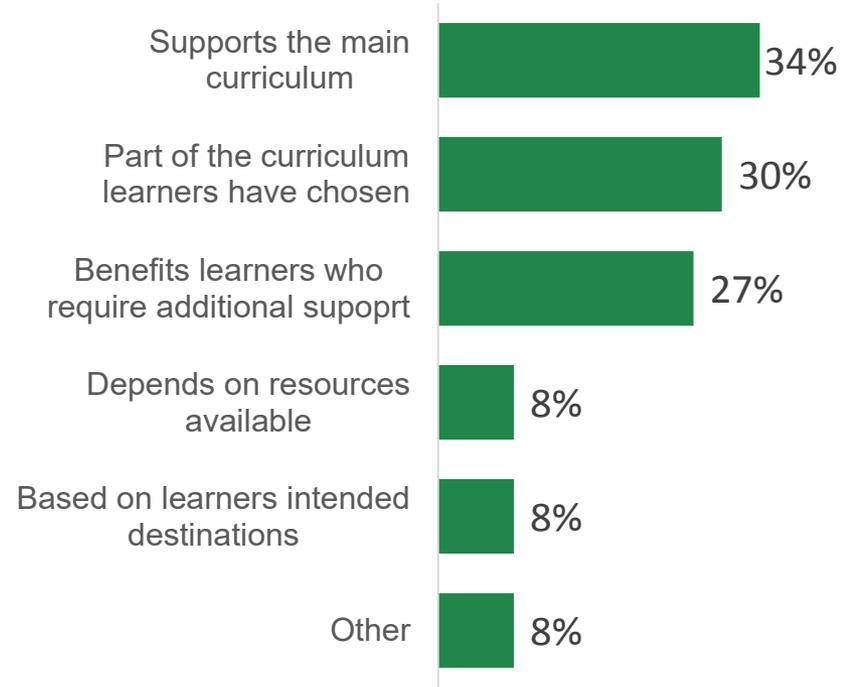
## Reasons for offering opportunities to plan / budget on an opt-in basis



Base = All state schools and colleges offering opportunities to plan/budget on an opt-in basis (38)



## Reasons for offering opportunities to plan / budget on an targeted basis

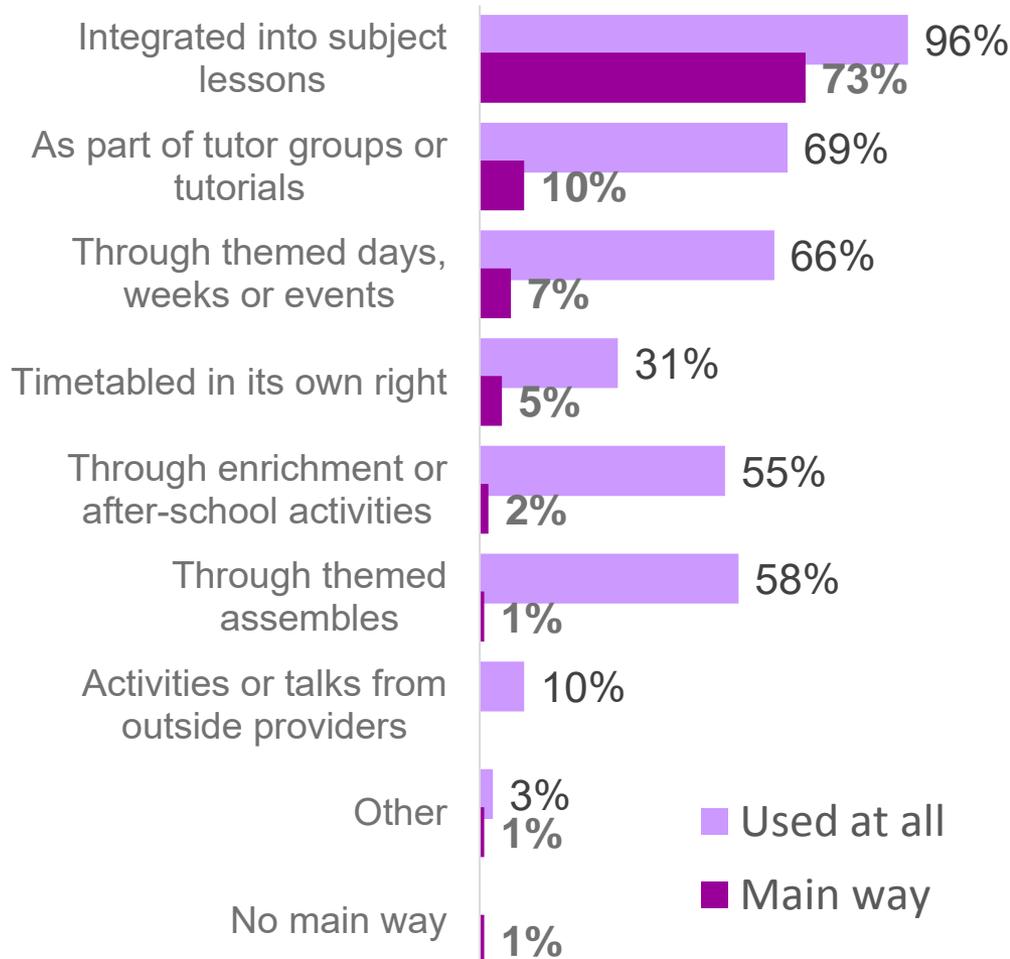


Base = All state schools and colleges offering opportunities to plan/budget on a targeted basis (25)

# 5. How is financial education delivered?

# Approaches to delivering financial education

Financial education is delivered to learners in a number of different ways. Schools and colleges were asked which ways they used and then which was the main way in which they delivered financial education. Most commonly it is integrated into subject lessons.

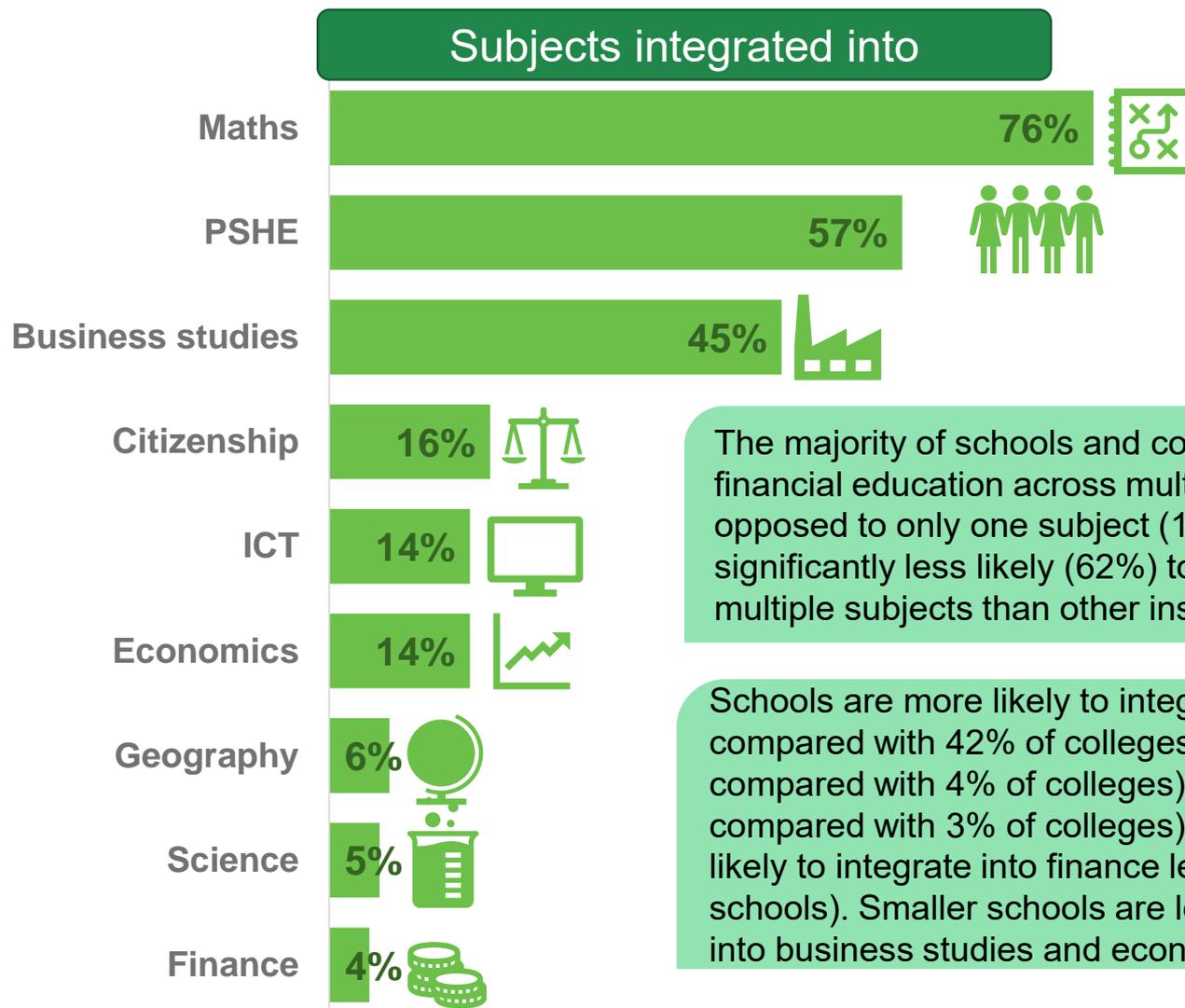


- Schools are more likely than colleges to integrate into subject lessons (97% vs. 84%), and to provide it through assemblies (61% vs. 20%)
- Colleges are more likely than schools to provide it through tutor groups or tutorials (96% vs. 67%)
- Three in ten (30%) of schools teach financial education as a subject timetabled in its own right. This is *less* likely in academies (27%) than in other institution types

Base = All state schools and colleges offering fin ed (353)

# Subjects financial education is integrated into

Maths is most likely to be seen as the 'natural fit' for financial education but it is also common for there to be delivery in PSHE and Business Studies classes. Only 16% deliver financial education in Citizenship



The majority of schools and colleges (82%) integrated financial education across multiple subjects, as opposed to only one subject (13%). Colleges are significantly less likely (62%) to integrate it across multiple subjects than other institution types.

Schools are more likely to integrate into maths (80% compared with 42% of colleges), PSHE (62% compared with 4% of colleges) and citizenship (17% compared with 3% of colleges). Colleges are more likely to integrate into finance lessons (10% v. 4% of schools). Smaller schools are less likely to integrate into business studies and economics than larger ones.

# Tools used to deliver financial education

Interactive workshops are used fairly widely but use of specific qualifications and e-learning resources is much rarer.

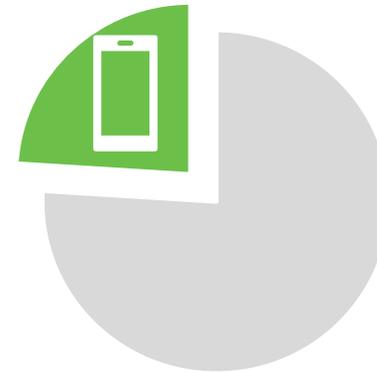


**53%**  
make use of  
interactive  
workshops



**22%**  
Offer specific  
qualifications in  
financial  
education

Schools and colleges that felt that they offered 'a great deal of financial education' were particularly likely to offer qualifications (52%)



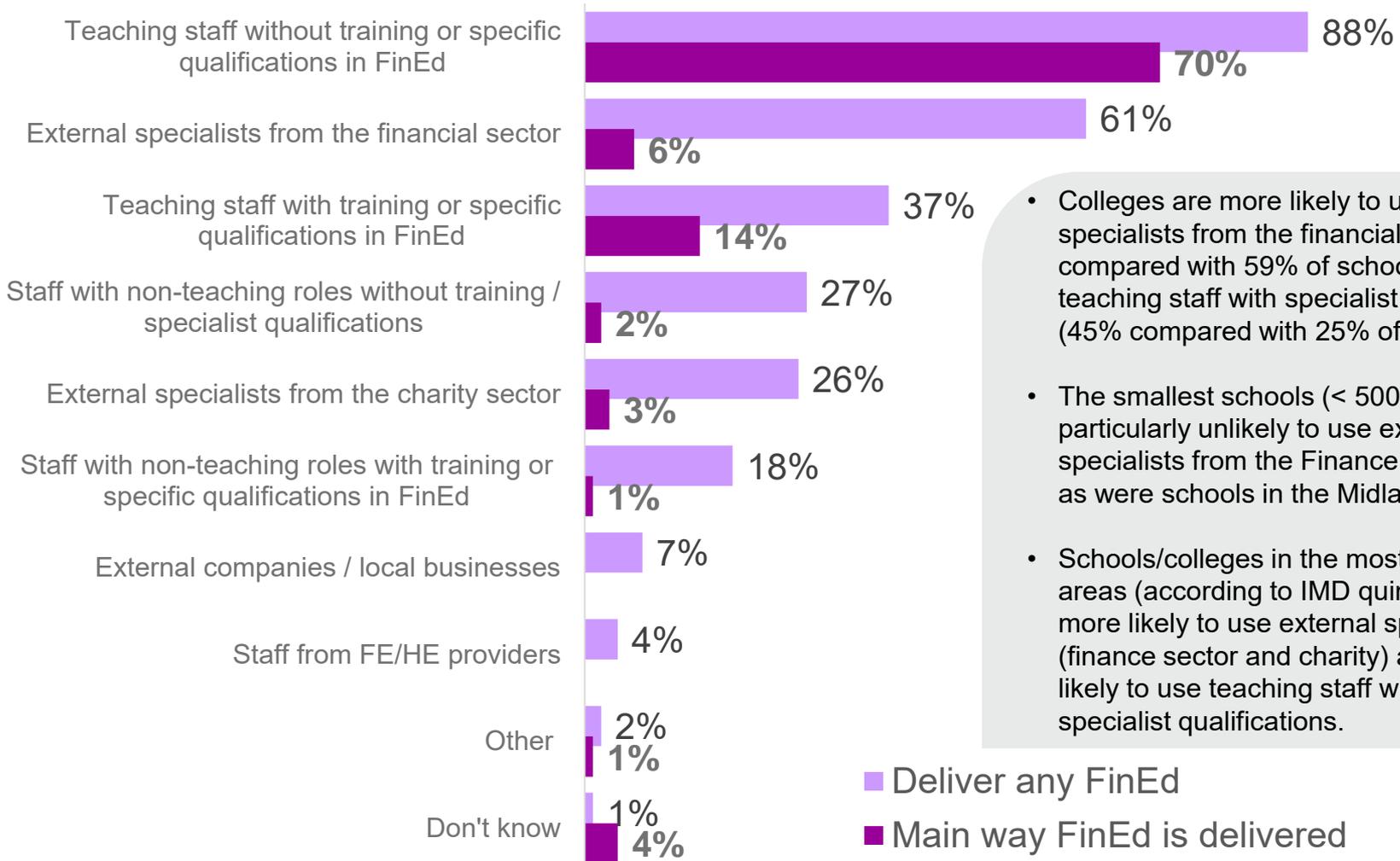
**24%**  
Provide learners  
with access to e-  
learning resources

Colleges were more likely to use e-learning than schools (43% v. 22%)

Base = All state schools and colleges offering fin ed (353)

# Those responsible for delivering financial education

A lot of responsibility for the delivery of financial education falls to teachers without any specific training in financial education.



- Colleges are more likely to use external specialists from the financial sector (74% compared with 59% of schools) and non-teaching staff with specialist qualifications (45% compared with 25% of schools).
- The smallest schools (< 500 pupils) were particularly unlikely to use external specialists from the Finance sector (48%) as were schools in the Midlands (49%)
- Schools/colleges in the most deprived areas (according to IMD quintiles) were more likely to use external specialists (finance sector and charity) and least likely to use teaching staff without specialist qualifications.

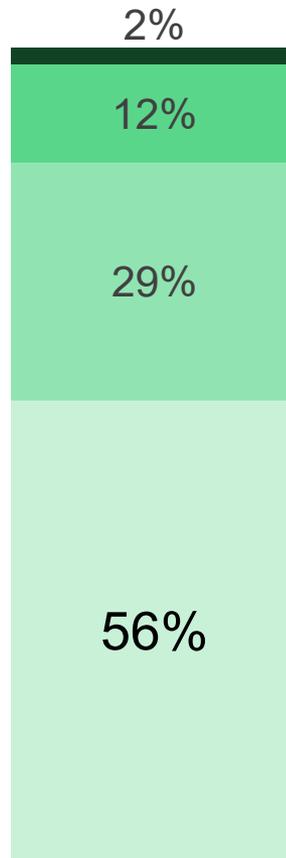
Base = All state schools and colleges offering fin ed (353)

## **6. How are financial education offers developed and evaluated?**

# Awareness of the Financial Education Quality Mark

The Financial Education Quality Mark is funded by the Money Advice Service and run by Young Money (part of Young Enterprise and formerly the Personal Finance Education Group - Pefg). It is an accreditation system for financial education resources. There is limited awareness of the Financial Education Quality Mark so at the moment it does not appear to be used extensively in decision making about financial education resources

- I am aware of the Quality Mark and actively use resources with it
- I am aware of the Quality Mark but don't actively use resources with it
- I am aware of the Financial Education Quality Mark but know nothing about it
- I am not aware of the Financial Education Quality Mark
- Don't know



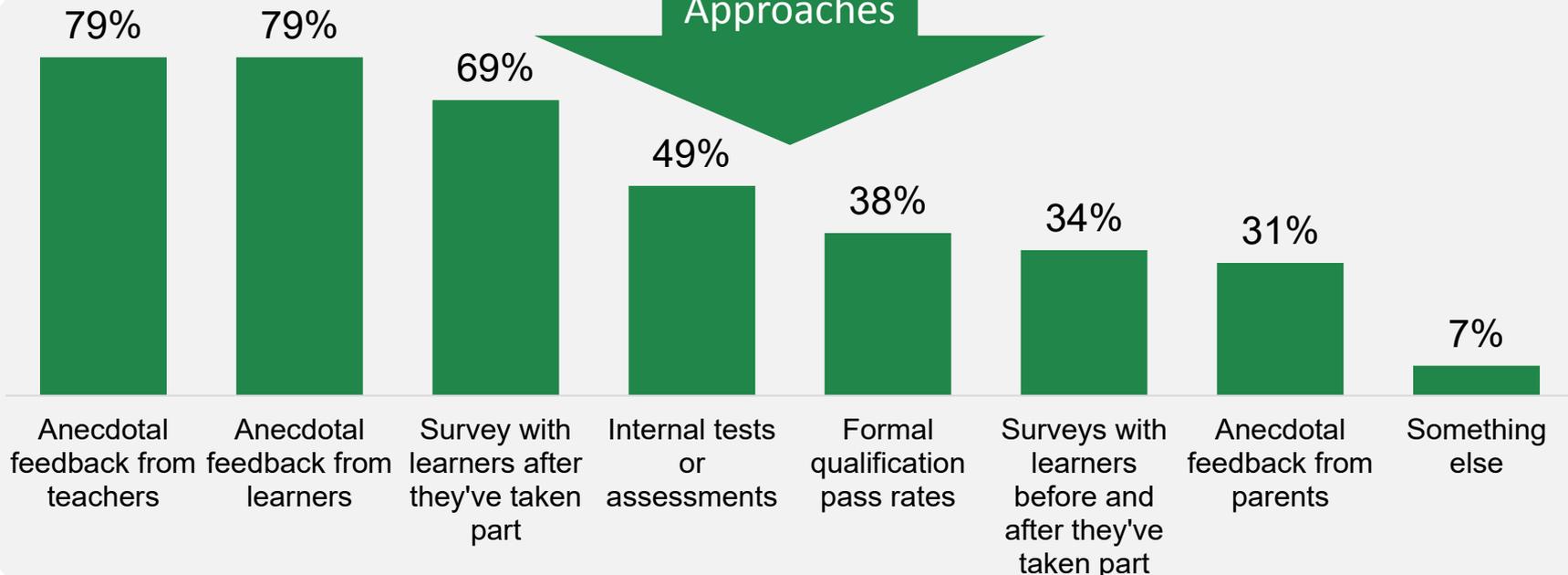
Those that said they offer little financial education to their learners were more likely to be unaware of the Quality Mark (69%), as were institutions in the North West (71%). However, those in the East Midlands were more likely to be aware of the Quality Mark and actively use resources with it (7%).

# Measuring impact of financial education

Only a minority attempt to measure the impact of their financial education offer and those that do most commonly use relatively informal methods.

**33%**  
of schools and colleges state that they measure the impact of financial education

## Approaches



*Unweighted base: All institutions that measure the impact of fin ed (116)*

# 7. Categorising levels of financial education offer

# Categorising financial education offers

It is difficult to understand a school or college's financial education offer looking at just one aspect of it. School and college's financial education offer have been categorised according to a 'basket of indicators' to provide a sense of their current level of development.

## Basket of indicators

Whether the school or college has 5 or more types of financial education it covers

Whether at least one of the types of financial education is offered at least monthly (excluding financial numeracy and calculations)

*For schools:* All year groups receive at least one type of financial education  
*For colleges:* All 16-19 learners receive at least one type of financial education

Whether financial education is delivered by specialist staff (either internal or external)

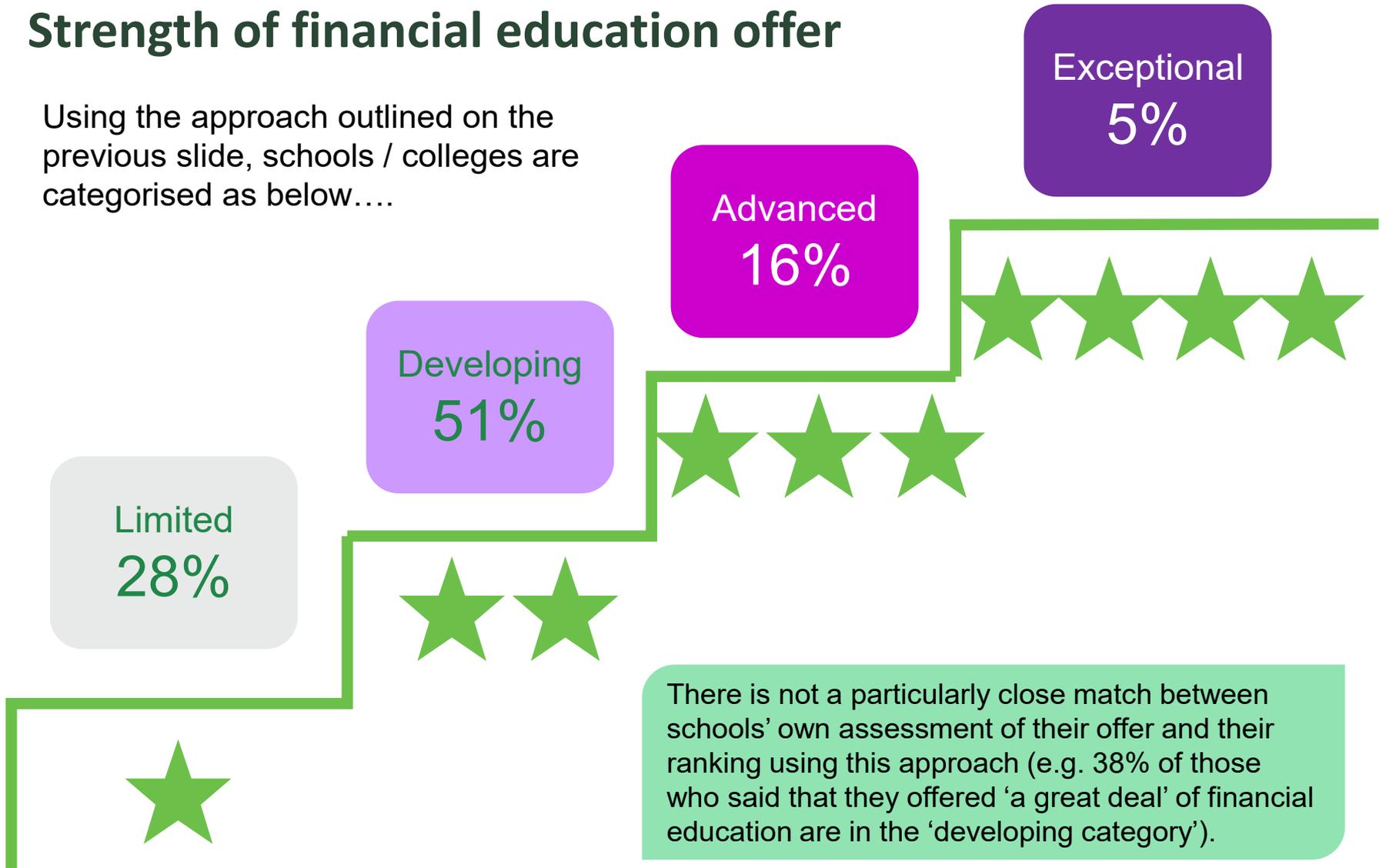
Whether heard of the Quality Mark and use it or measure the impact of their financial education

Number of indicators	Level of financial education
5	Exceptional
4	Advanced
2 – 3	Developing
0 – 1	Limited

As far as possible recommendations from the Money Advice Service's Evidence Analysis into Developing Financial Capability in CYP have been used to inform the indicators in this categorisation. This is an experimental approach based on the data we have available from the survey and as such is not intended as a framework for schools to follow at this time.

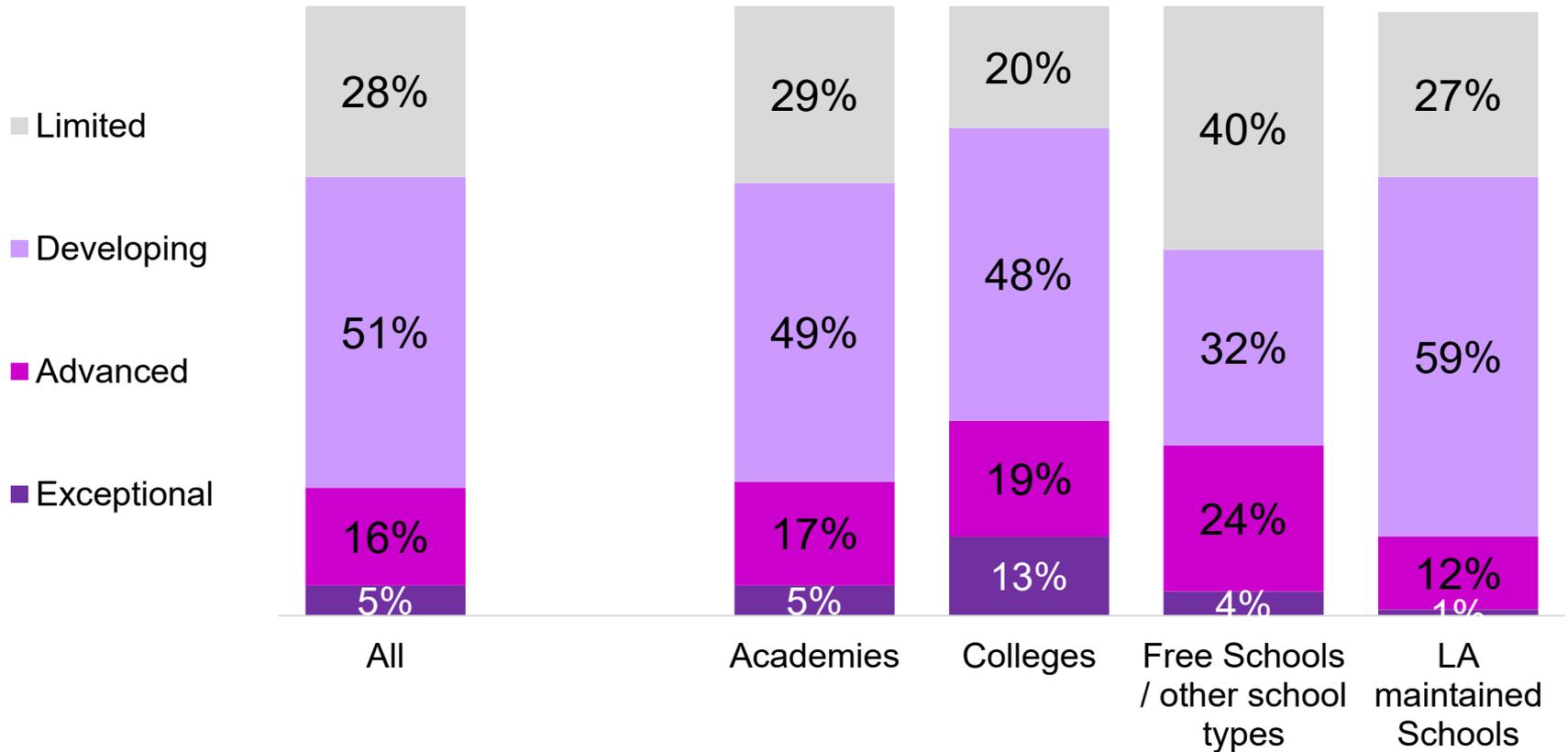
# Strength of financial education offer

Using the approach outlined on the previous slide, schools / colleges are categorised as below....



# Strength of financial education offer by institution type

Colleges are more likely to have a highly advanced offer than schools using this categorisation.

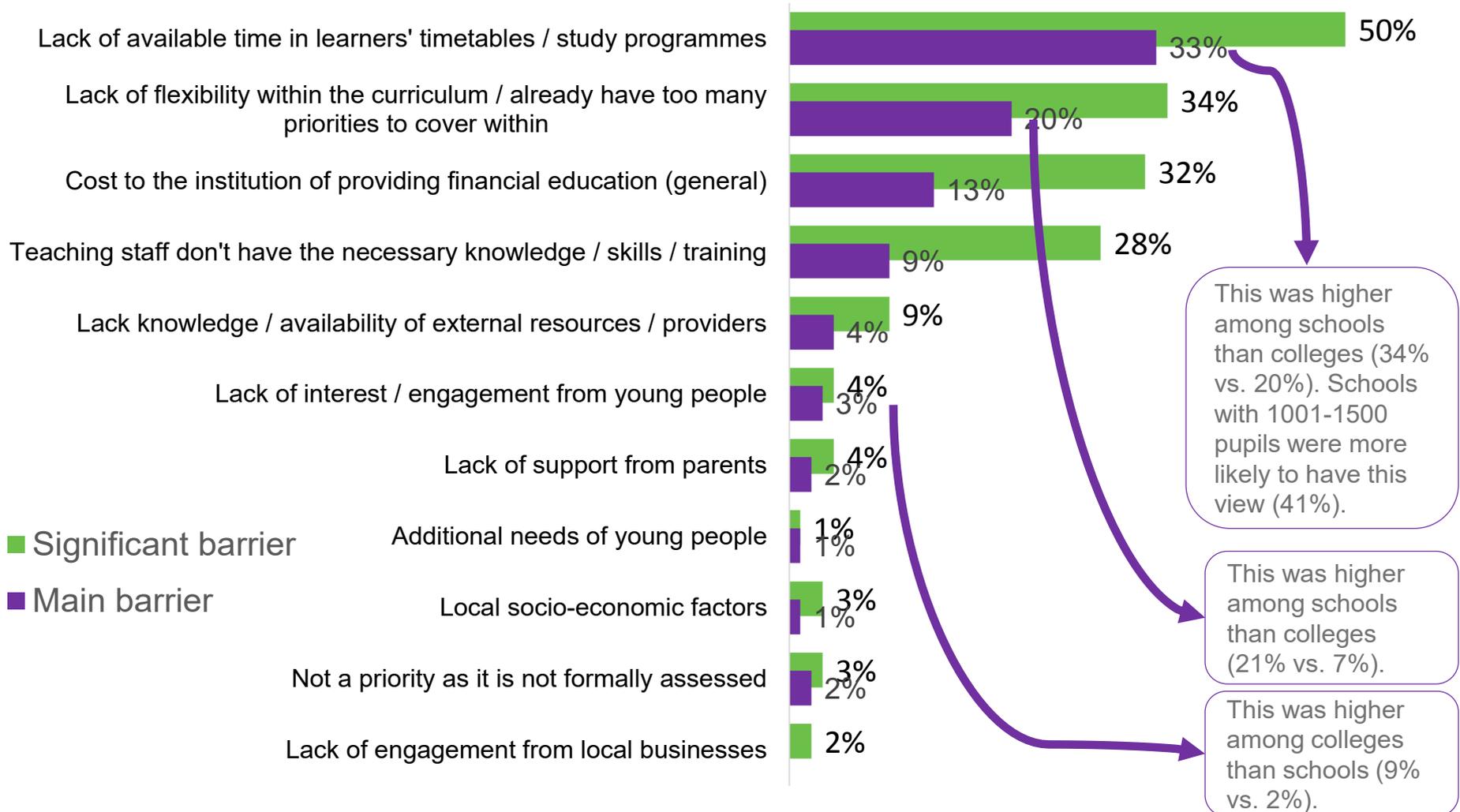


Institutions in London are more likely to have a more advanced financial education offer (8% exceptional and 25% advanced).

Base = All state schools and colleges (356)

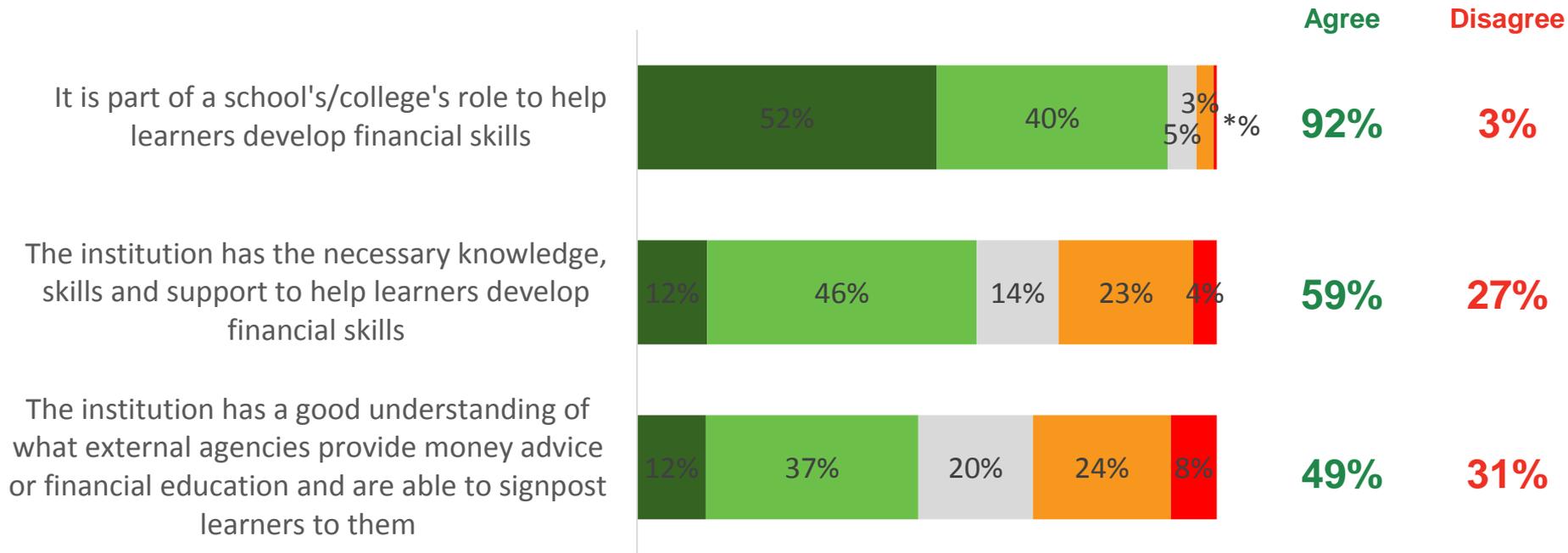
## 9. What are the barriers to offering financial education?

# Barriers to helping young people develop financial skills



# Overall attitudes to financial education

Most schools and colleges feel that it is their role to help learners develop financial skills, however, only three-fifths felt their institution has the necessary knowledge and skills to do so

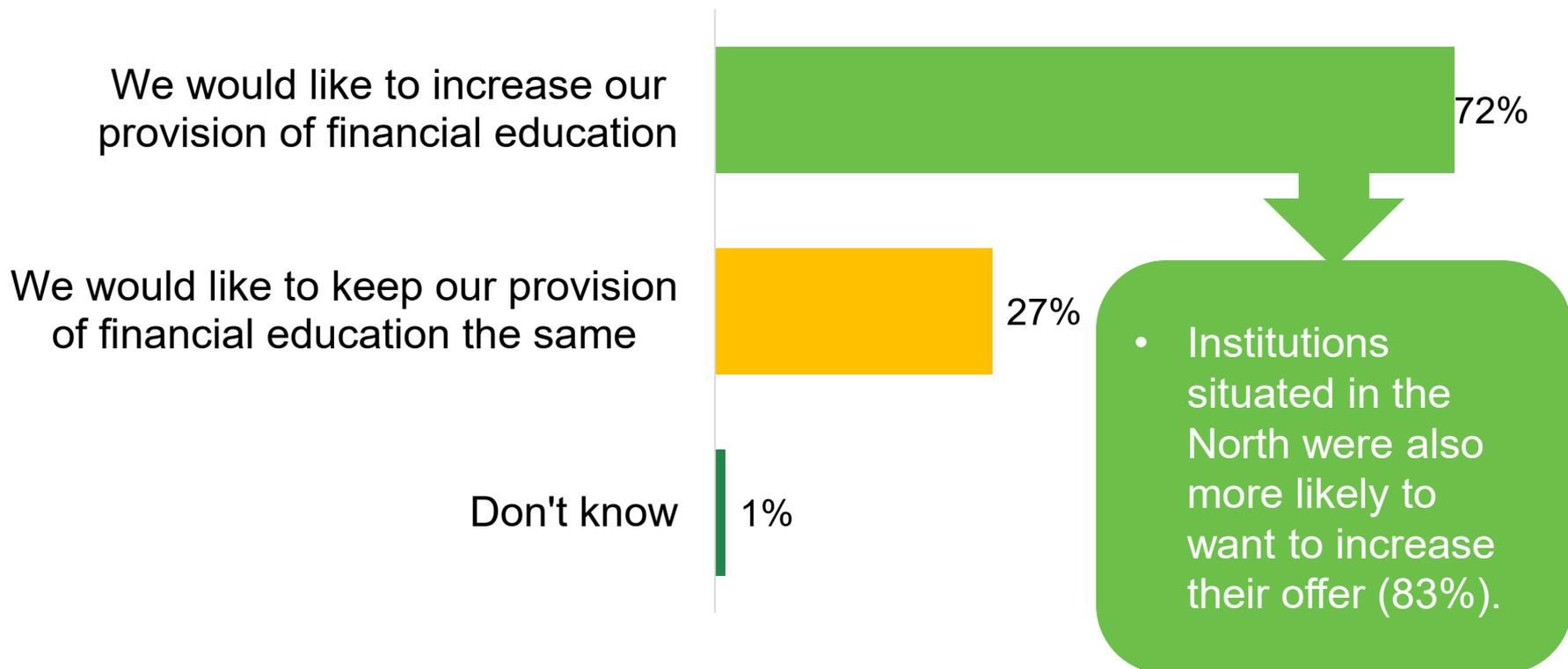


■ Strongly agree 
 ■ Tend to agree 
 ■ Neither agree nor disagree 
 ■ Tend to disagree 
 ■ Strongly disagree

- Colleges are more likely than schools to feel that they have a good understanding of what external agencies can offer (62% compared with 47% of schools).
- Mid-size schools (with 1,000-1,500 pupils) were also more likely to feel they had a good understanding as were those in the most deprived areas (by IMD quintile)

# Appetite for increasing financial education offer

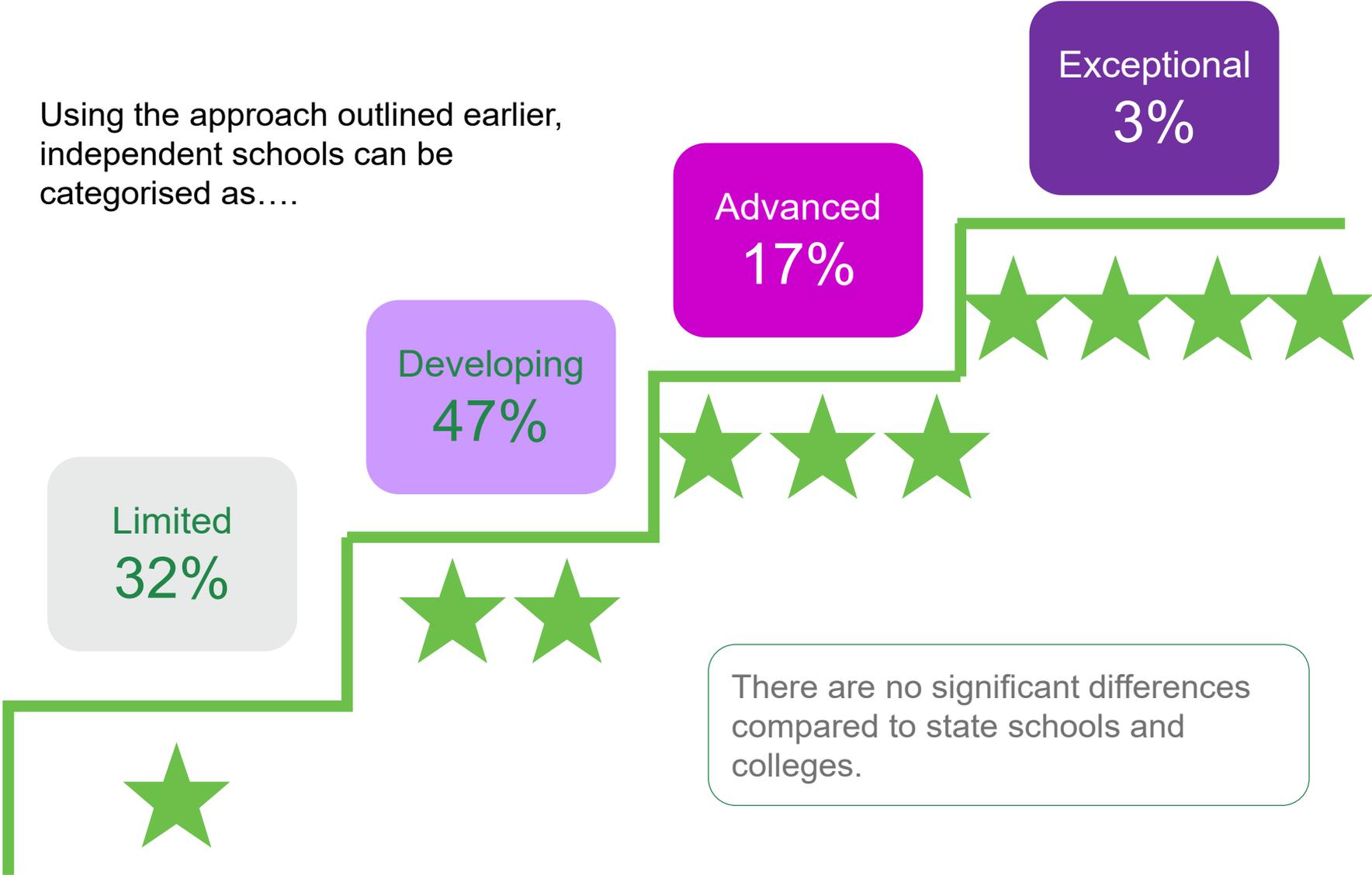
Positively, around three-quarters of those offering some kind of financial education would like to increase their provision



# 10. Differences in independent schools

# Overall strength of offer in independent schools

Using the approach outlined earlier, independent schools can be categorised as....



Base = All independent schools (202)

# Differences in types and frequency of financial education offered

All significant differences between independent schools and state schools and colleges are outlined over the following slides



- Independent schools were significantly more likely to teach learners good mindsets and behaviours around money (80% vs. 68% state schools and colleges), however, they were less likely to teach learners about the different places they can get financial advice (35% vs. 43%).



- Independent schools were more likely to teach financial education on a more frequent basis:



- They were more likely to teach learners about the day to day management of money at least once a week (13% vs. 4%) and less likely to do so once or twice a year (29% vs. 39%).



- They were more likely to teach learners about the differences between types of bank and savings accounts, different sorts of credit, phone contracts or pensions and/or helping them make choices or decisions about them at least once a week (7% vs. 2%) and less likely to do so once or twice a year (42% vs. 56%).



- They were less likely to give learners experience of planning or budgeting with small amounts of money or virtual money once or twice a year (40% vs. 55%).



- They were more likely to teach learners about good money mindsets and behaviours around money at least once a week (12% vs. 4%) and less likely to do so once or twice a year (34% vs. 46%).

Base = All independent schools (202)

# Differences in approaches to financial education (1)

- Independent schools were more likely to teach some aspects of financial education to all year groups:



- Taught financial numeracy and calculations (29% vs. 13%)



- Taught the skills they need for day to day management of money (23% vs. 7%)



- Taught good mindsets and behaviours around money (27% vs. 9%)



- Taught about online financial security (28% vs. 7%)

- Independent schools were more likely to teach some aspects of financial education to all learners in the relevant year groups, rather than on an opt in basis or target specific types of learners:



- Taught financial numeracy and calculations (92% vs. 82%)



- Taught the skills they need for day to day management of money (95% vs. 84%)



- Given experiences of planning or budgeting with small amounts of money or virtual money (69% vs. 55%)



- Taught about online financial security (96% vs. 90%)

- Independent schools were less likely to deliver financial education to learners through themed days, weeks or events (54% vs. 66%).
- Independent schools were more likely to integrate financial delivery into PSHE (71% vs. 60%) and Economics (22% vs. 15%). However, they were less likely to deliver it in Business Studies (29% vs. 48%).

## Differences in approaches to financial education (2)



- Independent schools are less likely to organise interactive workshops specifically on the subject of financial education for learners (36% vs. 53%) and to offer specific qualifications in financial education (13% vs. 22%).



- They were less likely to use external specialists from the financial services sector in their delivery of financial education (43% vs. 61%).



- Independent schools were significantly less likely to measure the impact of the financial education they offer (21% vs. 33%).



- Independent schools were more likely to be unaware of the Financial Education Quality Mark (71% vs. 56%).



- Independent schools were significantly less likely to feel that lack of available time in learners' timetables / study programmes (34% vs. 50%), lack of flexibility within the curriculum / already have too many priorities to cover (22% vs. 34%), and the cost to the institution (15% vs. 32%) were barriers in helping young people develop financial skills.



- Independent schools were less likely to want to increase their provision of financial education (64% vs. 72%).

# 11. Appendix

# Sample breakdown

Establishment type	Records
Academies	171
Colleges	69
Free Schools	8
LA maintained schools	108
Independent Schools	202

Region	Records
East Midlands	48
East of England	57
London	90
North East	34
North West	63
South East	107
South West	63
West Midlands	52
Yorkshire and The Humber	44

# Sample breakdown

<b>% FSM (academies and non-academies only)</b>	<b>Records</b>
<5%	63
6-10%	58
11-25%	58
26-50%	48
51-75%	45
Unknown	15

<b>Number of pupils</b>	<b>Records</b>
<100	85
101-250	54
251-500	73
501-1000	143
1001-1500	118
1501-2000	53
2001+	24
Unknown	8

## Weighting and response bias (1)

- When comparing the achieved interview profile against the starting sample we found there were very few differences in the breakdown of state schools by size, region and FSM quintile compared to the population.
- There were a few differences by institution type in so far as the survey over-represented colleges slightly and under-represented academies and free schools. We therefore decided to apply a simple weight to correct for this. This meant that the effective sample size for the state sector is c.300.

Establishment Type	Starting sample	% of population	Achieved interviews	% of achieved
Academies	2179	59%	171	48%
Colleges	305	8%	69	19%
Free Schools / other school types	242	7%	8	2%
LA maintained schools	941	26%	108	30%
TOTALS	3667	100%	356	100%

## Weighting and response bias (2)

- The response rate to the telephone survey was lower than hoped for (at c.10%)
- One of the checks that we put in place to try to monitor whether those completing the survey were representative was to ask all gatekeepers whether or not their school offered any financial education and to look for any differences in the responses given by those gatekeepers where we eventually achieved an interview and those where we did not.
- The responses given by gatekeepers were often not very strongly correlated with those given by the eventual respondent and many did not know the answer to the question. However, as the table below shows the profile of responses for those who did and did not complete the survey is very similar\*.

		Whether achieved interview		Total
		No	Yes	
Gatekeeper response to whether school offers financial education	1 Yes	1322	120	1442
		44%	42%	44%
	2 No	182	18	200
		6%	6%	6%
	3 Don't know	1321	145	1466
		44%	50%	45%
	4 Refused	160	6	166
		5%	2%	5%
		2985	289	3274
		100%	100%	100%

\* Note that this data is not available for the full dataset as the question was inserted part-way through fieldwork