Submission by the Money and Pensions Service to the All Party Parliamentary Group on Financial Education inquiry into the provision of primary financial education

1. Overview

The Money and Pensions Services is an arm's-length body, sponsored by the Department for Work and Pensions and funded by levies on both the financial services industry and pension schemes. We help people – particularly those most in need and those most vulnerable to financial insecurity – to improve their financial wellbeing and build a better, more confident future.

In January 2020, in line with our statutory functions and informed by conversations with more than 1,000 stakeholders, MaPS launched the UK Strategy for Financial Wellbeing, which included a national goal to ensure two million more children receive a meaningful financial education by 2030 (the Financial Foundations national goal). Our Children and Young People Programme leads the development of insights into what works in improving children and young people's financial capability across the UK. Since 2019, MaPS has invested over £2 million in financial education projects.

This submission sets out our evidence relating to financial education for primary school aged children, focusing on what it tells us about:

- the financial capability of primary school aged children, drawing on data relating to children aged 7 to 11 gathered through MaPS' Children and Young People Financial Capability Survey
- the link between financial capability and wider skills in childhood and financial wellbeing in adulthood
- what works in the delivery of financial education for children and young people – at home and at school
- current provision of financial education for children and young people across the UK, and
- the impact of financial education on children's money skills, knowledge and behaviours.

The submission also provides an overview of current MaPS projects that aim to increase understanding about what works in the delivery of high-quality financial education for children in primary school. Later this year, we will publish UK Strategy Delivery Plans for England, Scotland, Wales and Northern Ireland setting out further action we and others will take to deliver on the Financial Foundations national goal. Our Corporate Plan for 2021-22, to be published in summer 2021, and our three-year Corporate Strategy for 2022-23 to 2024-25, will also set out further details on MaPS' future financial education programme.

2. About the Money and Pensions Service

2.1 The Money and Pensions Service (MaPS) was set up by the Financial Guidance and Claims Act 2018. We are an arm's-length body, sponsored by the Department for Work and Pensions and funded by levies on both the financial services industry and pension schemes. We help people – particularly those most in need – to improve their financial wellbeing and build a better, more confident future. Working collaboratively across the UK, we make sure customers can access high quality money and pensions guidance and debt advice throughout their lives, however and whenever they need it.

2.2 MaPS works across five core functions:

- Pension guidance – providing support and guidance to consumers on UK workplace and personal pension matters; whilst supporting those aged 50 and over to make decisions on their defined contributions pension pots
- Debt advice – as the biggest funder of free information and advice on debt in England, while driving up the quality of debt advice and providing training and support to advisers on the ground across the UK
- Money guidance – enhancing millions of people's knowledge and understanding of financial matters – targeting those potentially vulnerable or most in need – as well as helping their day-to-day money management skills through free, impartial money guidance
- Consumer protection – working with government and regulators to protect consumers against financial scams and support the efforts of the wider financial services industry to protect consumers
- Strategy – coordinating cross industry activities across the UK that support the 2030 National Goals published in the UK Strategy for Financial Wellbeing.

2.3 As part of our strategic function, MaPS works with partners across the UK to improve the provision of financial education for children and young people. We fund the delivery of financial education programmes across the UK to test and promote what works to improve children and young people's financial wellbeing.

3. The UK Strategy for Financial Wellbeing

3.1 The UK Strategy for Financial Wellbeing, published by MaPS in January 2020 and developed with a range of partners, sets out five priority areas for action to improve financial wellbeing for all in the UK – covering saving, credit, debt, retirement and building strong financial foundations for children and young people.

3.2 The strategy seeks to address the significant financial wellbeing challenges facing the UK, where 11.5 million adults have less than £100 in savings, 9 million often borrow to buy food or pay bills and 5.3 million need debt advice[1]. These challenges are particularly evident among young adults:

[1] *The UK Strategy for Financial Wellbeing 2020-2030*, published by MaPS, January 2020. Source data include the UK Adult Financial Capability Survey 2018 and the MaPS Need Survey 2019.

- Almost a quarter of 18 to 24 year olds have less than £100 in savings and often use a credit card, overdraft or borrow money to buy food or pay bills (24% and 23%, respectively). The proportion using credit, for example, is significantly higher than the UK average (17%).
- Young adults have the lowest levels of financial confidence compared to other age groups. 58% do not feel confident managing their money (compared to the UK average of 39%), and 67% do not feel confident planning for their financial future (compared to the UK average of 53%).
- Around a fifth (19%) have used high-cost short term credit in the previous year (compared to 11% among the UK population), and 16% often borrow money to pay off debts (compared to 10% among the UK population)[2].

The Covid-19 pandemic has magnified the challenges the population, including young people, already face in terms of access to jobs, job security and financial resilience[3].

3.3 Only 48% of 7 to 17 year olds growing up in the UK receive a meaningful financial education at home or in school. This means 5.3 million children and young people are not getting the vital learning they need[4]. In the primary phase, just over a third (33%) of children aged 7 to 11 recall learning about money at school, a fall of seven percentage points since 2016.

3.4 **Responding to this challenge, the UK Strategy for Financial Wellbeing sets a goal to ensure two million more children and young people have a meaningful financial education by 2030 (the Financial Foundations national goal)**. Later this year, MaPS will publish UK Delivery Plans for each of the four UK nations, setting out how we and others will take action to achieve that goal. Delivery activities set out in those plans will aim to ensure that:

- parents and carers have the confidence and tools to talk to their children about money and help them develop strong financial foundations,
- school leaders champion the value of learning about money and teachers and have the confidence, skills and tools they need – including high quality financial education training, resources and services, and
- children and young people in vulnerable circumstances access financial education that meets their specific needs.

[2] *The UK Strategy for Financial Wellbeing 2020-2030*, published by MaPS, January 2020. Source data include the UK Adult Financial Capability Survey 2018 and the MaPS Need Survey 2019.
[3] *Impacts of Covid-19 on Financial Wellbeing* (MaPS, 2020)
[4] Here the measure of 'meaningful' financial education is a child/young person recalling learning about money at school and/or receiving key elements of financial education at home (list them!). This is the national measure associated with the UK Strategy national goal to ensure 2 million more children receive a meaningful financial education by 2030.

4. MaPS' Children and Young People Programme

4.1 Through our Children and Young People programme, MaPS leads the development of insights into children and young people's financial capability, including understanding what works in the delivery of effective financial education and sharing best practice. Since 2019, we have invested over £2 million in financial education projects, and have a dedicated team driving our Children and Young People Programme, supported by insight and evaluation, partnerships, communications and marketing functions. Our Children and Young People Programme helps to:

- build the evidence base around children's financial capability and financial education
- test effective and innovative approaches to delivering financial education, and
- support the development of tools and resources to help teachers and others deliver high quality learning about money.

4.2 Our **UK-wide Children and Young People Pathfinder programme** is testing the delivery of evidence-based financial education at scale, building on the What Works Fund delivered by the Money Advice Service, one of the MaPS' legacy bodies. This includes a pathfinder in Wales testing approaches to embedding and scaling up financial education teacher training (focusing on the transition between primary and secondary school), and two pathfinders in Northern Ireland and Scotland scaling the delivery of practitioner training to help parents and carers teach their children about money. These programmes have been significantly affected by, and had to quickly adapt to, the impact of the Covid-19 pandemic on education and child and family services. The pathfinder programme will complete at the end of 2021, and MaPS would be pleased to provide an update to the APPG on findings as soon as possible thereafter. *[Further information on projects relevant to primary school aged children are provided below].*

4.3 Our **Children and Young People Innovation Programme** aims to fill gaps in financial education provision, identifying what works in addressing unmet financial education need. The programme supports organisations to develop and test new solutions and evaluate existing but untested interventions, focusing on children and young people in vulnerable circumstances, children under the age of seven and digital delivery. *[Further information on projects relevant to primary school aged children are provided below].*

4.4 MaPS continues to support the development of **resources and tools for teachers and other practitioners** to help them deliver high quality financial education:

- In November 2019, MaPS launched up-to-date financial education guidance for primary and secondary schools in Scotland[5]. The guidance was endorsed by the Scottish Government and Education Scotland, with a foreword from Deputy First Minister and Cabinet Secretary for Education and Skills. Aimed at school leaders, subject leads and other education decision-makers – and developed in consultation with financial education experts, school leaders and teachers – the guidance

[5] https://maps.org.uk/2020/11/17/financial-education-in-scotland/

highlights the links between financial education and Scotland's Curriculum for Excellence, sets out how schools can improve their financial education, and signposts to services and resources that can help.

- MaPS funds the Financial Education Quality Mark, developed and delivered by Young Money, which helps teachers and other practitioners access effective and accurate classroom resources.
- With Martin Lewis (founder of Money Saving Expert), we are funding the adaptation, distribution and evaluation of Young Money's secondary-level financial education textbook, *Your Money Matters*, for schools in Northern Ireland, Scotland and Wales – working in partnership with the devolved governments and their education agencies.

4.5 The parent and carer pathfinders outlined above build on **Talk, Learn, Do (TLD)**, MaPS' flagship programme which trains practitioners to support parents and carers to talk about money with their children aged 3 to 11. Originally piloted in Wales in 2016-17, the evaluation found that TLD resulted in improved financial capability outcomes for children as well as a reduction in parents' own levels of indebtedness – across families with different income levels[6]. We continue to work with organisations across the UK to identify opportunities for embedding the programme in a range of policies and strategies, including delivering through NatWest's community bankers.

5. Financial capability among primary school aged children: current data

5.1 Analysis undertaken by MaPS, and its legacy body the Money Advice Service, has identified the key building blocks for financial capability among children and young people. Good day-to-day money management and active saving were identified as key financial capability behaviours for children and young people, themes that align with analysis of financial capability among adults. The key enablers underpinning these behaviours are being involved in financial decisions, talking about money, having a savings mindset and engagement with bank accounts. It is interesting to note that mindset (values and attitudes towards money) and connection (e.g. engagement with financial products and decision-making) are particularly associated with more financially capable behaviours[7].

5.2 Every three years, MaPS conducts the only UK-wide survey to assess levels of financial capability among children and young people. Analysis of the most recent survey, conducted in 2019, gives an indication of how primary school aged children are doing on these key indicators of financial capability (see textbox below). The data shows that a significant minority (21%) of primary school aged children (in this case, those aged 7 to 11) say they never talk about money, only a quarter often save up for something they want to buy and around half appear not to have a bank account – all indicators of financial capability and wellbeing. The survey also identified some change in levels of financial capability for this age group since 2016. For example, there has been: a slight decrease in the proportion of 7 to 11 year olds who say they talk to their parents

[6] *Evaluation of Talk, Learn, Do: a financial capability intervention for parents* (MaPS, 2018)

[7] *Measuring Financial Capability in Children and Young People: What drives financial behaviour?* (Money Advice Service, 2018)

about money; an increase in the proportion of 7 to 11 year olds who say they never talk about money; and an increase in the proportion of 8 to 11 year olds who say they save money every time or most times they receive it.

The financial capability of primary school-aged children: headline findings from the Children and Young People Financial Capability Survey 2019

Figures from the 2016 Children and Young People Financial Capability survey have been included where the change between 2016 and 2019 is statistically significant.

Involvement in decision-making and talking about money

- 66% of 7 to 11 year olds said they talk to their parents about money (down from 69% in 2016).
- However, around one in five (21%) of that age group say they never talk about money (up from 14% in 2016).
- 80% of 7 to 11 year olds said they decide how they spend their own money or decide with parents.
- Almost all 7 to 11 year old shave seen their parents pay for things in one way or another, and over half (51%) have seen their parents make payments using their mobile phone or online.

Active saving and having a savings mindset

- Among those aged 8 to 11 who receive money, 50% said they save money every time or most times they get money (up from 45% in 2016)
- According to parents, among those 7 to 11 year olds who have or get money of their own:
  - just over a quarter (26%) *often* saves up their own money to buy a specific item
  - around three in ten (32%) are *always* able to recognise the difference between something they want and something they need.

Money management and engagement with bank accounts

- 37% of 7 to 11 year olds said they do not have a bank or building society account and a further 15% said they don't know if they have one – suggesting more than half (53%) may not have a bank account at all.
- Of those 7 to 11 year olds who have their own money, around half (51%) said they don't know how much money they have in total including in a bank or in other places.

5.3 Financial capability among children and young people appears to vary across the UK's four nations. For example, children in Wales and Scotland are more likely to be actively involved in using financial products and services than the UK average, but they are less likely to receive regular money. Children in Scotland and Northern Ireland are less likely to save regularly, when compared to the UK average[8].

5.4 Research also indicates that some children and young people are at greater risk of having poor financial capability and/or may need targeted support, including those with a long-term health condition, children in low-income households, looked after children and young carers[9].

6. Evidence relating to specific questions posed by the inquiry

6.1 What role does financial education at early stage play in tackling financial issues for (young) adults?

6.1.1 The UK Strategy recognises that building strong financial foundations for children and young people is key to securing longer-term financial wellbeing. Research indicates that:

- The knowledge, attitudes and behaviours that help people to manage money and achieve good financial well-being begin to develop between the ages of three and seven [10].
- Adult financial outcomes can be predicted by some childhood skills and behaviours – including self-control, locus of control and reading and maths scores – in some cases from as young as five years old. The same study found that some of these links (between childhood skills and adult financial outcomes) appeared to embed at age 10, suggesting the value of focusing on the primary school years[11].
- Having higher levels of financial capability in late childhood (age 15 to 17) is associated with higher levels of financial capability in early adulthood (age 18 to 20). For example, those who saved actively or had a savings mindset when they were aged 15 to 17 were more likely to feel confident making decisions about financial products and services in early adulthood; they were also less likely to borrow and feel their bills were a burden. Those who had higher financial numeracy at the age of 15 to 17 were more likely to have a higher amount of savings and choose long term over short term financial gain in early adulthood and less likely to borrow[12].

[8] Reports for each UK nation can be found at: https://moneyandpensionsservice.org.uk/2020/01/21/uk-children-and-young-peoples-survey-financial-capability-2019/

[9] *Children and Young People Financial Capability Deep Dive: Vulnerability* (Money Advice Service, 2018); *Vulnerable Children and Young People and Financial Capability: Literature Review* (Money Advice Service, 2018)

[10] *Habit Formation and Learning in Young Children* (Money Advice Service, 2013)

[11] *The journey from childhood skills to adult financial capability – analysis of the 1970 British Cohort Study*. (London Economics and Money Advice Service, 2017)

[12] *Investigating Links Between Childhood Financial Capability and Young Adult Outcomes: Recontact Study 2017-2018 Summary of Findings* (Money Advice Service, 2019)

6.2 What is seen as the most effective financial education provision at primary school age?

What works in delivering financial education to children and young people

6.2.1 In 2018, the Money Advice Service, one of the MaPS legacy bodies, published a review of the available evidence (UK and international) on what works in improving children and young people's financial capability and delivering financial education interventions[13]. This focused on interventions for all children and young people but provided insights that could be applied in the primary school context. The evidence indicates that financial education programmes are more likely to be effective when they:

- start early, helping children to develop positive money attitudes and habits at a younger age
- are delivered by trained practitioners, be they teachers, youth workers or specialist financial education practitioners
- engage parents and carers – parental involvement appears to be particularly effective in influencing financial behaviours
- combine facilitated and experiential learning – workshops were found to have a particularly positive impact on ability (e.g. understanding the role of money, money management and understanding financial products and concepts) and mindset (confidence and attitudes to money), while experiential approaches are more likely to support change in financial behaviours
- make use of a teachable moment, helping young people practice what they have learned in real-life contexts (e.g. for primary school aged children, getting money from the tooth fairy or opening their first bank account).

6.2.2 The Financial Education Planning Frameworks, developed by Young Money and endorsed by MaPS and financial education providers, set out the key money-related learning objectives for each developmental stage from age 3 to 19. They provide a useful tool for schools and others to plan their financial education curriculum and delivery.

6.2.3 Teachers and other practitioners delivering financial education should also make use of resources that have been quality assured for their financial accuracy and effectiveness, through for example the Financial Education Quality Mark (funded by MaPS and delivered by Young Money) or the PSHE Association's Quality Mark.

6.2.4 Alongside financial education, parents and carers play an important role in developing children's money skills, knowledge and habits. Children are more likely to have good financial capability when their parents and carers:

- give them regular money (whatever the amount),
- give them some responsibility for money choices and
- set rules around money.

[13] *Developing Financial Capability in Children and Young People: A Review of the Evidence* (Money Advice Service, 2018)

Better active saving behaviours are found amongst children whose parents openly discuss household finances with them[14].

School-based financial education for young children

6.2.5 In 2019, MaPS undertook a qualitative study to explore financial capability among children aged four to six, which provides insights for the delivery of financial education in the early education and the lower primary phase[15]. The study found that:

- teachers felt schools play a critical role in ensuring no children are 'left behind' in their money skills development and recognise the importance of teaching money skills in Early Years and Key Stage one (or equivalent)
- teachers felt that money skills cannot be taught in a week and then considered 'complete', pointing to the importance of frequency when delivering financial education including in the earlier years
- teachers tried to make learning as interactive and fun as possible to support engagement in the subject. Having a variety of resources and being able to offer exposure to a range of different money skills and experiences was key, and teachers reported the children enjoying singing songs to learn about money, role-playing shops and emulating adults, interactive whiteboard activities, Enterprise Days, counting real money for a specific purpose, problem solving and using external speakers.
- teachers find that children aged four to six years find working out change is particularly challenging when they do not yet know about higher place values or decimalisation.

Digitalisation of money and transactions

6.2.6 Financial education will need to evolve continuously in order to address the changing ways in which we interact with and use money. MaPS' 2019 Children and Young People Financial Capability Survey found that, among 7 to 11 year olds:

- Just over half (51%) have seen their parents make payments using their mobile phone or online
- Almost a quarter (23%) have paid for things online (with their own or their parents' money), and
- Of those, over a third (36%) have made an online purchase without adult supervision, up from 29% in 2016.

A rapid literature review on young people's access to money guidance online, recently published by MaPS, found that many young people do not have the necessary financial and digital skills and insights to manage their finances online[16].

6.2.7 Teachers in the MaPS' study of financial capability of 4 to 6 year olds recognised the digitalisation of money as a challenge when teaching this age group about money. Some of the teachers interviewed said that classroom-based activities with coins and notes alone felt outside of the 'real world' context when children have fewer

[14] Analysis of the 2019 UK Children and Young People's Financial Capability Survey. The published reports can be found at https://moneyandpensionsservice.org.uk/2020/01/21/uk-children-and-young-peoples-survey-financial-capability-2019/

[15] *Children and young people's financial capability: Four to six year olds* (MaPS, 2019)

[16] *Young People and Money: A review of young people's use of online information and advice* (MaPS, May 2021)

everyday opportunities to see cash being used. Subject matter experts taking part in a recent workshop on how to measure financial capability among four to six year olds (report forthcoming) raised similar points and argued that Covid-19 has reduced children's opportunities to visit shops and handle money.

Developing the evidence base through MaPS' financial education programmes

6.2.8 Through our pathfinder and innovation programmes, MaPS is working with partners to strengthen knowledge about what works to improve the financial capability of children and young people and ensure provision reaches all those who need it. The projects will complete by the end of 2021, and findings will be disseminated widely in order to inform future policy and strategy.

6.2.9 Our pathfinder in Wales – delivered by Young Money, two regional education consortia[17] and the University of Edinburgh – is testing approaches to embedding and scaling delivery of financial education professional learning for teachers. It focuses on the transition from primary to secondary schools, and aims to help teachers to strengthen the financial education they offer in the context of the new Curriculum for Wales. The impact of e-learning and face-to-face (mostly virtual) approaches will be tested, with the evaluation assessing the impact of the professional learning on teacher confidence, skills and knowledge. By working in partnership with regional education consortia, the project explores the viability of embedding financial education professional learning and resources within regional school improvement and teacher professional learning systems.

6.2.10 Our pathfinders in Northern Ireland and Scotland are testing approaches to scaling the delivery of practitioner training to help parents and carers teach their primary school aged children about money. The pathfinder will deliver Talk, Learn, Do training to practitioners that work with parents and carers, giving them the tools they need to build financial education into the support they already offer. In Northern Ireland, the pathfinder is being delivered by Reed in Partnership and IFF Research. Campaign for Learning is leading a consortium to deliver the pathfinder in Scotland, with Children in Scotland, One Parent Family and Scotcen.

6.2.11 Projects being taken forward as part of our Innovation Programme will provide learning to inform future developments in financial education for primary school aged children – with an evaluation being led by Ecorys UK with the Personal Finance Research Centre at the University of Bristol. Relevant projects include:

- 'Milo's Money', developed by Just Finance Foundation, a new programme and suite of resources for primary schools, including a story book, game, and pull-out activities for four to seven year olds, as well as an online hub, blog and social area for teachers
- the 'Love Learning about Money Together' programme supporting parents to help their young children (under the age of seven) learn about money – building on Talk Learn Do and other interventions, delivered by NCFE +

[17] The four regional education consortia are groups of local authorities, funded by Welsh Government to deliver school improvement and teacher professional learning.

Campaign for Learning, Cardiff Parenting, Bristol City Council & One Parent Families Scotland

- two guided learning programmes for Primary 1 to Primary 3 children, delivered by Young Enterprise Northern Ireland, including using digital and story-telling approaches and an online platform for schools
- piloting of an online with digital financial education resources for teachers, led by Young Enterprise Scotland. The portal will include webinars, Continuing Professional Development sessions, self-directed e-learning content, an online financial education progression framework for the Scottish curriculum, and a searchable database of good practice examples.

Measuring outcomes of financial education

6.2.12 The Money and Pensions Service has a suite of [outcomes frameworks]() to help organisations measure changes in people's financial wellbeing, including for those delivering financial education to children and young people and parents/carers. The frameworks include indicators and potential evaluation questions for different age groups, helping providers measure changes in financial wellbeing, behaviour and capability. The frameworks are widely used by financial education funders and providers, align with Young Money's Financial Education Planning Frameworks, and could be used to support the development of tools for teachers to assess the impact of their own provision.

6.3 Where is current provision offered, what works and do any societal and economic factors impact provision?

6.3.1 MaPS' research indicates that many children and young people are not currently getting a meaningful financial education. Among primary school aged children specifically:

- Just over a third (33%) recall learning about money at school (38% of 7 to 17 year olds). This represented a fall of seven percentage points since 2016.
- Just over a fifth (21%) receive all of the three key elements of financial education at home associated with higher levels of financial capability – receiving regular money through work or pocket money, having parents who set rules about money and having parents who give them responsibility for some spending decisions (25% of 7 to 17 year olds).
- Close to six in ten (58%) receive regular money (for example pocket money), a key factor associated with higher levels of financial capability. Although, almost all (95%) receive some money – regular or irregular (e.g. gifts, rewards, special occasions)
- 42% are receiving a financial education at home or at school[18].

[Figures for each of the four UK nations are provided in Annex A]

[18] Analysis of the *2019 CYP Financial Capability – UK Children and Young People's Survey* (Money and Pensions Service, 2020)

6.3.2 The proportion of children recalling having received financial education at school varies by geography and demographics:

- Across the four UK nations, from 37% of 7 to 17 year olds in England to 45% in Scotland.
- Across the English regions, ranging from 45% of 7 to 17 year olds in London recalling learning about money at school to 40% in Yorkshire and the Humber, 34% in the West Midlands and 29% in the North West. In statistical terms, children and young people living in London are significantly more likely to recall receiving financial education at school compared to those living in South East, South West, North West, East and West Midlands. In addition, those growing up in North West are significantly less likely to recall receiving financial education at school compared to those living in London, South East, East of England and Yorkshire and Humber. [*Figures for each of the English regions are provided in Annex A. When reviewing regional data, please note the margin of error due to small base sizes.]*
- Children from lower income households were less likely to recall having had financial education than their peers (36% of seven to 17 year olds in lower income households, compared to 42% in high income households). Those living outside cities, and those growing up in more deprived areas also appear to have slightly lower levels of recall for learning about managing money at school[19].
- Children and young people (aged 7 to 17) with learning difficulties or social or behavioural difficulties are less likely to recall learning about managing money at school (33% and 31% respectively)[20].

6.3.3 In 2019, MaPS and UK Finance came together to map the current state and reach of financial education programmes across the UK, through a call for information to financial education funders and providers. The study analysed data relating to 94 financial education interventions for children and young people, with a reported annual reach of around 3.1m and annual spend of around £7.3m. Analysis has not been broken down by target age range, however the overarching findings included:

- Financial education programmes were most commonly aimed at older children. The largest number of interventions and interventions with the largest total amount of spend included 16 to 17 year olds among their beneficiaries (72 interventions, total spend of £5.6 million). *[It was not possible to establish number of children in each age group reached by interventions with the data provided].*
- Interventions that targeted children and young people as the primary audience received the highest level of funding (£5.9m, 81%), with a significantly lower amount of funding going into interventions targeting teachers (£2.8m, 39%) and parents (£1.3m, 18%).

[19] UK Children and Young People's Survey 2019: Financial Education in Schools, MaPS, December 2019.
[20] UK Children and Young People's Survey 2019: Financial Education in Schools, MaPS, December 2019.

- Direct delivery to children and young people and learning resources, were the most common methods of delivering (66 interventions/70% and 60 interventions/64% respectively.
- Online delivery was used in only six of the mapped interventions, although these interventions represented a total reach of just under two million children and young people, approximately 22% of the under 18 population.
- 45 (48%) of the mapped interventions included a focus on children and young people with specific needs and/or in vulnerable circumstances (total annual reach just under 2.2m, total spend just under £4.2m) *[Note: the data did not allow for an estimation of the numbers of children with specific needs actually reached or targeted by spend, only the reach and spend of the intervention as a whole].*
- Financial services continued to be the biggest funder, partly or wholly funding interventions that represented 59% of total spend and 72% of total reach. The reported attributable spend from financial services was just under £2.5m, and financial services contribute to projects worth £4.3m overall.
- Voluntary and community organisations were the largest sector in terms of the number of interventions: they delivered 55 interventions, either alone or in partnership, with a total reach of nearly 2.1m. Schools and colleges delivered eight interventions with a reach of nearly 1.3m.
- For interventions that targeted 7 to 11 year olds, the most frequently covered topics were: making spending and saving choices; understanding ways to save; and needs vs wants. The least covered topics were: using money abroad/exchange rates/currencies; choosing and using investments; and choosing and using pensions.

6.3.4 The study outlined above focused on the delivery of financial education programmes, many of which support schools. However, there is limited data on schools' own day-to-day delivery of financial education through the curriculum or extracurricular activities, and engaging schools in surveys to gather such evidence has proved challenging. However, in 2018, one of the MaPS' legacy bodies, the Money Advice Service, undertook a survey of secondary schools in England, and some of the findings may be relevant to the primary school phase[21]. The research found that:

- schools reported that financial education was delivered relatively infrequently – half of schools reported delivering financial education once or twice a term or less frequently
- some financial education topics are covered more often than others – for example, while most schools surveyed teach financial numeracy or calculations (92%), only four in ten gave learners the opportunity to experience planning a budget
- financial education is most commonly delivered by teaching staff without relevant training or qualifications (88% of schools used this approach)

[21] *Financial education in secondary schools in England* (Money Advice Service, 2018)

- the top barriers to delivering more financial education identified by schools were a lack of time in timetables (50%), lack of space within the curriculum (34%), the cost of delivery (32%) and concerns that they do not having the necessary skills or knowledge (28%)
- three fifths (59%) of schools and colleges feel they have the necessary knowledge and skills to support their learners develop financial skills, and just under half (49%) had a good understanding of what external agencies provide money advice or financial education and are able to signpost learners to them
- more than 9 in 10 schools believe improving children and young people's financial capability is part of their role, and almost three quarters (72%) of schools offering some kind of financial education said they wanted to increase their provision.

MaPS is working with governments across the UK to explore ways we can collaborate to monitor the level and quality of financial education within school in order to build a fuller picture of children and young people's access to learning about money.

6.4 What are the key learnings from changed provision as a result of COVID-19 restrictions?

6.4.1 This year, MaPS conducted five rapid evidence reviews to examine the impact of the Covid-19 pandemic on financial wellbeing and therefore delivery of the strategy's five national goals, including on building financial foundations. There is limited focus on financial education in reports published to date on the educational impact of Covid-19 across the UK – with no specific focus on money learning in evidence on the impact on maths and numeracy and only occasional reference to personal development, health and wellbeing subjects, citizenship and economics education. However, the review identified a number of impacts that will be relevant to primary financial education delivery going forward:

- Schools and teachers are focused on recovery in terms of core subjects and wellbeing priorities – such as reading, writing, maths, behaviour and fine motor skills – potentially limiting their capacity to focus on wider areas of learning such as financial education
- Covid-19 has exposed and amplified economic inequalities, with the potential to affect children's financial education in the home, for example limiting their experiences of spending and saving money
- Aspects of early childhood development will have been disrupted for some children, with implications for their development of early numeracy and literacy skills – both of which are linked to financial capability levels
- Lockdown and quarantine stimulated the beginning of a 'digital revolution' in schools with teachers using new platforms and resources to reach their learners – which presents opportunities for the digitalisation of financial education where appropriate and shown to have a positive impact[22].

[22] *Financial Foundations and COVID-19: A rapid evidence review* (Money and Pensions Service, The Money Charity, 2021)

6.4.2 Delivery of the Children and Young People Pathfinders was significantly affected by Covid-19, resulting in some adaptation of delivery (for example virtual delivery of classroom workshops and teacher training). Evaluation may provide valuable learning for future financial education developments, and we will be happy to share findings with the APPG when they are available later this year.

6.5 What outcomes or impact have you seen as a result of primary school aged financial education?

6.5.1 Analysis of the Children and Young People Financial Capability Survey indicates that financial education in school makes a difference. Children and young people aged 7 to 17 who recall having learned about managing money in school are more likely to:

- in terms of **behaviours**
  - save up frequently (e.g. 34% often saving for a specific item, compared to 28% of those who did not recall learning about money at school)
  - demonstrate better day-to-day money management (e.g. 69% knowing how much money they have in total, compared to 58% of those who did not recall learning about money at school)
- in terms of **connection**
  - have a bank account (70%, compared to 58% of those who did not recall learning about money at school)
  - if they have a bank account, to use it themselves either by putting money in (55%, compared to 43%) or taking money out (55%, compared to 49%).
- in term of **mindset**, be confident managing their money (50%, compared to 41% of those who did not recall learning about money at school) *[Note this question is only asked of children aged 11 to 17]*

6.5.2 Of those children aged 7 to 11 who report learning about how to manage money at school, more than nine out of ten (92%) said they found it useful.

6.6 What can be done to support an increase in provision to primary school aged children?

6.6.1 MaPS will continue to work with partners across government, financial services and the financial education sector to deliver on the UK strategy national goals, including ensuring two million more children and young people receive a meaningful financial education by 2030.

6.6.2 Our analysis and the input of financial education experts suggests that the financial foundations national goal can only be achieved if:

- more parents and carers have the confidence and tools to talk to their children about money and help them develop strong financial foundations
- more teachers and have the confidence, skills and tools they need and more school leaders champion the value of learning about money, and

- children and young people in vulnerable circumstances access financial education that meets their specific needs.

6.6.3 Later this year, MaPS will publish UK Strategy Delivery Plans for England, Northern Ireland, Scotland and Wales, setting out the actions we and others will take over the next three years to deliver on this goal. In addition, our Corporate Plan for 2021-22, to be published in summer 2021, and our three-year Corporate Strategy for 2022-23 to 2024-25, will set out further details on MaPS' future financial education programme.

For queries relating to this submission and MaPS' financial education programme, please contact Zoe Renton, Policy and Propositions Manager, Children and Young People, at zoe.renton@maps.org.uk.

Annex A: Children and Young People Financial Capability survey 2019 – data by UK nation (7 to 17 year olds and 7 to 11 year olds) and by English region

The national UK measure and recall of financial education in schools: 7 to 17 year olds

Money & Pensions Service

Percentage of CYP receiving a meaningful financial education: 7 to 17 year olds	UK	England	Scotland	Wales	Northern Ireland
Source: CYP Financial Capability Survey 2019					
1.Receiving a meaningful financial education at home	25%	24%	26%	25%	25%
2. Recall learning about how to manage money in school	38%	37%	45%	40%	39%
3a. Recall learning about how to manage money in school AND find it useful *(among all 7- to 17-year-olds)*	34%	33%	40%	35%	35%
3b. Of those who recall learning about how to manage money in school, this percentage found it useful.	90%	90%	93%	88%	90%
Receiving a meaningful financial education at home or in school (Financial Foundations UK Strategy Measure)	**48%**	**47%**	**54%**	**50%**	**49%**

*: It is important to note that, as in 2016, the recall of learning about managing money in schools is reported by the children themselves; teachers may have a different perspective and, as financial education is often integrated within other subjects, the children may not always have been aware that they were learning about managing money specifically.

Money and Pensions Service and UK Finance

The national UK measure and recall of financial education in schools: 7 to 11 year olds

Money & Pensions Service

Percentage of CYP receiving a meaningful financial education: 7 to 11 year olds	UK	England	Scotland	Wales	Northern Ireland
Source: CYP Financial Capability Survey 2019					
1.Receiving a meaningful financial education at home	21%	21%	24%	23%	17%
2. Recall learning about how to manage money in school	33%	32%	40%	40%	29%
3a. Recall learning about how to manage money in school AND find it useful *(among all 7- to 11-year-olds)*	30%	29%	36%	36%	25%
3b. Of those who recall learning about how to manage money in school, this percentage found it useful.	92%	91%	97%*	94%*	90%
Receiving a meaningful financial education at home or in school (Financial Foundations UK Strategy Measure)	**42%**	**41%**	**49%**	**49%**	**35%**
When prompted (shown a list of money related topics), percentage who recall learning three or more of these topics (Analysis done for ages 7 to 10 only)	*63%*	*64%*	*64%*	*68%*	*53%*

Base size for 1,2: UK (1810), England (1021) Scotland (350), Wales (240), Northern Ireland (199)
Base size for 3a and 3b: UK (1810), England (747) Scotland (130), Wales (95), Northern Ireland (57); please note base sizes are smaller than 100 for Wales and NI.

The national UK measure and recall of financial education in schools: 7 to 17 year olds across England Government Official Regions

Money & Pensions Service

Region	Percentage who recall receiving financial education at school (Highest to lowest)
London	45%
East of England	43%
Yorkshire and the Humber	40%
South East	38%
England	37%
North East	35%
West Midlands	34%
East Midlands	32%
South West	31%
North West	29%

Region	Percentage who receive meaningful financial education at home (Highest to lowest)
North East	32%
Yorkshire and the Humber	29%
North West	26%
West Midlands	26%
South West	25%
England	24%
South East	24%
East Midlands	23%
London	22%
East of England	20%

Above England average
Below England average

Source: Children and Young People FinCap Survey 2019 (Composite measures based on a number of questions)

Please note that due to small base sizes at Government Region level, these figures have a margin of error of plus or minus 5.1 to 10.9 percentage points at the 95% confidence level.