

CHASM Financial Education Workshop

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Today



- Why financial education matters
- What we know about where things are at
- What we're doing about it

Why financial education matters



Too many young adults are making money mistakes, and are over-indebted

Increasingly early opportunities to spend, often 'invisible'

At least 2.5m young people should be getting financial education; majority are not



Children's self-control ability, developed from age 3, is as likely as IQ & socioeconomic status to predict adult financial outcomes

Evidence is mixed, but there are approaches that work - timing and delivery method matters

Many financial behaviours in place by 12; attitudes by age 7

CYP financial capability survey



Nationally representative survey of 4-17 year olds in UK

- 4958 respondents took part, March June 2016
- Interviews carried out online (60%) and face-to-face (31%)
- Data weighted to represent population breakdown in each nation
- Additional interviews in Devolved Nations, & with 15-17 year olds
- Initial results released at Financial Capability Week
- Full report early spring Research Conference 28 March



When looking at 16- to 17-year-olds:



% say they haven't had experience of putting money into a bank account







Less than **HALF** (43%)

of young people aged 12-17 are confident managing their money

We are concerned by this because our findings suggest a link between confidence in managing money and money behaviours – in particular, those who are low in confidence are less likely to shop around, and tend to save less money:





 If given £10, those with low confidence would save less of it than those who were confident



 Those with low confidence were also much less likely to say they save money most or every time they get some



 Those with low confidence were also much less likely to say they shop around

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only 4 in 10

children aged 7-17 say they have learned about money management at school



Positively, 9 in 10 young people

who said they had learned about money management at school said it was useful







3 in 4 children

talk to their parents about money

3 in 4 parents

say they are a good role model



Considering this, it is surprising that:



Only 3 in 5 parents

feel confident talking to their children about money

Only 1 in 3 parents

talk to their children about household finance although this does increase with age



Furthermore, parents' behaviour may not always set the best example:







% don't feel confident managing money



% find keeping up with their credit commitments and bills a burden



Financial education in the UK



- Provision is patchy, relatively small scale
- There are important gaps
- Focus often remains on knowledge not applied to 'real life'
- Too few teachers and other practitioners have had financial education training
- Little robust evidence of outcomes and impact
- Parents are also important, yet there is little support

 But – there are examples of excellent delivery, commitment, and opportunities to build on

CYP theory of change + 16/17 activities Advice Service Advice Service

MAS activities 16/17

Outputs

Short term outcomes

Medium term outcomes

Ultimate outcomes

NEEDS

CYP & Parents
Fin Cap survey

research

BCS70 research

WHAT WORKS

EEF/YE 'Maths in Context'

Talk Learn Do

What Works
Fund projects

Evidence hub

Fin Ed Quality Mark

PROVIDERS

Provision Mapping SIB scoping & feasibility testing

CO-ORDINATION

principles

TSIP

Evaluation toolkit

Sharing learning / stakeholder engagement

Policy influence incl. APPG

Robust overview of need, provision,

funding, and gaps in

market

Growing +
increasingly diverse
evidence base for
what works to for
different ages /
needs

Clear business case for relevance and priority of financial education

Mechanisms and partnerships established to share learning, co-design solutions, develop and manage market

Increased evaluation capacity and capability within sector Increased use of evidence to inform intervention design

Increased % interventions being evaluated robustly

Increased % funding directed towards evidence-based and wellevaluated provision

Increased £ funding targeted at identified need and filling gaps

Improved awareness, knowledge, and capability of practitioners & teachers

National policy prioritises evidence-based financial education

Funding system incentivises innovation & 'what works'

Diverse and sustainable funding system for financial education Improved educational experiences for CYP

Increased delivery at scale of education that works, to meet identified need

Increased positive parenting influences

Increased success to support networks (including positive peer influences) All CYP will get the financial education they need by 2025

Improved knowledge and skills

Increase in positive attitudes and motivations

Increased connection and access to products/risk

Increase in financially capable behaviours of young people

Leading to a future generations of adults who make good financial decisions

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Some key projects



1. Financial Education Quality Mark

2. What Works Fund

3. Education Endowment Foundation & Young Enterprise – Maths in Context

4. Vulnerable CYP

5. Evaluation support

Tools & resources











To see guidance on how to use the tool click here

Teachers Outcome Framework

How to use this tool:

Select the appropriate area below

School-wide Enablers

General pedagogical practice

Financial education, attitudes, knowledge and practice

Championing and promoting financial education

View Output File







To see guidance on how to use the tool click here

Children, young people (CYP) and parents Outcome Framework

How to use this tool:

Select the appropriate area below

3 - 5 yrs

5 - 7 yrs

7 - 11 yrs

11 - 14 yrs

14 - 16 yrs

16 - 18 yrs

Parents

Picture Questions

View Output File

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Thought prompts



- What are the barriers to knowing and doing what works?
- Where are the opportunities to overcome these?
- What more, or different, can we all do to help make it happen?





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