

Department for Work and Pensions

Research Report No 275

Financial education: A review of existing provision in the UK

Jude England and Papiya Chatterjee

A report of research carried out by ECOTEC Research and Consulting Ltd on behalf of the Department for Work and Pensions

Corporate Document Services

© Crown Copyright 2005. Published for the Department for Work and Pensions under licence from the Controller of Her Majesty's Stationery Office by Corporate Document Services, Leeds.

Application for reproduction should be made in writing to The Copyright Unit, Her Majesty's Stationery Office, St Clements House, 2-16 Colegate, Norwich NR3 1BQ.

First Published 2005.

ISBN 1 84123 870 8

Views expressed in this report are not necessarily those of the Department for Work and Pensions or any other Government Department.

Printed by Corporate Document Services.

Contents

Acknowledgements	vii
The Authors	viii
Abbreviations	ix
Summary	1
1 Introduction	11
1.1 The aims and scope of the review	12
1.2 Review methodology	12
1.3 Report structure	13
2 The policy and delivery context	15
2.1 The policy context	15
2.1.1 <i>Beginnings</i>	15
2.1.2 <i>DWP and Informed Choice</i>	18
2.1.3 <i>The Financial Services Authority's financial capability strategy</i>	19
2.2 The key players: policy and delivery	19
2.2.1 <i>The role of UK Government education departments</i>	20
2.2.2 <i>The Financial Services Authority</i>	21
2.2.3 <i>The role of the Basic Skills Agency</i>	23
2.2.4 <i>The role of the DWP</i>	23
2.2.5 <i>H.M. Treasury</i>	24
2.2.6 <i>The role of non-governmental organisations</i>	24
3 An overview of provision for those in compulsory education	27
3.1 Target audiences for pre-16 provision	28
3.2 Financial education in UK schools	28
3.2.1 <i>The position in England</i>	29

3.2.2	<i>The position in Wales</i>	31
3.2.3	<i>The position in Scotland</i>	32
3.2.4	<i>The position in Northern Ireland</i>	33
3.2.5	<i>Extent of financial education in UK schools</i>	34
3.3	The FSA's schools project	36
3.4	Examples of support for the provision of financial education through schools	37
3.4.1	<i>pfeg: England and Wales</i>	38
3.4.2	<i>Face2Face: England, Wales and Scotland</i>	39
3.4.3	<i>NINE/GCCNI: Northern Ireland</i>	41
3.4.4	<i>SCFE: Scotland</i>	41
3.4.5	<i>The Real Game: Wales</i>	42
3.5	Examples of general non-school based provision for young people	42
3.6	Marketing methods	43
3.7	Take up of, and retention on, non-school-based provision	43
3.7.1	<i>Take up of provision from non-governmental sources</i>	43
3.7.2	<i>Take-up of website-based provision</i>	44
3.8	The content of school- and non-school-based provision, including coverage of long-term planning	44
3.9	Methods of delivery	46
3.10	Qualifications/accreditation	47
3.11	Methods of measuring impact and effectiveness	48
3.12	Outcomes and effectiveness	50
3.12.1	<i>OFSTED inspections</i>	50
3.12.2	<i>Establishment and measurement of outcomes</i>	51
3.13	Funding and sustainability	53
4	An overview of post-16 provision	55
4.1	Key influences on post-16 provision of financial education	55
4.2	Target audiences	57
4.3	The purpose, scope and objectives of provision	57
4.3.1	<i>Adult and community learning, focusing on the socially excluded</i>	58
4.3.2	<i>Provision of information and on-line learning through websites and CD ROMs</i>	62
4.3.3	<i>Delivery of financial education related to the workplace</i> ...	63
4.3.4	<i>Provision for young adults in post-compulsory education</i>	65
4.3.5	<i>Provision for older adults</i>	66

4.4	Marketing methods	66
4.5	Take-up and retention	67
4.6	Content, including coverage of long-term planning	68
4.6.1	<i>Coverage of long-term saving/planning issues within all areas of provision</i>	70
4.7	Methods of delivery	72
4.8	Qualifications and accreditation	72
4.9	Methods of measuring impact and effectiveness	74
4.10	Evidence of effectiveness	78
4.11	Funding and sustainability	80
5	Conclusions and recommendations	83
5.1	Conclusions	83
5.1.1	<i>Pre-16 provision</i>	83
5.1.2	<i>Post-16 provision</i>	85
5.2	Recommendations	87
Appendix A	The methodology	89
Appendix B	Stakeholders consulted	97
Appendix C	Summary of financial capability at each key stage in England and examples of content from NatWest Face2Face and the Scottish Centre for Financial Education	99
References	105

List of tables

Table 1.1	Analytical framework for each financial education programme identified	13
Table 2.1	Roles of key players in the development and delivery of financial education	20
Table 3.1	Take-up and retention of provision for pre-16 and those in compulsory education	44
Table 3.2	Examples of pre-16 provision and long-term planning	45
Table 3.3	Monitoring and evaluation of provision for pre-16s	49
Table 4.1	Sample of long-term planning/saving issues	71
Table 4.2	Monitoring and evaluation methodology	75
Table 4.3	Summary of evidence of effectiveness of the delivery of provision	79
Table A.1	Analytical framework for each financial education programme identified	90

Acknowledgements

This research was commissioned by the Department for Work and Pensions. The authors would like to thank a number of people for their invaluable contributions to the review: Fraser Macleod, Isobel Hines, Janet Hill, Jan Grainge, and Elizabeth Ross. Thanks are also due to the stakeholders who contributed to the report, for so willingly giving their time and views. Finally, we must thank Kate McPhillips, Rachel Gardner, Lisa Hancox and Natalie Worrall at ECOTEC for their assistance at various stages throughout the project.

The Authors

Jude England is an Associate Director at ECOTEC based in the London office. She has 30 years' experience in social policy research and consultancy. Jude specialises in the evaluation of policy and programmes aimed at reducing social exclusion. Jude is a member of our employment and labour markets thematic group and has been involved in a wide range of work for the Department for Work and Pensions (DWP) including a review of initiatives provided under the ethnic minority ward performance resources, research into staff perspectives on safety in jobcentres and the evaluation of the work of lone parent advisers.

Jude leads our theme on children, young people and families, and our work on financial capability. She was responsible for the management of our work on the evaluation of the Community Finance and Literacy initiative and is involved in the evaluation of projects delivering financial education for the Financial Services Authority (FSA) and Citizens Advice.

Papiya Chatterjee is a Research Manager with extensive experience in analysis and qualitative interviewing. Following her undergraduate degree in Economics, she gained experience in the financial services sector working in the audit (focusing on pensions audits) and tax departments of Big Four Professional Services. She recently completed research into recruitment, skill and training needs of accountancy companies on behalf of the Institute of Chartered Accountants. This study looked at integrative learning between workplace and qualification for trainee chartered accountants and exploring the skills needed to become a successful business adviser in the world of professional financial services. She conducted literature reviews, semi-structured interviews, and carried out observations in firms ranging from small firms to Big Four Professional Services, with personnel from human resources (HR) to line managers to partners.

Abbreviations

ABCUL	Association of British Credit Unions Limited
ACCAC	Qualifications, Curriculum and Assessment Authority for Wales
ACL	Adult and Community Learning
AdFLAG	Adult Financial Literacy Advisory Group
APR	Annual Percentage Rate
BSA	Basic Skills Agency
CA	Citizens Advice
CBI	Confederation of British Industry
CCEA	Council for Curriculum, Examinations and Assessment
CeFS	Certificate in Financial Studies
CFLI	Community Finance and Learning Initiative
CPD	Continuing Professional Development
DfEE	Department for Education and Employment
DfES	Department for Education and Skills
DipFS	Diploma in Financial Studies
DWP	Department for Work and Pensions
FE	Further Education
FLOP	Financial Literacy for Older People
FSA	Financial Services Authority
FSfL	Financial Skills For Life

GCCNI	General Consumer Council Northern Ireland
GCSE	General Certificate in Secondary Education
HE	Higher Education
HMT	Her Majesty's Treasury
IAG	Information, Advice and Guidance
ICT	Information and Communication Technology
KS	Key Stage
LA	Local Authority
LEA	Local Education Authority
OFSTED	Office for Standards in Education
OFT	Office of Fair Trading
NFER	National Foundation for Educational Research
NIACE	National Institute of Adult and Continuing Education
NINE	Northern Ireland Network for Education
PAT 14	Policy Action Team 14
PFE	Personal Finance Education
pfeg	Personal Finance Education Group
PSHE	Personal, Social and Health Education
PRA	Pre-Retirement Association
PRU	Pupil Referral Unit
PSHE	Personal and Social Education
QCA	Qualifications and Curriculum Authority
RBS	Royal Bank of Scotland
RE	Religious Education
SAFE	Services Against Financial Exclusion
SCFE	Scottish Centre for Financial Education
SG	Savings Gateway
UFI	University for Industry

Summary

The Department for Work and Pensions (DWP) commissioned ECOTEC Research and Consulting Ltd to carry out this review of the current provision and effectiveness of financial education throughout the UK, with the aims of:

- drawing together existing information and contributing to the future development of Informed Choice policy on financial education as a whole; and
- facilitating a presentation to the US-UK Dialogue on Pensions conference in July 2005.

The review explored the range and effectiveness of personal finance education provision across the UK, looking at that provided both pre- and post-age 16¹ and included coverage of long-term planning and saving issues. It was conducted through two key methodologies – a desk-based literature review and interviews with twenty key stakeholder organisations. A number of supplementary consultations were also carried out once the report was in the process of production.

It is important to emphasise that the main role of the review was to draw out the key themes and examples of the type and range of financial education available, as well as comment on its effectiveness. As time was limited², our attention focused on the major players, activities and issues; we did not attempt to audit all financial education in place.

The selection of stakeholders for interview was drawn up in discussion between the research and commissioning teams with two aims: to provide a check on whether any significant provision or strategic developments had not been identified in the existing material provided by the commissioning team or through our own desk based review; and to obtain their views on the effectiveness of specific initiatives. The latter have formed the core of the examples of delivery used throughout the report³.

¹ The review divided into pre- and post-age 16 as this is the age at which compulsory participation in education ends in the UK.

² The review was commissioned at the start of April 2005, and the final report completed in July 2005.

³ The stakeholders included representatives from Government departments/agencies, the financial services industry, and the community and voluntary sector.

We found that the following key players work in partnership to provide financial education in the UK for those aged both under-16 and post-16:

- the Department for Education and Skills (DfES) in England; the Welsh Assembly in Wales; The Scottish Executive with the support of Learning and Teaching Scotland (LT Scotland) in Scotland; and the Department of Education in Northern Ireland;
- the DWP;
- H.M. Treasury;
- the Financial Services Authority (FSA);
- the Basic Skills Agency (BSA);
- financial services industry;
- community and voluntary sector; and
- Local Education Authorities (LEAs), schools, and other educational institutions (Further Education (FE)/Higher Education (HE)/Adult and Community Learning (ACL)).

Financial education for the pre-16s

Summary of provision

Provision of financial education for this age group is mainly through the statutory education system, and differs slightly across the UK in line with each constituent country's curriculum. Even so, the purpose of financial education provision across all four countries is the same: to facilitate the acquisition of skills, knowledge, understanding and responsibility. Inclusion of the subject in the curriculum of a school is voluntary, though the respective education departments of all four UK constituent countries encourage its coverage. A brief description of the different approaches follows.

England

In England, the DfES aims to integrate financial education into the standard national curriculum through the key stages (KS)⁴ 1-4 (i.e. ages 5-16), and has issued best practice, non-statutory guidance⁵ for schools to support teachers. This guidance sets out the opportunities for pupils to develop financial capability through:

⁴ KS1 is age 5-7 (year groups 1-2). KS2 is age 7-11 (year groups 3-6). KS3 is age 11-14 (year groups 7-9). KS4 is age 14-16 (year groups 14-16). At KS 1, children are taught about what money is and where it comes from; by KS4, they should be taught to use a range of financial tools and services, including budgeting and saving, in managing personal money. This structure also applies in Wales.

⁵ Financial Capability through Personal Financial Education; DfES Guidance for Schools at KS 1,2, 3 and 4.

- Personal Social and Health Education (PSHE) and citizenship;
- their work in mathematics, business studies and other subjects; and
- wider school activities such as work with business and the community.

From September 2005, financial capability will be an integral part of enterprise education⁶, offering a further opportunity for young people to improve their financial capability.

The DfES guidance places emphasis on personal finance education through the key stages as follows:

- for 5 to 11 year olds, KS1 and 2 cover understanding of money and simple decision-making; KS2 includes the role of saving for future needs;
- between 11 and 14, KS3 moves into understanding the use of money, influences on behaviour, insurance, risk, social and moral dilemmas; and,
- KS4 (for 14 to 16 year olds), includes practical money management and financial decision-making, use of financial tools, risks and returns of longer-term savings and investment, and the wider social, moral and ethical consequences of personal financial decisions.

Long-term planning is introduced within the PSHE curriculum at KS4 and, in terms of pensions, covers understanding of practical issues such as how pension schemes work. It also sets out to enable pupils to understand the different financial priorities and needs people have over the course of their lives.

According to FSA research carried out in 2002⁷ among schools in England, 60 per cent of primary schools were teaching five out of nine topics from the DfES guidance on financial capability; 69 per cent of secondary schools were teaching five out of eight topics. Primary schools used mathematics as the main conduit for teaching personal finance education, while secondary schools used PSHE.

Wales

The Welsh Assembly has overall responsibility for education in Wales, though Wales receives the same overall educational guidance from the DfES as England. Welsh schools have received the DfES best practice, non-statutory guidance on financial capability.

At present, financial awareness is included within the vocational strand of the Personal and Social Education (PSE) framework, though there is no national

⁶ From September 2005, schools will receive funding to provide all pupils at KS 4 with the equivalent of five days enterprise activity. This includes the following elements: enterprise capability (supported by better financial capability), economic and business understanding.

⁷ FSA Consumer Research 11, January 2002 'Personal Finance Teaching in Schools'.

programme for financial education. A review of the curriculum for seven to 16 year olds is currently underway, which will be looking at PSE, and at the possibility of placing financial capability within mathematics. There will also be a shift towards a skills-oriented curriculum; it is anticipated that there will be greater scope for the integration of financial education within this revised programme.

We were unable to establish the full extent of current provision of financial education in Wales. However, a number of programmes for under-16s such as 'the Real Game', Personal Finance Education Group (pfeg) and NatWest initiatives, all run, or have taken place, in Wales.

Scotland

The Scottish Executive is responsible for education in Scotland; but LT Scotland – a non-departmental public body – has been given responsibility for curriculum review and advising the executive on education policy. The Scottish Executive's financial exclusion plan suggests that local authorities should support financial education in schools in line with local needs and with the FSA's overall approach to financial capability.

The Scottish Centre for Financial Education (SCFE) was established by LT Scotland to help teachers, schools and education authorities provide a high standard of financial education to meet the needs of all their learners. While part of LT Scotland, SCFE is funded by a number of sources, including the Scottish Executive, The Royal Bank of Scotland, the FSA and the Stewart Ivory Foundation. Its objectives are to:

- encourage the integration of financial literacy into the Scottish curriculum;
- equip teachers with the skills to teach financial literacy in schools;
- develop teaching resources and promote new and existing commercially-produced resources to schools; and
- encourage the sharing of best practice amongst teachers and local authorities.

No large scale audit of provision has taken place in Scotland as yet, though a survey conducted by the Royal Bank of Scotland (RBS) in 2004⁸ found that around two-thirds of teachers felt their school did offer some financial capability teaching.

Northern Ireland

In Northern Ireland, education is the responsibility of the Department of Education, Northern Ireland. Financial literacy is identified as an important element in both primary and secondary education. At present, mathematics and home economics include elements of financial education but Northern Ireland ministers have agreed that the content in mathematics should be reviewed. The department has also identified teacher competence as a key constraint to effective delivery, and the

⁸ 'Financial Future of UK's Cash-Rich Kids Hangs in the Balance' RBS 2004.

Council for Curriculum, Examinations and Assessment (CCEA) will begin to address this via a project on financial capability in mathematics. Furthermore, revisions to the curriculum are due to come into place in 2007 and will clarify requirements around financial education.

The General Consumer Council of Northern Ireland (GCCNI) is also involved with promoting the concept of financial and consumer capability in schools. GCCNI have extensive resources in place to support consumers in terms of financial literacy from web-based materials to competitions for children. The Northern Ireland Network for Education (NINE) produces resources to help students understand the value of money and saving.

No large scale audit of provision has taken place in Northern Ireland so it was not possible to estimate the scope of current practice.

Non-governmental players across the UK

As indicated above, a number of non-governmental players are involved in pre-16 provision across the UK. Notable examples include: pfeg, NatWest Face2Face/RBS, FSA, Connexions, Young Scot, National Youth Agency, GCCNI, NINE, and SCFE. They provide teaching resources, training, advice, websites for resources and information, advice and guidance (IAG). The industry players also provide funding for initiatives and activities.

Effectiveness of provision

A limited amount of research providing information on the effectiveness of provision in schools in England, and to some extent Scotland, was identified. We were not able to obtain any such research for Wales and Northern Ireland, probably due to the fact that these constituent countries are in the embryonic stages of developing guidelines for pre-16 provision. The main issues raised by the available published research and interviews with key stakeholders follow.

According to the FSA's research in 2002⁹, over eight out of ten primary and secondary schools in England reported teaching personal finance education, but fewer than half of secondary schools had a formal policy on personal finance education. The research found that, no matter what the extent of provision, its effectiveness was dependent on school policy and on the personal interest and skills of the teacher(s) responsible for delivering PSHE and other subjects which might incorporate financial education.

Our interviews with stakeholders supported this finding, and stressed that whether personal financial education was taught at all depended on the outlook and capabilities of the school, and whether the subject was regarded as a priority by teaching staff. Also important was the ability and confidence of those teachers

⁹ FSA Consumer Research 11, January 2002 'Personal Finance Teaching in Schools'.

responsible for teaching the subject. The evaluations of pfeg's Excellence and Access programme, and NatWest's Face2Face programme, stressed the importance of not assuming that teachers would automatically be able to deliver financial education without support and dedicated training.

Our review found that little formal measurement of the quality of financial education teaching is taking place through OFSTED or any other inspection mechanism, though it can be measured if PSHE is specifically included in an inspection. However, there is no guarantee that any PSHE lesson being taught on the day of the inspection will include an element of financial education. Even if it does, assessment will not be extensive as OFSTED's primary focus is the national curriculum. Formal measurement is likely to reduce further with the new OFSTED inspection regime starting in September 2005 when reports will become shorter, and the process will no longer be subject by subject, but look at different 'areas'. It is likely that financial education will fall into that of student 'economic well-being' – an inspection area that has been developed in response to the Children's Act. This will cover the employability skills of students and their preparation for adult life, as well as their access to the 'financial world'.

In Scotland, whilst two-thirds of schools offer financial capability teaching (RBS 2004¹⁰), a report entitled *Thrifty Scots?*¹¹ concluded that relatively little is known about its effectiveness. No other data was identified.

Overall, the interviews with the stakeholders in all four countries raised the following key influences on the take-up and effectiveness of provision in schools:

- the impact of the subject's inclusion as a non-statutory component of education – as there is no legal requirement to teach financial education, it becomes difficult to set it as a requisite of the inspection process;
- the importance of training for teachers. This is necessary to increase their skills and confidence to teach the subject; provision of training and resources can, therefore, act as an incentive to teachers to teach personal finance education; and
- debate about whether or not to recognise ability/performance formally and develop a stand-alone qualification in the subject. Some stakeholders felt that accreditation might lead to an increase in the profile of the subject, but others disagreed and thought that accreditation could reduce take-up, as the pupil would be able to choose whether to study it or not. This group felt that financial education should be made available to all in the same way as education on sexual health and substance misuse.

¹⁰ 'Financial Future of UK's Cash-Rich Kids Hangs in the Balance', RBS 2004.

¹¹ *Thrifty Scots? Steps to improve financial literacy*, 2004.

Financial education for the post-16s

Summary of provision

The key influences on the development of post-16 provision in the UK are the:

- Social Inclusion Agenda promoted by the UK Government from 1997;
- Adult Financial Literacy Advisory Group (AdFLAG);
- Adult Financial Capability Framework;
- BSA 'Financial Literacy Project';
- Citizens Advice and the community sector;
- FSA Statutory Requirement; and
- financial services industry.

We concluded, based on our stakeholder interviews and the desk-based research, that the main objectives of provision for adults are to:

- improve financial capability levels, giving adults the opportunity to improve their financial literacy skills; and become more confident consumers;
- give adults greater confidence to make informed choices on matters such as consumer credit, Government tax credits, utilities, pensions and insurances;
- provide learning opportunities for those with basic skills needs;
- provide support for excluded communities by developing a more integrated response to financial exclusion and enabling them to access mainstream financial services;
- support adults at key life stages such as parenthood, divorce, and retirement; and
- provide follow-up support for adults in need of acute help at times of financial crisis.

There are four main forms of personal finance education provision for adults, summarised overleaf. Disadvantaged adults are reached mainly through adult and community learning, delivered primarily through community and voluntary groups. Employees may receive generic support through their workplace; students as part of post-compulsory education provision; and resources such as websites and other forms of on-line learning are available to the general population as a whole.

Financial education types	Primary audience
Adult and Community Learning and/or financially excluded	Disadvantaged adults and with poor basic skills
Based in the workplace	Employees
Post-compulsory education	Students
Information an on-line learning through websites and CD ROMs and written information such as generic leaflets	For all

The content of provision typically includes:

- household finances and managing money;
- IAG on financial products and services; and
- long-term saving and planning issues.

Coverage of long-term saving/planning issues varies according to the type of provision and its target audience. The stakeholder interviews suggested that:

- there is little coverage of long-term saving and planning in provision aimed at disadvantaged adults, and those in post-compulsory education;
- where long-term saving/planning is included in workplace provision, it tends to be linked to the organisation's remuneration schemes, rather than generic information, advice or guidance; but
- a considerable amount of information provision on long-term issues is available through websites and specific retirement/pensions organisations.

Effectiveness of teaching and materials

The review found limited evidence of the general level of financial capability among the post-16 population and on the impact of specific programmes. Where evidence of the effectiveness of provision (whether materials or teaching) is gathered, it is on a programme-by-programme basis. Another important consideration for effectiveness is that accreditation (qualifications) for practitioners is minimal. As a result, until such accreditation becomes more widespread, there is a limit on how much evidence can be produced about how effective the teaching of this kind of education can be¹².

One area where effectiveness has been assessed is via the Audit of Financial Literacy Resources carried out by the BSA. This audit concluded that while many text-based resources were available to support teachers/tutors, there were a number of notable gaps, including:

¹² Interestingly, the Citizens Advice and FSA are working in partnership to pilot financial skills training to agencies working with young adults. The project started in February 2005 and will be reported on in November 2005.

- insufficient coverage of the 'speaking and listening' skills required for the effective management of personal finances and dealing with financial institutions, whether making enquiries as to the meaning of formal communications (written or verbal) or gathering sufficient information to support complex decision-making;
- inadequate materials for those with pre-entry/entry level 1/2 literacy and numeracy skills, to bring them up to the level necessary for tackling the basic level of the Adult Financial Capability Framework which requires Entry 3 literacy and numeracy;
- the absence of a single resource, set in everyday experience, covering the numeracy needed for personal finance. The assessment suggested that people needed to be aware of the link between everyday financial tasks and the literacy and numeracy skills that underpin them;
- the need for a wider coverage of topics such as: healthy eating, gambling and Islamic finance;
- areas identified as in need of resources, such as consumer rights, responsibilities, sources of advice and implications of finance; and
- the content of resources – although learning materials were aimed at people struggling with literacy, numeracy, and financial skills, they referred to income levels that were much higher than the target group's income would be.

For websites, it is possible to obtain simple counts of the number of 'hits', but more difficult to track who uses them, why, and what they do with the information. Evidence of effectiveness, thus, appeared to be negligible if not non-existent.

Other factors influencing effectiveness

Through the stakeholder interviews and in some reports from programme evaluations, we found that:

- marketing of financial education programmes works most effectively when it is tailored to the needs and characteristics of the target audience;
- take-up and retention of financial education provision among adults depends on their immediate needs, ease of attendance (e.g. location and timing of sessions), trust in providers and the environment it is being delivered in (familiarity, accessibility and appropriateness);
- the method of delivery and the content of courses need to be relevant and tailored to suit the individual; and
- partnership working and delivery through intermediaries works well, e.g. the BSA commented that effectiveness of the programme of provision for older people was significantly enhanced through partnership working with the National Institute of Adult and Continuing Education (NIACE) as the latter had good networks with this section of the population and those working with them.

Recommendations for provision at pre-16 and post-16 levels

We have five main recommendations for consideration:

- it is important not to assume that there is an immediate requirement to design and implement major financial education programmes for adults. We believe it would be much more useful to attempt to map the type and scope of financial education that is already available and develop an effective practice guide to delivery;
- there are no 'quick fix' solutions to increase the financial capability of the population; it will be more effective to concentrate on the compulsory education route for those aged under 16, and for adults to develop provision that can be accessed as needed;
- for the pre-16s, there is a clear need to strengthen the guidelines, framework and incentives for enhancing take up via PSHE/PSE, and for seeking opportunities to embed the subject in curriculum subjects. In particular, in line with the DfES White Paper on the 14-19 curriculum for England and reviews of curricula in Wales and Northern Ireland, it is important to consider whether financial education should be more explicitly included in the mathematics curriculum;
- future developments in the design and provision of financial education need to bear in mind that both pre- and post-16 provision works best when it is tailored and relevant, as well as easy to find and access; and
- the Government and FSA have a key role to play in the continued development of partnership working and as a means of co-ordinating activity and developments.

1 Introduction

In April 2005, the Department for Work and Pensions (DWP) commissioned ECOTEC Research and Consulting Ltd to carry out a review of the current provision and effectiveness of financial education provided within pre-16 compulsory schooling, and for those aged over 16 and no longer in compulsory schooling. The review set out to:

- draw together existing information and contribute to the future development of Informed Choice policy on financial education as a whole; and
- facilitate a presentation to the US-UK Dialogue on Pensions conference in July 2005.

The 2005 US-UK Dialogue on Pensions follows a similar event held in 2004, and will explore options for addressing issues affecting the current state of pensions schemes and savings rates in the US and UK. As well as financial education, the issues to be discussed include pension protection, employer sponsored plans, strategies for increasing participation in private retirement saving and the pension status of women.

For the purposes of this review, financial education was defined as:

'Programmes aiming to increase financial literacy and equip people with the necessary skills, knowledge and competence to enable them to understand and operate confidently when making financial choices....'

It excludes specific information and advice on particular financial products such as presentations and one-to-one appointments that might take place within a workplace aimed at encouraging employees to join their employer's pension schemes, or that might be provided by an Independent Financial Adviser (IFA).

1.1 The aims and scope of the review

The aim of the review was to provide the following for the UK as a whole:

- a picture of financial education provision provided in, and beyond, compulsory education i.e. in pre-16 compulsory schooling, post-16 education and in adult and community-based learning;
- an assessment of evidence, where available, on the effectiveness of such programmes; and
- recommendations for the future development of financial education.

1.2 Review methodology

The review set out to provide a broad overview of financial education provision in the UK at the time of writing, and its effectiveness. It also sought to establish how effectiveness was measured, and how long-term saving, especially retirement planning, was being addressed. These were ambitious objectives given the time available for the exercise, and the commissioning and implementation teams worked together to identify key priorities for attention. It is important to emphasise that the main role of the review was to draw out the key themes and examples of the type and range of financial education available, as well as comment on its effectiveness. As time was limited¹³, our attention focused on the major players, activities and issues; the report is not exhaustive and does not list all financial education in place¹⁴.

Two key methodologies were used for the review: a desk-based literature review and interviews with 20 key stakeholder organisations.

The desk-based literature review used material and references provided by the commissioning team, supported by a further web search and 'snowballing' of references and organisations. The material gathered was summarised into an analytical framework (Table 1.1).

¹³ The review was commissioned at the start of April 2005, and the final report published in July 2005.

¹⁴ Anecdotal evidence suggests that there is a great deal of unrecorded activity taking place in the community and voluntary sector, both as stand-alone operations and as part of wider education initiatives.

Table 1.1 Analytical framework for each financial education programme identified

Key features
Overview of provision
Lead organisation (both delivery and funding)
Partners
Purpose, scope and objectives of programme
Time in existence
Target audience, marketing methods
Take-up and retention levels
Content, including who/where materials developed and/or obtained, and coverage of long-term saving/planning issues
Method(s) of delivery, including by whom
Qualifications/accreditations awarded
Monitoring and evaluation methodology: quantitative, qualitative, anecdotal and assessment of robustness
Outcome measures
Evidence of effectiveness: marketing, take-up, retention, impact, lessons learned

Twenty¹⁵ interviews with key stakeholders were carried out to supplement the desk-based research carried out in connection with the study and build on work undertaken by the commissioning team at the DWP. The interviews also enabled us to establish the role each organisation was taking in the provision of financial education and their perspectives on its effectiveness. The list of stakeholders included for interview was drawn up in discussion between the research and commissioning teams and included representatives from Government departments/agencies, the financial services industry, and the community and voluntary sector. Supplementary consultations also took place during the process of report production.

Details of the methodology are provided at Appendix A.

1.3 Report structure

The report has four main sections:

- Chapter 2 – the policy and delivery context;
- Chapter 3 – overview of provision for those in compulsory education;
- Chapter 4 – overview of post-16 provision;
- Chapter 5 – conclusions and recommendations.

¹⁵ The list of organisations consulted is provided in Appendix B.

Chapter 2 outlines the key players involved in policy and strategic development, and in delivery.

Chapter 3 looks at pre-16 provision, discussing the target audiences and the overall framework for provision of financial education through compulsory education in England, Wales, Scotland and Northern Ireland. It examines coverage of financial education across the UK and factors affecting take-up. The chapter outlines the Financial Services Authority (FSA) Schools Project, examples of support available for the provision of financial education through schools, and availability and take-up of non-schools based provision.

Chapter 4 reviews provision for the over-16s and discusses key influences, target audiences and the purpose, scope and objectives of provision for adults. It then looks at marketing methods, factors affecting take-up and retention, the content of provision and methods of delivery. The last section of the chapter reviews methods of measuring impact and effectiveness, evidence of effectiveness, funding and sustainability.

Chapter 5 draws together the key themes and policy implications.

1.4 A note on terms

Throughout the report, the terms 'financial capability' and 'financial literacy' have been used. While 'financial literacy' has a specific meaning and is linked to basic skills needs, it is also used to incorporate wider financial capability issues. At present, the two terms are used by some organisations interchangeably. We have, therefore, used the terminology found in the various documents consulted and by the stakeholders we interviewed and have not attempted to impose our own interpretation of their intended meanings.

2 The policy and delivery context

The purpose of this chapter is to set the scene and provide a brief overview of the policy and delivery context for financial education across the UK. It also outlines the roles of the key players involved in the development of strategy, design and delivery.

2.1 The policy context

2.1.1 Beginnings

Concerns over the extent of financial exclusion, understanding of the financial system and levels of financial literacy gained momentum in the late 1990s and early 2000s, alongside those about increasing levels of debt and asset poverty. These concerns were supported by a growing body of research evidence, which also raised issues about the more general level of financial capability across the population as a whole. Important influences include:

- the report from Policy Action Team 14 (PAT 14)¹⁶ on Financial Exclusion from the Social Exclusion Unit (1999);
- the role of the Financial Services Authority (FSA) in connection with its requirement to promote public understanding of the financial system;

¹⁶ PAT 14 was one of a number of teams established by the Social Exclusion Unit, in the Office of the Deputy Prime Minister, to begin the process of understanding the impact of disadvantage and deprivation, and developing ways of addressing them. The PAT 14 report on access to financial services was charged with looking into the impact of exclusion from mainstream financial services, and investigating the scope for widening access to such services.

- considerable lobbying from Personal Finance Education Group (pfeg)¹⁷ (from 1996) to get financial education into the school curriculum; and
- the establishment of the Adult Financial Literacy Advisory Group (AdFLAG) in 2000.

The Policy Action Team Report (PAT 14) on Financial Exclusion identified that low-income households and individuals living in communities in areas of high deprivation do not have the access to mainstream financial services that other households and individuals take for granted. For example, in 1999, some 1.5 million households, or more than 2 million adults, used no financial services, and, in nearly one in ten households, no one held a bank or building society account. Further research highlighted the lack of household savings¹⁸; at this point, more than half of all households had less than £1,500 in savings, and more than a quarter had no savings at all¹⁹.

In response to the findings, the AdFLAG was established by the then Department for Education and Employment (DfEE), to identify how the financial literacy of the adult population – particularly those identified as disadvantaged – could be improved. The AdFLAG consultations found that there was no definition for financial literacy, nor research data available, in terms of what it meant to adults, nor on how to measure progress and development. The AdFLAG report²⁰ also noted that there was no curriculum nor defined learning objectives for financial literacy and that little research had been conducted to address the financial literacy learning needs of consumers. It proposed that community groups could provide a means by which financial education could be delivered to disadvantaged communities. It also identified a close link between levels of basic skills and the use of financial products and services.

A study completed for the Basic Skills Agency (BSA) by the Centre for Longitudinal Studies, London University, used data from the National Child Development Study, and indicated a relationship between poor literacy and numeracy skills and financial difficulties²¹. The study showed that men and women with the poorest skills were

¹⁷ pfeg is an educational charity whose mission is for all young people to leave school with the confidence, skills and knowledge they need in financial matters so that they can participate fully in society. It receives support from the education, business and Government and is working within schools across the UK at a strategic level to promote the development of financial capability.

¹⁸ Family Resources Survey 1998-99; Helping People to Save, consultation paper, November 2000.

¹⁹ This proportion had not changed in the FRS round carried out in 2001-02.

²⁰ Adult Financial Literacy Advisory Group Report to The Secretary of State for Education and Employment, December 2000.

²¹ Unpublished data based on the 1995 sweep of the National Child Development Study (NCDS aged 33), completed for the Basic Skills Agency by the Centre for Longitudinal Studies, London University.

least likely to have savings or investments and that they were more likely to admit to having debt. The BSA also commissioned a MORI survey in 2001, which involved the administration of five basic literacy and five basic numeracy tasks, and questions about respondents' ownership of financial products. The research found that those with poor basic skills did own financial products and so would need appropriate help from financial institutions; it also established a link between poor basic skills and financial exclusion²².

Some 51 recommendations were outlined to address these, and other, issues. In 2002, the Department for Education and Skills' (DfES') Adult Basic Skills Strategy Unit (now the Skills for Life Strategy Unit) commissioned research on the progress made against the 51 recommendations in the AdFLAG report²³. Considerable progress was identified, which showed that almost two-thirds of the recommendations had been met at least in part. Of particular relevance to this report were the findings that key stakeholders:

- were agreed on the need for a financial literacy strategy to ensure progress continued to be made;
- agreed that financial literacy was not simply a basic skills issue; and
- identified the Adult Financial Capability Framework as one of two key initiatives likely to have an impact on informing future financial literacy standards²⁴. The other was the Community Finance and Learning Initiative (CFLI).

The CFLI was led by the DfES and set out to provide an integrated response to financial exclusion by supporting existing trusted local community-based organisations to:

- work in partnership with other locally-based organisations to deliver services aimed at improving literacy and numeracy;
- facilitate access to mainstream financial services; and
- promote access to micro-finance.

²² Basic Skills and Financial Exclusion, BSA London 2001. Work on levels of numeracy and literacy is also carried out by the National Research and Development Centre for adult literacy and numeracy, for example, *Adult numeracy: a review of research and related literature*, November 2003.

²³ Review of Progress Against the Adult Financial Literacy Advisory Group, DfES December 2002.

²⁴ Significantly, in the three years since publication of the AdFLAG report, the term 'financial literacy' has been replaced by the term 'financial capability' as the former continued to be associated with basic skills issues, while the latter encompasses a much wider level of numeracy and includes levels of awareness, comprehension and ability. Even so, organisations involved in this work continue to use both, sometimes interchangeably; we have, therefore, tended to use the terminology adopted by particular stakeholders or specific initiatives throughout. Our own preference is for financial capability unless the remark is solely about financial literacy and linked to basic skills.

The initiative was piloted in nine communities in England, all with high levels of deprivation and/or poor immediate access to mainstream financial services. The aim of the pilots was to test out the effectiveness of the initiative and to explore different ways of improving access to, and delivery of, financial literacy. Information on the outcomes of the initiative follow in Chapter 4.

The Adult Financial Capability Framework developed by the FSA and BSA covers a broad range of money management and consumer issues. It is aimed at those involved in financial capability education (money advisers, teachers and trainers) and is intended to be a practical tool to assess financial capability needs, map them against basic skills competencies and identify how they can be supported. All skills are also mapped to the core curriculum documents for literacy and numeracy, and so support the development of contextualised basic skills programmes. The framework has three interlinked sections:

- financial knowledge and understanding;
- financial skills and competence; and
- financial responsibility.

A growing body of research carried out by the FSA provided evidence for the importance of the continued development of financial capability. One recent report, published in 2004, found that²⁵:

- a third of the respondents preferred not to think about planning their finances;
- a quarter did not think they were good at managing their money; and
- a quarter were not confident about using financial services and products.

Younger people were more likely to feel cautious and less confident: just over four out of ten of them said so, compared to less than a quarter of those aged 45-64. Younger people were also less likely to think about planning their finances: four out of ten of those aged between 16 and 25, compared to about three out of ten among all other age groups.

2.1.2 The DWP and Informed Choice

In 2002, the DWP published the Pensions Green Paper 'Simplicity, security and choice: working and saving for retirement'²⁶. This set out the implications of the UK's changing demographic structure, and demonstrated that many people are under-providing for retirement. The Green Paper highlighted barriers to long-term

²⁵ FSA Consumer Research No. 27: Financial Capability: Consumers views on developing their financial capabilities through schools and workplaces, May 2004. Based on a NOP Consumer Omnibus survey using a representative sample of 3,229 adults aged 16 and over throughout Great Britain.

²⁶ Simplicity, security and choice: working and saving for retirement, DWP 2002.

financial planning, including the availability and accessibility of suitable savings products, and the generally low level of financial capability within the population, all of which have a significant impact on the ability to make appropriate financial choices and decisions. The Green Paper outlined a number of proposals for improving the range of savings products on offer, and noted that further work was needed to address the issues around financial capability.

A key element to emerge from the Green Paper proposals was the Informed Choice programme, which has three core strands:

- to build on the measures and better products announced in the Green Paper and ensure that the current system maximises provision and access to appropriate and relevant products/choices;
- to build on action that has already taken place to ensure that all those of working age have access to personalised, timely information so they are able to understand how the choices available relate to their own prospects and circumstances; and
- to continue work with the FSA, employers and others, to raise overall levels of financial education and awareness, especially of the need for long-term planning and provision.

2.1.3 The Financial Services Authority's financial capability strategy

The FSA has a statutory role to promote public understanding of the financial system and is developing a UK-wide financial capability strategy. The strategy aims to improve levels of financial capability within the population, and is concentrating on the development of a national approach for the provision of financial education, information and generic advice.

The FSA's vision for the financial capability strategy is to create:

'... better informed, educated and more confident citizens, able to take greater responsibility for their financial affairs and play a more active role in the market for financial services.'

The development of the strategy is bringing together a wide range of interested and involved stakeholders from Government, the financial services industry, employers, not-for-profit organisations and consumer representatives. Further details of the FSA's role follows later in this chapter.

2.2 The key players: policy and delivery

The review of the literature, interviews with stakeholders, and subsequent discussions with the policy team identified a complex pattern of organisations involved in the development of policy and delivery of financial education.

Table 2.1 provides an overview of the key players and the differing extent of their roles. Perhaps the most important observations are that:

- the various policy leads all have a slightly different remit and, as will become apparent, are working together to develop a coherent strategic direction; and
- the financial services industry and the community sector both play significant roles in the development of national policy. The financial services industry pursues this matter primarily through its corporate social responsibility aims; the community sector leads on a 'bottom-up' approach, drawing on the experience of advisers and others working with those in need of support.

Table 2.1 Roles of key players in the development and delivery of financial education

Key players	Policy lead	Involved in policy development	Provide funding and/or resources	Production of guidance and/or materials	Involved in delivery
UK education departments	✓		✓		
DWP	✓	✓			
Treasury	✓	✓	✓		
FSA	✓	✓	✓	✓	✓
BSA		✓	✓	✓	
Qualifications and Curriculum Authority		✓	✓	✓	
Financial services industry		✓	✓	✓	✓
Community sector		✓	✓	✓	✓
LEAs/schools					✓
FE/HE establishments					✓

In the rest of this section we provide some more detail on the roles and purpose of the most significant players identified above.

2.2.1 The role of UK Government education departments

In the UK, education is a devolved responsibility and is provided differently in England, Wales, Scotland and Northern Ireland. Each country designs its own curriculum, though a national curriculum exists that applies to England and Wales. Our stakeholder interviews suggested that Northern Ireland is aligned with this curriculum, while Scotland continues to operate an autonomous education system. In all four countries, financial education is a non-statutory subject; there is no legal requirement to teach it.

Notwithstanding the differences between the UK's constituent countries, the Department for Education and Skills (DfES) – only responsible for education in England) is a significant player in the development of policy on financial education through PSHE, citizenship, mathematics and/or other schools activities. To facilitate this DfES issued best practice non-statutory guidance for schools to support

teachers involved in financial education.²⁷ This guidance applies in England, but has also been adopted in Wales. It set out to help teachers understand how personal financial education might have a positive impact on the financial capability young people need for their adult and working lives and provided information on the development of financial capability from KS 1-4²⁸. The DfES also provides links to resources to support teaching and learning, and guidance on how to assess progress.

The DfES white paper on the education of 14 to 19 year olds, published in February 2005²⁹, again recognised the importance of financial capability and stated that, in line with the emphasis on improving 'functional' skills, the Qualifications and Curriculum Authority (QCA)³⁰ had been asked to consider including financial capability more explicitly in mathematics. From September 2005, further opportunities for coverage of financial capability will arise when all secondary schools will be required to provide the equivalent of five days enterprise activity³¹. Financial capability is one of three main elements of enterprise education and its inclusion is intended to equip young people with the financial understanding necessary to make informed choices as consumers of financial services, as well as manage their own finances effectively. Such education is not, as yet, a compulsory part of pre-16 education.

The DfES works with a range of organisations to share best practice on the delivery of financial education (for both pre- and post-compulsory education). As a member of the FSA's Financial Capability Schools Working Group (see next section), the DfES is involved in work to further strengthen the delivery of financial education for pre-16s. Representatives from the respective education departments in Scotland, Wales and Northern Ireland are also members of the working group.

2.2.2 The Financial Services Authority

The FSA is an independent non-governmental body, granted statutory powers by the Financial Services and Markets Act 2000. It is financed by the financial services industry but has a board appointed by H.M. Treasury. Four key statutory objectives have been identified:

²⁷ Financial Capability through Personal Financial Education: Guidance for Schools at Key Stages 1, 2, 3 and 4.

²⁸ KS1 is age 5-7 (year groups 1-2). KS2 is age 7-11 (year groups 3-6). KS3 is age 11-14 (year groups 7-9). KS4 is age 14-16 (year groups 14-16). At KS 1, children are taught about what money is and where it comes from; by KS4, they should be taught to use a range of financial tools and services, including budgeting and saving, in managing personal money. This structure also applies in Wales.

²⁹ 14-19 Education and Skills, February 2005.

³⁰ QCA is responsible for curriculum content and accreditation.

³¹ The increased prominence of enterprise education was recommended in Sir Howard Davies' Review of Enterprise and Economy in Education (2002).

- market confidence: maintaining confidence in the financial system;
- public awareness: promoting public understanding of the financial system;
- consumer protection: securing the appropriate degree of protection for consumers; and
- the reduction of financial crime.

In November 2003, the FSA launched a new initiative to develop and implement a national strategy for financial capability. Policy and strategic developments are being co-ordinated by an overall Financial Capability Steering Group, consisting of key representatives of central Government, the financial services industry, Citizens Advice, the media, pfeg and the National Consumer Council. Our interviews with stakeholders indicated that the FSA's role in leading on developments around the policy and delivery of financial capability is supported by the key players involved in financial education.

To achieve its vision for financial capability, seven work streams have been identified and are being developed and implemented by separate working groups³², covering:

- work with schools, aimed at laying the foundations of knowledge, competence and responsibility;
- initiatives aimed at young adults, with their new responsibilities;
- the workplace as a conduit for information, advice and guidance;
- families, working around the issues of being a parent (costs and benefits) but also acknowledging parents' roles as educators/informers of their children;
- the issues surrounding retirement and the choices involved in planning ahead;
- making informed choices around borrowing; and
- reviewing the role of 'generic advice'.

A key element of the FSA's activities is the development of a baseline survey, to provide a regular measure of the adult population's³³ level of financial capability. The survey was in development at the time of writing, with the first round of results due in early 2006. This will provide a benchmark against which developments in the level of financial capability can be measured and, importantly, will provide reliable information on the starting point.

Also of relevance to this study is the work of the FSA's Financial Capability Strategy Schools Working Group. The aim of the group is to strengthen the delivery of

³² The working groups include key partners from the range of Government, financial services industry and the not-for-profit sector.

³³ The baseline survey is to be administered to those aged 17 or older.

financial education within the compulsory education system, particularly through support for teachers. Further information appears in Chapter 3. Other activity is also taking place within the remaining work streams, including work on the feasibility of providing generic education through the workplace which is referred to in Chapter 4.

2.2.3 The role of the Basic Skills Agency

As a result of recommendations in the AdFLAG report, the BSA was allocated funding by the DfES in 2000 and charged with the development and establishment of a programme to improve the financial literacy of adults. The BSA subsequently developed a range of initiatives and materials aimed at giving adults the opportunity to improve their skills and become more confident consumers.

The key objectives of the initiatives were to develop innovative approaches to financial literacy and improve the quality of teaching and learning in financial literacy programmes, including the development of resources. They also set out to develop the capacity of basic skills practitioners to teach and support financial literacy and raise awareness of the issues around the relationship between poor basic skills and financial literacy.

Various resources are available on the BSA's website³⁴ for interested parties to access. The BSA also supports a wide range of national and local initiatives working in partnership with organisations as diverse as the FSA, national charitable organisations and local community groups.

2.2.4 The role of the DWP

The DWP is actively involved in supporting policy development around financial capability, for both the school system and for those outside compulsory education.

The DWP aims to work with internal and external partners to ensure everyone has acquired the necessary financial education to enable them to interpret and understand financial information and advice. The DWP's *Informed Choice* programme sets out the Department's aim to ensure that the population is able to make confident, competent and knowledgeable decisions about their options for planning for retirement. The DWP aims to develop and/or continue close working relationships with the key players, and is a member of the FSA's overall financial capability steering group as well as a number of the individual working groups. The DWP is not involved in the delivery of financial education provision but has a major role in policy development, providing expertise, advice and support through the provision of resources.

Close working links exist with: the DfES, the Treasury, the FSA, Citizens Advice, Age Concern, pfeg, and other key industry players and the Pre-Retirement Association (PRA).

³⁴ <http://www.money-bsa.org.uk/>

2.2.5 H.M. Treasury

H.M. Treasury leads on national savings policy. It has developed a savings product ('Saving Gateway') aimed at enabling people on low incomes to save, currently being piloted to assess potential take-up rates and its effectiveness in encouraging saving. H.M. Treasury also leads on the Child Trust Fund (CTF), a sum of money provided now for all children³⁵. The Government will make payments to children through the CTF to help build up a useful stock of assets for the child when they reach the age of 18. The desire of H.M. Treasury is that the CTF will be supported by financial education within the school system, with the aim of encouraging the young person to understand the importance and benefits of savings. Both the Government and the FSA are to provide resources to ensure parents are helped to make choices about their child's CTF. The CTF accounts became fully operational on 6 April 2005.

H.M. Treasury also established a consultative group to look at the issue of pensions provision, consulting widely on the Pensions Green Paper proposals, to enable those of working age to plan more effectively for a secure retirement. This consultation is still in progress.

2.2.6 The role of non-governmental organisations

A significant role in both policy development and delivery is played by non-governmental organisations. These include members of the financial services industry and community organisations.

Looking first at the role of the financial services industry³⁶, a number of major companies are actively involved in policy development through their membership of the FSA financial capability strategy working groups. Some support the development of financial education programmes by providing financial resources, and/or personnel to help support activities and have active relationships with organisations in the community sector (such as the Royal Bank of Scotland (RBS), NatWest and Barclays). The industry is keen to participate in work to improve the public's awareness and understanding of financial matters, in particular around the sustainability of specific financial products and improving the public's image of the industry as a whole. A number of organisations regard this work as part of their efforts around corporate social responsibility. It is impossible to name all of the financial services companies

³⁵ Parents will receive vouchers for at least £250 for children born on or after 1 September 2002 and children in low-income families will receive an additional £250 paid directly into their CTF accounts. To encourage the saving habit, children's parents, family and friends will between them be able to contribute up to £1,200 a year to each account and there will be no tax to pay on any interest or gains made on this money.

³⁶ Financial services companies include the range of banks, insurance and investment companies.

involved, but among the most prominent are: Aegon, Prudential, RBS/NatWest, and Lloyds TSB.

A number of community-based, voluntary sector organisations play significant roles, including pfeg, Citizens Advice, Age Concern, SAFE (Services Against Financial Exclusion) at Toynbee Hall, and the Pre-Retirement Association. While their primary role is around the design and delivery of provision, most are also involved in the development of policy and strategy through participation in the various FSA financial capability strategy working groups already discussed.

3 An overview of provision for those in compulsory education

The purpose of this chapter is to provide an overview of financial education provision in the UK for those still in compulsory education i.e. up to age 16 level. It also describes some examples of non-schools-based provision for the same age group.

The various financial education programmes delivered in schools, place emphasis on the acquisition of skills, knowledge and understanding, together with the generation of a responsible attitude to financial matters. A number of aims were common to all types of provider included in the scope of the review, whether from the private, community and voluntary sectors, or from Government and related sectors and include:

- providing young people with information and guidance regarding money matters and enabling students to improve their general financial management skills as part of various curriculum subjects;
- helping pupils make their own informed decisions about their finances and to consider the effects of their decisions;
- promote young people's personal and social development specifically teaching personal money management and enterprise skills;
- increase young people's awareness of the need to manage money, understanding the credit market and debt management; and
- help students to understand the value of money and how to save it.

The chapter starts by setting out the target audiences for pre-16 provision, then outlines the overall framework for provision of financial education through the statutory education system, including the different curriculum structures for England, Wales, Scotland and Northern Ireland. It then examines coverage of financial education in the constituent countries and goes on to consider:

- factors affecting take-up and retention;
- the Financial Services Authority (FSA) Schools Project;
- examples of support for the provision of financial education through schools;
- examples of non-schools-based provision for young people;
- marketing;
- take-up of, and retention on, non-school-based provision
- content of non-school-based provision, including coverage of long-term planning;
- methods of delivery;
- qualifications and accreditation;
- methods of measuring impact and effectiveness;
- outcomes and effectiveness; and
- funding and sustainability.

3.1 Target audiences for pre-16 provision

The target audience for pre-16 provision divides into three groups:

- teachers (including head teachers), through resource and training provision;
- pupils, through Personal, Social and Health Education (PSHE) and some mainstream subjects; and
- young people looking independently for information and advice on money matters.

Much, but not all, provision is focused on the main age range of 11-16, divided between KS3 and KS4. The majority of it focuses on whole school groups, with little targeting to those with special educational needs.

3.2 Financial education in UK schools

This section sets out the overall framework for provision of financial education in the UK statutory education system and draws out the slightly different requirements for, and the place of, financial education within the curriculum structures for England, Wales, Scotland and Northern Ireland. It goes on to consider the extent of provision in UK schools. The purpose of financial education across all four countries is the same: to facilitate the acquisition of skills, knowledge, understanding and responsibility.

3.2.1 The position in England

In England, the Department for Education and Skills (DfES) aims to integrate financial education into the national curriculum³⁷ at KS 1-4³⁸, and is responding to the growth in emphasis on the subject. As outlined in Chapter 2, in 2000, the DfES issued best practice, non-statutory guidance³⁹ for schools in England and Wales to support teachers in the delivery of personal financial education. The guidance outlined opportunities for pupils to develop financial capability through PSHE and citizenship (both non-statutory subjects), and through their work in mathematics and school activities such as work with business and the community. Emphasis was placed on fitting financial education into existing structures, requiring only a change of emphasis in the new⁴⁰ curriculum, not the introduction of new subject matter. The DfES guidance also provided frameworks of potential learning experiences split into themes of financial understanding, financial competence, and financial responsibility. These demonstrate a variety of ways in which financial capability could be developed through KS 1-4. Table 3.2 later in this chapter provides details.

The DfES guidance for schools aimed to:

- help teachers gain an understanding of how personal financial education has a positive impact on the financial capability young people need for their adult and working lives;
- provide a model of progression for the development of financial capability from KS 1-4;
- provide links to resources which can support the teaching and learning of financial capability; and
- provide guidance for the assessment of young people's progress towards developing skills, knowledge and understanding of financial capability.

The DfES takes a cross-curricular approach towards the teaching of financial education and considers it vital that children learn about the subject in context. Financial education is commonly incorporated into mathematics, business studies,

³⁷ The national curriculum refers to England and Wales only.

³⁸ KS1 is age 5-7 (year groups 1-2). KS2 is age 7-11 (year groups 3-6). KS3 is age 11-14 (year groups 7-9). KS4 is age 14-16 (year groups 14-16). At KS 1, children are taught about what money is and where it comes from; by KS4, they should be taught to use a range of financial tools and services, including budgeting and saving, in managing personal money.

³⁹ Financial Capability through Personal Financial Education – DfES Guidance for Schools at key stages 1,2,3 and 4.

⁴⁰ The current version of the national curriculum took effect from August 2000, adding a new element, citizenship, which became statutory from 2002.

Information and Communication Technology (ICT), citizenship and PSHE, but is not a stand-alone subject which can be awarded a qualification at the pre-16 age.⁴¹

The DfES supports schools in the delivery of financial education through:

- providing links to resources, such as CD ROMs and lesson plans, and support for the teaching of financial education. The DfES does not develop resources for teaching (this is the responsibility of the QCA) but will commission and authorise the use of those produced by other bodies. The resources and support are incorporated into the national curriculum across many subjects as noted above, and at all key stage levels⁴²;
- supporting the pfeg quality mark, which provides a means of accreditation for products and resources. The quality mark is also supported by QCA and FSA;
- a monthly magazine for schools which contains information about new resources that are available to teachers; and
- Teachernet, a website specifically for teachers⁴³. This contains a database of resources for each subject at each key stage level along with links to useful websites for that subject (for example, under KS4 PSHE there are links to the available pfeg teaching resources and the pfeg website). All recommended teaching materials are provided to teachers through the teachernet website along with links to useful documents, reports and other websites.

Schools may identify a particular member(s) of staff to co-ordinate the teaching of financial capability. This teacher may be involved in the PSHE curriculum or another suitable subject such as mathematics. According to our interviews with stakeholders, the co-ordinator plays an important role in enthusing and motivating other teachers and in providing training, guidance and support.

⁴¹ Financial education might be included in subjects which attract a qualification. For example, within citizenship, one of the units at KS4 is entitled 'How the Economy Functions' and in this unit, children should learn about sources of income, recognise that spending is limited by income and that people have to make choices, understand about the purpose of taxation, and where to go for help and advice about personal finance.

⁴² In terms of post-16 education, there is a much looser level of control as the DfES is not allowed to influence the adult education curriculum by law. However, the resources the DfES provide access to are equally available to post-16 education providers.

⁴³ www.teachernet.gov.uk

Financial education and the 14-19 White Paper: 14-19 Education and Skills, February 2005

Looking ahead, further developments will result from the 14-19 White Paper: 14-19 Education and Skills (February 2005), which included an explicit statement from the DfES:

- recognising the importance of the role personal finance education has in enabling young people to improve their financial capability; and
- acknowledging the role of education in the development of their capacity to make informed judgements and decisions about using and managing money, keeping money safe, spending, saving, budgeting, sharing, borrowing and obtaining value for money.

The White Paper emphasises the opportunities for financial education to be taught in the context of subjects including functional mathematics, PSHE, citizenship, business studies, and careers education. The DfES has asked the QCA to consider including financial capability in the mathematics curriculum, with an emphasis on improving functional skills.

Financial education and the Enterprise Education Strategy

Following recommendations from Sir Howard Davies' Review of Enterprise and the Economy in Education (2002), the Government allocated £60 million to secondary schools to provide all pupils at KS4 with the equivalent of five days' enterprise activity, starting in September 2005. The main aims and objectives of enterprise education are to help young people aspire to, and develop valuable skills for, higher education and/or employment.

Enterprise education has three main elements – enterprise capability, supported by better financial capability, and economic and business understanding. The Howard Davies review explicitly includes financial capability in the strategy as it will equip young people with the understanding necessary to be able to make informed choices as consumers of financial services; and to manage their finances effectively.

3.2.2 The position in Wales

Wales receives the same guidance from the DfES as England, but the Welsh Assembly holds overall responsibility for education. The Qualifications, Curriculum and Assessment Authority for Wales (ACCAC) is the principal advisory body on all aspects of the Welsh school curriculum, examinations, assessment and vocational qualifications.

At present, specific learning outcomes on financial awareness for pupils of all ages are included within the vocational strand of the Personal and Social Education (PSE) Framework. PSE has been a statutory element of the Basic Curriculum since September 2003, but the framework itself, including financial literacy, is non-statutory. Schools must deliver a broad range of learning outcomes, but do not need to cover all aspects of the framework⁴⁴.

⁴⁴ Key stages in Wales are identical to those in England.

At present there is no national programme for a rollout of financial education across Wales and no individual within ACCAC has responsibility for financial education. However, the current approach is being considered in response to a number of developments, including a report into Overindebtedness published in June 2005⁴⁵. A review of the 7-16 curriculum is currently getting underway, with a start date for the revised curriculum of September 2008. The review will be looking at the content of PSE and whether to place financial literacy within mathematics. The revision to the curriculum will also see a shift towards a skills oriented curriculum, within which it is hoped there will be scope to integrate financial education to a greater degree than at present.

The Welsh Assembly Government, Legal Services Commission and the Basic Skills Agency (BSA) are all contributing to a project, managed by pfeg, which is looking to develop an information and advice source for young people in Wales. It will be piloted in two areas.

3.2.3 The position in Scotland

The Scottish Executive is responsible for education in Scotland, but Learning and Teaching Scotland (LT Scotland) – a non-departmental public body – has been given responsibility for curriculum review and for advising the Executive on education policy. The Scottish Executive's financial exclusion plan suggests that local authorities should support financial education in schools in line with local needs and with the FSA's overall approach to supporting financial capability.

The Scottish Centre for Financial Education (SCFE) launched in 2002, was established by LT Scotland to help teachers, schools and education authorities provide a high standard of financial education to meet the needs of all their learners. SCFE is a partnership between the Scottish Executive, the Royal Bank of Scotland (RBS), the FSA and the Stewart Ivory Foundation, and 'sits' as part of LT Scotland. Its objectives are to:

- encourage the integration of financial literacy into the Scottish curriculum;
- equip teachers with the skills to teach financial literacy in schools;
- develop new teaching resources and to promote new and existing commercially-produced resources to schools; and
- encourage the sharing of best practice amongst teachers and local authorities

The foundation for financial education in Scotland came from a paper published in 1999 by the Scottish Consultative Council on the Curriculum (now LT Scotland). This stated the position on the place of financial education in the five to 18⁴⁶ curriculum

⁴⁵ A report from the Deputy Minister for Social Justice and Regeneration released in June 2005.

⁴⁶ In Scotland, levels are as follows: P1-P2 ages 5-7; P3-P4 ages 7-9; P5-P7 ages 9-12 (all primary); secondary levels are S1-S2 ages 12-14; S3-S4 ages 14-16; S5&S6 cover non-compulsory ages 16-18.

in schools. Its central theme was the principle that all young people should have opportunities to acquire a broadly-based financial capability as part of their general education, defined here in terms of understanding, competence, responsibility and enterprise. LT Scotland believed that a coherent, coordinated and progressive approach to the development of financial capability would do much to assist the process of social inclusion and help young people to become active and critically thoughtful citizens, able to operate confidently and successfully in the changing world of work. The paper emphasised that financial capability was not a new subject and indicated ways in which financial learning could be related to current curriculum structures and school practice.

The paper highlighted the following opportunities:

- In the **5–14 curriculum and in post-14 'core' areas:** throughout the 5–14 stages, young people's studies of mathematics, language and personal and social education, together with aspects of environmental studies, make key contributions to fostering their financial capability. Post-14, several subjects typically taken by all students, at least until age 16 – PSE, mathematics and language (English and modern language) – have a particularly important role to play in the process of securing young people's entitlement to financial education.
- In **optional post-14 subjects:** additional opportunities for the development of aspects of financial capability are provided through a range of subjects that young people choose to study post-14.
- For **financial learning:** schools should also be able to create opportunities for developing financial capability in cross-curricular learning experiences, such as careers education or enterprise projects, and through various education industry link (EIL) activities.

3.2.4 The position in Northern Ireland

In Northern Ireland, education is the responsibility of the Department of Education, Northern Ireland. Financial literacy is identified by the Department as an important element of primary and secondary education but while mathematics and home economics at present include an element of financial education, ministers have agreed that the content of mathematics should be reviewed. The Department has also identified teacher competence as a key constraint to effective delivery, and the Council for Curriculum, Examinations and Assessment (CCEA) will begin to address this via a project on financial capability in mathematics.

The stated aim of the Northern Ireland curriculum is to empower young people to achieve their potential and make informed and responsible choices and decisions through their lives. Revised curriculum requirements will come into effect from 2007 starting with students in years 1, 5, 8 and 11⁴⁷. Key points are that:

⁴⁷ In Northern Ireland the years are one ahead of England. Year 8 in Northern Ireland is equivalent to year 7 in England.

- for primary level, within the Foundation Stage and KS 1 and 2, financial education will continue to be taught mainly within mathematics but will also be addressed, as appropriate, across the curriculum;
- at KS 3, it is anticipated that financial education will become a statutory aspect of learning within mathematics, focusing on developing financial knowledge, financial skills and financial responsibility. Provision will include opportunities for young people to develop their knowledge and understanding of personal finance issues and skills; to develop competent and responsible financial decision making; and to apply mathematical skills to everyday financial planning and decision making;
- again at KS3, financial education will be a statutory aspect of learning within Home Economics and Independent Living, providing opportunities for the development of skills linked to planning, management and use of resources. It will also include consumer choices, rights and responsibilities; and will be a key element of Economic Awareness; and
- at KS 4, it is intended that financial capability will be covered within the statutory requirements of Learning for Life and Work, while mathematics will continue to cover the calculation element of personal finance. Optional courses will include significant opportunities to develop financial capability, such as a new pilot GCSE in Financial Services and GCSE courses in Economics, and Home Economics.

3.2.5 Extent of financial education in UK schools

Coverage in England

In 2002, the FSA published a report⁴⁸ on the extent of financial education in schools in England. A sample of 300 primary schools and 700 secondary schools was drawn from a list of all state schools in England. Staff involved in providing financial education were asked to participate in a telephone survey on the extent of financial education in their school. A response rate of 59 per cent for primary schools and 49 per cent for secondary schools was achieved.

Of the schools that took part in the research, 84 per cent of primaries and 89 per cent of secondaries reported that they were teaching personal finance, though, as we describe later, the frequency and coverage of the subject was not high. Fewer schools involved in the research had a policy on this type of education; only a fifth or so of secondary schools, and fewer than half of primaries. Where financial education was not being taught, more than four out of ten of the schools who took part in the research were not planning to introduce it. Even where it was being taught, not all pupils were involved as it might only be included within selective subjects, e.g. as part of GCSE Business and Finance.

⁴⁸ FSA Consumer Research 11, January 2002 'Personal Finance Teaching in Schools'.

Information was collected on the coverage of topics and frequency of lessons. Sixty per cent of the primaries who took part were teaching five out of the nine topics included in the DfES guidance: all of them were teaching the basics about understanding money, i.e. to recognise coins, notes and their value⁴⁹; over half were covering the ethics of money use and the varying sources of income; smaller proportions had moved onto more complex issues such as understanding probability and debt.

Sixty-nine per cent of the secondary schools who took part in the research were teaching five out of eight of the topics included in the DfES guidance: nine out of ten of them covered consumers' rights and responsibilities and types of payment methods; eight in ten were teaching about budgeting and understanding earnings; and, as in the case of primary schools, principles of probability relating to insurance were taught by much smaller proportions.

The report found that the frequency of lessons on financial capability was not high: at KS 2 and 4 the majority of pupils were only receiving lessons once or twice a term (even less in some cases). Eight out of ten primaries were teaching financial education to all age groups, but only half of the secondary schools. In the latter instance, teaching tended to take place for the older pupils (KS 4). The research also asked about training for staff. Secondary teachers were most likely to have received training; half of primary teachers, and two-thirds of secondary teachers were keen to have more help.

Coverage in Scotland

In Scotland, there has been no large-scale audit of activity for those in compulsory education as yet. However, a study was conducted by RBS in 2004⁵⁰ in which a third of teachers surveyed in Scotland said their school was unable to offer any financial capability teaching. Furthermore, more than half of GCSE students questioned for the same research admitted that they lacked a basic knowledge of finance: almost half said they could not fill out a cheque or confidently explain the difference between a credit and debit card. Since then The Royal Bank of Scotland Group has invested £1.2 million a year in expanding a programme known as *Face 2 Face With Finance*. With a new management structure, additional funding, staffing and resources, the scheme is being extended across England and Wales as well as being available to Scottish schools.

⁴⁹ These all form part of the National Numeracy Strategy Framework, which perhaps explains the high level of teaching here.

⁵⁰ Financial Future of UKs Cash-'Rich Kids Hangs in the Balance, RBS 2004. Details of methodology were not available at the time of writing.

Coverage in Northern Ireland and Wales

As Northern Ireland and Wales are still at the early stages of developing guidance for provision of personal finance education within the curriculum, we were unable to find any reports which included information about take-up within the curriculum.

Factors affecting take-up and retention on provision

Retention on courses/provision is not a major issue within schools as, where financial education is being delivered, students have to remain present. More significantly, schools themselves choose whether or not to take-up the programmes and resources that are on offer. Some of the evidence we have already mentioned, suggests that inclusion in the curriculum does not mean that positive assumptions can be made about the quality or quantity of provision. We were unable to find information as to what extent provision was embedded and taught on a regular basis and, according to OFSTED, as the approach to the teaching of financial education varies greatly from school to school and subject to subject, it is not routinely captured in inspections.

Another issue identified by stakeholders in our review, was the impact of the turnover of teachers in schools, which meant that knowledge and experience of the subject could be lost. This was the result of a tendency for financial education to be 'promoted and owned' by individuals who were especially committed to the topic; if they moved on, the prominence of the subject could be lost. Furthermore, the inclusion of the subject within PSHE/PSE meant that its priority could go up and down depending on the current emphasis on financial education – almost whether or not it was 'topic of the month'.

Interestingly, the evaluation of a pilot programme supported by pfeg – Excellence and Access – picked up another trend, which was that take-up of provision was less common among mainstream schools, especially those based in more affluent areas, but more prevalent in schools in disadvantaged areas, special schools and pupil referral units (PRUs). Reasons for the difference were not ascertained, though it might be attributable to the more flexible timetabling in such institutions, or, less positively, to the opinion that this type of subject is more necessary (even fitted) for people who are socially or financially disadvantaged.

To enable more effective tracking of the extent of provision, the FSA's Schools Group is proposing to follow up the survey carried out in 2001. The plan is to carry out a longitudinal survey of schools in the UK to be implemented to monitor the existence of (and growth in) planned programmes. More follows in Section 3.3.

3.3 The FSA's schools project

One of the seven work streams within the FSA's national strategy for financial capability is the Schools Working Group. The Group has agreed on three key features which it feels will be necessary to achieve a step change in personal finance education in schools across the UK. These are measures to:

- raise the profile of, and champion, personal finance education in schools;
- help head teachers and teachers to find out about good practice and teaching resources available and to identify where in the curriculum there are opportunities for personal finance education; and
- provide training and support to teachers to enable them to become more confident in teaching personal finance.

A key objective of the FSA is that take-up of financial education should be provided to all young people in school-based education between the ages of five and 19. Emphasis is placed on working with all pupils across all school groups, not just focusing on specific ages, abilities or specific needs. The view of one stakeholder interviewed for the review encapsulated the rationale for universal provision:

'Financial education as a stand-alone subject is very unappealing to the learner, so it is crucial that it is dealt with in a manner that is approachable to children, and in a manner that makes it applicable to their lives.'

This position is supported by the stated aims of the SCFE and the DfES, both of whom stress the importance of integrating financial education across the curriculum and providing learning on financial capability in context.

3.4 Examples of support for the provision of financial education through schools

Those involved in the delivery of financial education for the compulsory school age group are able to access a wide range of resources and support from non-governmental organisations. Information on financial education for teachers is provided through websites, organisations such as pfeg, publications, and teacher resource packs which contain advice on how to link financial capability to the curriculum for primary education and to subjects such as mathematics, PSHE and citizenship in secondary education. Support in terms of advice and teaching assistance is also available.

Of the range of resources and information available, we examined a number of examples in more detail: pfeg Excellence and Access which applied to England and Wales; and NatWest /RBS Face2Face which are used in England, Scotland and Wales. For Northern Ireland, we have included the Northern Ireland Network for Education (NINE), and the General Consumer Council of Northern Ireland (GCCNI); for Scotland, provision through the SCFE; and, as a dedicated example for Wales, the 'Real Game'.

The rest of this section provides a summary of the content of the various examples; information on effectiveness follows later in this chapter.

3.4.1 pfeg: England and Wales

In 2000, pfeg developed a new schools-focused programme on personal financial education. The vision of the programme – called Excellence and Access – was to raise the profile of the topic, create demand for the subject and highlight the potential opportunities of this provision. The programme was initiated as a pilot and two key aims were to support teachers and offer support to local education authorities around financial education. Three hundred schools took part and the programme linked in with the then new DfES best practice guidance on personal financial education. This proved a useful selling tool. The support provided by pfeg included resources for teachers to use with the secondary age group 11-19, differentiated by key stages and in particular for KS 3 and 4, and for 16-19 (post key-stages). The resources/materials could be used in PSHE, citizenship and more mainstream subjects such as mathematics, geography and religious education (RE). pfeg deliberately set out to promote the integration of financial education into a variety of contexts, emphasising the importance of diversity and recognising cultural difference.

The Excellence and Access programme involved:

- approaching local authorities and head teachers to outline the role/support pfeg could play/offer and raise interest;
- once specific schools were interested, pfeg provided two days' training for teachers, which aimed to develop resources and activities relevant to local circumstances and curricula, as well as teachers' skills; and
- each school being provided with a dedicated adviser, offering four days' support to be used as needed.

Marketing the programme concentrated on the benefits of the provision of support and resources, starting with the local education authority and head teachers, and then involving teachers likely to be involved in delivery. The Excellence and Access programme also linked with pfeg's existing website⁵¹ offering access to lesson plans and resources. This provided information on how education resources relate to different areas and stages of the curriculum from KS 1 to 4 in England and Wales and P1 to S4 in Scotland⁵².

Information on the impact of the Excellence and Access programme follow later in this chapter. Main strengths included:

- the provision of resources, support from advisers and the training, which all increased teachers' confidence in delivering financial education;

⁵¹ PFEG continues to provide this resource for teachers. Its website <http://www.pfeg.org> shows where teachers can get hold of these resources.

⁵² Age ranges of each stage in Scotland – see Footnote 46.

- the opportunity for pupils to engage with different perspectives – other pupils, teachers and representatives of financial institutions – which countered the strong influence of family and friends; and
- raising the profile of financial education in participating schools.

The resources developed for the Excellence and Access pilot are still being used by teachers and are available on the pfeg website⁵³. pfeg is following up the pilot with a number of activities, including:

- the development of a handbook for use in primary schools. This has been funded by a financial service provider and could be used by schools without the support of an adviser;
- consideration of an Excellence and Access programme for primary schools; and the
- development of support for the delivery of financial education to pupils who have been excluded and/or based in PRUs, thus, reaching those most likely to be financially excluded and most vulnerable. pfeg is supporting teachers to deliver this provision.

The pfeg quality mark for tools and resources was designed to raise standards and enable teachers to feel confident about their teaching materials. This quality mark is acknowledged by resource producers and endorsed by organisations such as the FSA, DfES, QCA, LT Scotland and CCEA. Resources awarded the pfeg Quality Mark have been assessed as:

- appropriate for teaching personal finance;
- effective classroom materials; and
- accurate and up to date.

3.4.2 Face2Face: England, Wales and Scotland

The NatWest/RBS⁵⁴ Face2Face programme (established in 1994) is an example of a tailored programme of practical, active learning experiences which can be built in to the curriculum in England, Scotland and Wales. Both programmes are administered through the Financial Capability Centre based at the University of Warwick. The programme was set up to help secondary schools and colleges teach personal money management and enterprise skills within the Curriculum (England, Scotland and Wales). The target audience is 11-18 year-olds and Students at KS 3 and 4 and post-16 in particular.

⁵³ Use of the website is shown by the number of hits and downloads of material. However, detailed information is not available on who is using it and the use made of materials.

⁵⁴ Obviously NatWest and RBS are the same banking operation but use the different names in the different countries.

The objectives of the programme are two-fold – for the bank, and for the education sector. For the bank (NatWest/RBS), the key objectives are to:

- promote the bank to young people;
- enable the bank to establish a reputation amongst opinion formers; and
- enable bank staff to develop new skills.

For the education sector, the key objectives are to:

- meet the guidelines for integrating personal finance education into the national curriculum;
- prepare students for real-life experiences; and
- provide professional development opportunities for teachers to work with bank employees so that they can gain an insight into another career structure and widen their skills beyond those gained in the teaching profession.

The programme is marketed on a local basis. Since it started, there have only been two direct mass mail shots – one at the launch in 1994, and one in 1996. Most marketing is at a local level through the dedicated management structure of the Face2Face programme. There is a full-time co-ordinator in each region, supported by four regional coaches, and Face2Face finance staff in each branch that delivers the programme (these staff work with up to three schools per branch).

The programme does not need to market itself actively to schools, as schools often hear about it through word-of-mouth. In Scotland, the programme is marketed through teacher-training events, courses and short sessions for teachers to enable them to deliver the modules. There is a resource pack for each activity (handbooks) and information handbooks for teachers to act as a guide⁵⁵. The modules can be delivered by bank staff, secondary school teachers or a combination of both. The grade of bank staff involved in the programme varies from new recruits to senior management.

⁵⁵ <http://www.natwestf2f.com/F2F/NatWest/default.htm>

3.4.3 NINE/GCCNI: Northern Ireland

In Northern Ireland, the NINE⁵⁶, produces mathematics resources in C2k post-primary software⁵⁷. The resources relate to personal financial education as they include the Lifeskills series of activities, which aim to help students to understand the value of money and how to save it. The activities are differentiated by task and by difficulty and provide students with individualised learning paths tailored to their needs.

In addition, the GCCNI, is involved with promoting the concept of financial and consumer capability in schools. The GCCNI has extensive resources in place to support consumers in terms of financial literacy. These include an education portal with lesson plans, relevant documents and links to useful sites, information leaflets, competitions aimed at children and resources for teachers to use in the classroom. One programme, Consumer Skills for All, has targeted teachers and the Education and Library Boards (the equivalent to the Local Education Authorities (LEAs) in England) across Northern Ireland. Resources are also provided by the Northern Ireland Citizens' Advice Bureau and the FSA. Information was not available on the how many schools in Northern Ireland are using/obtaining the various resources.

3.4.4 SCFE: Scotland

In Scotland, generic resources and support are provided through the SCFE (see Section 3.2.3 for background and purpose). As we have described, the main objective of the SCFE is to support local authorities, schools and teachers to provide financial education in schools, through the development of resources and by supporting and encouraging teachers to use them. For teachers, an extensive programme of continuing professional development is available. The SCFE encourages the use of resources developed and/or quality marked, by pfeg. Such resources include CD ROMs and teaching programmes, and the programmes are illustrated and demonstrated to teachers and local authorities in workshops and conferences hosted by the SCFE.

The SCFE aims its work at schools (heads and teachers) and at local authorities, who are responsible for curriculum and teaching in schools. While the SCFE regards financial education as a cross-curricular issue, it mainly targets the subjects of PSE, mathematics, careers education, business education, and environmental studies⁵⁸,

⁵⁶ NINE is an online learning and support environment designed to help teachers integrate ICT into learning and teaching through the provision of classroom resources, communication and publishing tools and access to professional development courses.

⁵⁷ C2k (Classroom 2000) is helping schools in Northern Ireland to set new standards with the delivery of world class technology services to enhance teaching and learning.

⁵⁸ This subject includes history, geography, economics, and modern studies.

within the 'people and society' strand. Their work is aimed at all young people from early years to age 18.

The SCFE (together with other organisations such as the FSA and pfeg) is assisting the BBC to develop their digital TV curriculum, one element of which is financial capability. The SCFE also work with CAB, Money Advice Scotland, credit unions including Discovery Credit Union in Dundee and even with some Trading Standards organisations.

The SCFE holds regular conferences and workshops to raise awareness of their work⁵⁹, sending details to every head teacher in Scotland, allocating places on a first come, first served basis. The heads generally nominate the relevant teachers from their staff base. Take-up is extremely strong and seminar series are often oversubscribed. For conferences, a more strategic approach is taken, with local authorities nominating relevant people, and the SCFE selecting those invited. The attendees are normally a mix of teachers, stakeholders and those with a strategic interest.

3.4.5 The Real Game: Wales

In Wales, the 'Real Game' is used widely (in every authority and most schools) in its various formats for different age groups involved in careers education. It aims to teach life skills and includes modules on financial management. In Flintshire, a partnership with the Citizens Advice Bureau produced four one-hour modules to be used in KS4 PSHE, focusing on indebtedness and credit facilities, such as obtaining and managing credit responsibly, taking a highly interactive approach. According to stakeholders, both programmes have provoked much interest across Wales as they are the most high profile and visible example of schools showing that they are taking a proactive approach to financial education.

3.5 Examples of general non-school-based provision for young people

Information for young people on financial matters is also available outside the formal school system. Most provision is through websites which contain basic personal finance material and information on a range of financial issues. Examples of websites which provide information about personal finance as well as retirement planning are outlined in Section 3.9.

Another example of provision is that provided by the Association of British Credit Unions Ltd, who provide a resource pack to enable savings clubs to be set up in primary schools. Credit unions approach schools with the objective of creating savings clubs so that the school children learn the savings habit at an early age. One example of this type of club is the Southwark Credit Union Young Savers' Scheme.

⁵⁹ The last conference was in November 2004 and a series of workshops were delivered in June 2005.

The FSA's website includes a small amount of information aimed at parents so that they can advise their children on matters relating to finance. This includes: number recognition; counting; money, coins and everyday activities. We also identified a small amount of information designed to be used by youth workers – The Barclays U Project (2001-2004) – which had a money choices financial literacy module which included a financial awareness pack targeted at youth workers running youth groups, available to be downloaded from the project's website.

3.6 Marketing methods

National curriculum materials are available to schools from the DfES and the other leading educational bodies such as pfeg. The main conduit for information provided by other organisations to support the national curriculum, whether teaching materials or access to guidance and advice, appears to be through websites. Resources and programmes are mainly marketed through advertising on the organisations' own websites.

For support and training for teachers, marketing methods such as mail-shots, telephone calls, conferences, and workshops are used. As an example, the SCFE aims to raise awareness of its work and available resources by means of conferences and workshops.

A number of organisations used what might be called a 'layered' marketing approach, starting with engaging LEAs and head teachers, then teachers. As an example, pfeg often made its initial offer to groups of head teachers in an LEA, stressing the provision of advisers' time and support as an encouragement to take-up. The marketing incentives for schools focused on the schools' perception that they should be doing more in this area; but also on the media profile of the issue; on an assumption that young people need help, and that money matters are important to them. The programme was able to link into lessons already in place.

3.7 Take up of, and retention on, non-school-based provision

3.7.1 Take up of provision from non-governmental sources

Stakeholders did provide the following information for specific initiatives relating to schools' take-up of programmes, shown in Table 3.1. This is a limited selection; more information on take-up has been captured by providers, but has not been identified within the scope of this review.

Table 3.1 Take-up and retention of provision for pre-16 and those in compulsory education

Provider	Take-up levels
NatWest Face2Face programme	152,625 students enrolled in the programme in 2004. About 58% of secondary schools have been involved in the programme at any one time since the programme began.
SCFE	Of 400 schools in Scotland it is estimated that around 20-25% might be using the Facing up to Finance resource that has been developed by SCFE, while around 100 schools are using RBS' Face to Face with Finance.
pfeg's Excellence and Access pilot	Targeted 500-600 schools; resources were taken up by 45 local authorities, 300 schools and involved 150,000 pupils. About 1000 teachers received training.

3.7.2 Take-up of website-based provision

Take-up of materials and resources for teachers, and the take-up of advice by young people, is difficult to track as the information is downloaded from websites; the only measures of take-up are the number of 'hits' and the number of downloaded documents. This kind of information was not readily available through desk-based research and stakeholders we spoke to stressed that numerical data of the number of hits on a website provided no evidence on whether the materials were used, how they were used and who with, and what the impact was.

3.8 The content of school- and non-school-based provision, including coverage of long-term planning

The content of provision is based on a general fit with the curriculum as outlined earlier in the chapter. In particular, DfES guidance, pfeg, NatWest Face2Face and FSA all produce, and/or support production of, resources that fit directly with the mathematics, PSHE/PSE and citizenship curriculum subject areas. The resources available cover topics such as understanding cheques, credit and debit cards, savings, bank accounts, mortgages, and general topics to do with financial management. Activities are based on subjects relevant to young people such as mobile phone usage, fair-trade, shopping at supermarkets, and using non-cash forms of money, e.g. cards, effectively.

The DfES guidance⁶⁰ includes specific information on how to incorporate long-term planning/saving issues into the key stages. For example, in the PSHE curriculum at KS4, content potentially covers pension contributions, and understanding the difference between long-term, medium-term, and short-term financial commitments

⁶⁰ Financial Capability through Personal Financial Education – DfES Guidance for Schools at key stages 1,2,3 and 4.

– all part of the topic of preparing for adulthood. Information on the role of long-term saving is covered in Scotland.

Stakeholders we interviewed stressed the importance of tailoring content and activities to local circumstances, which enabled inclusion of issues around culture and religion in particular. Research carried out for the FSA⁶¹ highlighted the importance of taking a diverse approach. It was carried out with seven to 11 year-olds and identified the importance of not assuming that experience and understanding was evenly spread across ability levels or affluence. As an example, children from more affluent families tended to have less experience of budgeting and the use of money, but more experience of cash back and credit cards, than those from less well-off backgrounds.

Appendix C provides information on the areas covered in the DfES best practice/non statutory guidance on financial capability for at KS1-4, and includes examples of the content delivered by Face2Face and SCFE.

Table 3.2 shows a number of examples of coverage of long-term planning issues outside mainstream educational provision, through mechanisms such as websites. Sources include: Young Scot website, National Youth Agency and FSA/DfE.

Table 3.2 Examples of pre-16 provision and long-term planning

Provider	Content coverage including long-term planning
Young Scot ¹	The website offers information on a range of financial issues for 12-26 year-olds in Scotland . It also includes a reference to pensions and signposts people to the FSA guide for Saving For Retirement. It also provides a summary of pensions, windfalls and Independent Financial Advisers – and how further information can be obtained.
National Youth Agency ²	The website provides information on how to manage money including: bank accounts. Pensions – the website explains how much a state pension is and the existence of other types of pensions as well as links to other relevant websites.
NatWest Face2Face	It's Your Life – eight case-studies to enable students to learn about lifelong financial planning through role play as acting financial advisers to eight different people e.g. a pop star, a single middle-aged person etc. (insurance and pensions).
FSA and DTI	Make the most of it! A very comprehensive package containing clear background notes for teachers on all the themes covered to teach at KS4. Financial topics include credit, pensions, ethical investment, insurance and e-commerce. Its main audience is teachers of PSHE and Citizenship, but teachers of other subjects will find it useful, notably business studies, mathematics, ICT and GNVQ.

Continued

⁶¹ FSA Consumer Research 4, November 2000. 'A cycle of disadvantage? : Financial exclusion in childhood'. Research carried out by CRSP at Loughborough University, primarily based on qualitative interviews with 52 primary school aged children, 7 class teachers and 3 head-teachers. In addition to these interviews, secondary analysis of the 'Small Fortunes' and 'Family Fortunes' datasets was conducted.

Table 3.2 Continued

Provider	Content coverage including long-term planning
Connexions ³	This website has a section called 'Money' with basic personal finance material and links to other websites with retirement planning material and to the FSA and National Youth Agency websites. Connexions works with young people in the 13 to 19 age group
Oink ⁴	An online magazine, which aims to provide children with information about money matters in a fun and easy to read way. The Money Matters section includes a number of articles on different aspects of finance including: credit cards (written by a financial expert); and pensions (written by an investment banker).

¹ <http://www.youngscot.org/>

² <http://www.youthinformation.com/> website is funded by the DfES.

³ www.connexions-direct.com

⁴ <http://www.piggybank.co.uk>

In practice, long-term saving issues appeared to be rarely covered at pre-16 level. A number of the stakeholders we interviewed provided a clue as to the reason for its absence; when limited time is allocated to teaching financial education, teachers were said to prioritise issues such as budgeting as more important and more relevant to students. Additionally, stakeholders noted that students were likely to perceive long-term saving and planning as irrelevant to them and so not engage with the topics⁶².

Stakeholders stressed the importance of introducing the subject of long-term planning as a way of enabling young people to think about their future in terms of hopes, aspirations and fears. In this context, it was then possible to touch upon the importance of saving, and planning for the long term.

3.9 Methods of delivery

Resources or programmes designed to be delivered by teachers are taught through a variety of methods: directly, on-line, and/or based around group activities. One stakeholder commented:

'Avoid seminars/presentations to deliver activities relating to financial education. Make the modules as interactive as possible so that the students enjoy what they are doing and it brings the topic alive – this way they are much more likely to retain and use the information.'

⁶² Interestingly, this links with an earlier discussion of the FSA research no. 27 (Financial Capability: Consumers views on developing their financial capabilities through schools and workplaces 2004) which found that young people were less likely to think about planning their finances.

Other provision for under-16s, not linked in with the school curriculum, is based on website based resources and activities, either to be used on-line or to be downloaded for later use.

3.10 Qualifications/accreditation⁶³

Provision and resources are used to support the following key stages and GCSE-level qualifications rather than directly constituting qualifications or accreditations for financial education itself: KS 3 and 4 in the citizenship, mathematics and PSHE curriculum areas; the mathematics curriculum in Northern Ireland; and PSE and mathematics in Scotland.

Level 3⁶⁴ qualifications are provided by the Institute of Financial Services (IFS). The IFS level 3 Certificate in Financial Studies (CeFS) and Diploma in Financial Studies (Dip FS), aimed at 14-19 year olds, both aim to address the poor levels of financial awareness in the UK. They are incorporated into the National Qualifications Framework as a vocationally-related qualification at Level 3.

The FSA Schools initiative is planning to develop a toolkit for schools that will show the impact of interventions used with young people around financial capability issues. While the toolkit will not involve formal qualifications, its purpose will be to provide teachers with a way of measuring the progress made by participants after a specific event. For example, an off-timetable day could be organised for pupils in Year 10, with a 'before' and 'after' measurement tool.

Stakeholders interviewed for the review were not convinced about whether financial education should have its own accreditation/qualification. As one commented;

'There is a danger of financial literacy becoming a subject in it's own right, as that may lead to only those who are interested taking up the course(s) and therefore instead of participation being widened it may actually fall. A most effective way of widening participation would be to have it as an integral part of the curriculum in the way that sex education is, so that it is accessible for all.'

The same reservations as to widening accredited routes for financial education were found by the FSA's research quoted earlier. Almost three-quarters of primaries and six out of ten secondaries who took part, felt that it should not be made a statutory part of the national curriculum. Reasons for this view included the crowded nature of the national curriculum; children being too young to learn about finance; and the existence of competing priorities.

⁶³ 'Qualifications' has been used here to cover formal measured standards of attainment; 'accreditation', the award of a certificate or credit of achievement, which need not include a measure of attainment.

⁶⁴ Level 3 qualifications include: A Levels, AS Levels, AVCE (Advanced Vocational Certificate of Education), BTEC National Diploma and NVQ 3.

The FSA is giving some attention to the development of qualifications for teachers, and including financial capability issues in Continuing Professional Development (CPD) provision. The FSA is also considering whether a professional qualification for teachers would be useful, and whether or not there should be an award for schools. The latter would be some sort of excellence award, assessed along the lines of Investors in People, allowing a school to assess provision and performance in context.

3.11 Methods of measuring impact and effectiveness

Monitoring and evaluation of website resources does not appear to be conducted to a great extent. Some websites have a facility which requests feedback on the site, but this does not always relate to the financial resources provided on-line.

Monitoring and evaluation of the teaching of curriculum-based personal finance education in schools in England is conducted through OFSTED. However, we found that personal financial education is not a specific element of OFSTED inspections and as such is not part of the assessment criteria. Inspectors are not asked to assess financial education as a stand-alone issue as there is no statutory requirement to teach it. Furthermore, as financial education is taught as a subset of another subject, it tends to be 'monitored' by OFSTED rather than assessed. This is explained in more detail in the section on outcomes and effectiveness. Similar situations exist in Wales and Northern Ireland.

In Scotland, it was reported that even though the importance of financial education is rising, little is known about the effectiveness of financial education initiatives for children and young people⁶⁵.

Some external evaluation has taken place where non-statutory resources and programmes link in to the curriculum. Examples are provided by pfeg, Face2Face and the SCFE and follow in Table 3.3.

⁶⁵ Thrifty Scots? Steps to improve financial literacy.

Table 3.3 Monitoring and evaluation of provision for pre-16s

Provider/ initiative	Monitoring and evaluation	Quality of methodology
DFES	The DFES provision of materials and the subsequent teaching of personal finance education in schools is monitored by OFSTED – this is explained in further detail in the section on effectiveness.	Potentially covers all schools but in practice specific assessment is limited as described in Section 3.11.
pfeg	<p>pfeg's Excellence and Access project was evaluated by Brunel University. The evaluation involved assessment of:</p> <ul style="list-style-type: none"> • the impact of the project on teacher skills and confidence; • the general effectiveness of student learning within personal finance education; and • the relative prospects for learning success of particular personal finance education methods of delivery. 	<p>Methodology strong, used qualitative and quantitative research methods, and involved teachers and students. Specific methods included:</p> <ul style="list-style-type: none"> • a whole population questionnaire survey; • a random sample of 15% of participating schools using a more detailed questionnaire survey; and • case study class observation and interviews; • teachers, pupils and advisers were all involved in the evaluation. <p>Effectiveness and whether or not financial awareness increased was measured through structured questionnaires and case studies. Before questionnaires were followed up by depth interviews. One reservation: the report does not provide information on response rates.</p>
NatWest	<p>Evaluation of the Face2Face programme takes place at two levels. Firstly, the programme is evaluated by teachers and practitioners who fill in questionnaires; consequently the materials and modules are reviewed regularly and have been amended along the way. Secondly, the programme has been externally evaluated by the NFER¹. The NFER has evaluated new pilot modules, an initial scoping study of what financial literacy the programme should be providing, and a three-year quantitative and qualitative longitudinal study of the programme (1996). Students continue to be asked how/whether their financial decision-making has been affected as a result of taking part.</p>	<p>As the study was conducted during the mid-1990s, we were not able to access the document within the timeframe to assess the robustness of the evaluation. However, one strength of the methodology for the evaluation is that findings have been used actively to inform the design of the programme. A further strength was the use of an external evaluator (NFER). Another major external review of the provision is also planned for the very near future.</p>

Continued

Table 3.3 Continued

Provider/ initiative	Monitoring and evaluation	Quality of methodology
SCFE	No large scale audit has been undertaken of financial education provision in Scottish schools. However, small scale evaluations have taken place – the most recent took place in five schools and was a ‘pilot’, using an audit tool provided in the document ‘Financial Education in Scottish Schools; a guide for teachers and managers’ (1999) . The results of the audit will inform a new strategic plan to integrate financial education in the classroom.	No information was available at the time of writing as the evaluation report was in production, due for publication later this year.

¹ NFER is National Foundation for Education Research.

For the Schools Project, the FSA has been considering ways of measuring the success of the initiative. Three methods are under consideration:

- simple quantitative measures of the number of schools using materials, the one stop shop advice and the excellence award;
- follow up to the 2001 survey discussed earlier, to establish the number of schools with a planned programme of work at present; the survey will then be repeated in a further four or five years to track the growth of provision; and,
- a toolkit for schools to help show impact of interventions on young people doing financial capability issues.

3.12 Outcomes and effectiveness

3.12.1 OFSTED inspections

As we have described, financial education has the potential to be most commonly taught and, thus, inspected as part of PSHE/PSE, but at present it is only included in a minor way. It may also fall under the remit of citizenship and work-related learning. While these subjects are curriculum requirements and have financial education within their scope, it is not a requirement to teach it. Modules and teaching resources are widely available, but anecdotal evidence suggests they are not being taken up or used. According to OFSTED, citizenship is not doing well in inspections at present.

As we touched on earlier in the report, a number of stakeholders noted that whether personal financial education was taught in schools depends on the outlook and capabilities of the individual school and who heads up the subject. Furthermore, as much subject matter on personal finance education is pushed into the remit of PSHE/PSE, its inclusion relies on the interests and priorities of the teachers involved in delivering the subject.

Finance issues are included in mainstream business and economics courses (such as GCSEs in economics, and business studies), but these tend to look at finance more from a business-oriented point of view than a personal one. Currently, 15 per cent of GCSE students and 25 per cent of post-16 students take a business or economics related subject and, according to OFSTED, there is consistent good work on financial education in the 185 designated (specialist) business and enterprise secondary schools across England. But more generally, at pre-16 level, financial education provision is inconsistent, in terms of quality and quantity of delivery.

In September 2005, a new inspection regime will be introduced. The format will change significantly, and will include:

- a briefer inspection process and less comprehensive reporting structure, with shorter reports – perhaps six pages;
- inspections based on schools' own self reports – only where there is a conflict of evidence supplied will an area be looked at in more detail by the inspector; and
- the inspection process will no longer be subject by subject, but will look at different 'areas'. It is likely that financial education will fall into the area of student 'economic well-being' – an inspection area that has arisen as a response to the Children's Act. This will cover the employability skills of students, their preparation for adult life, as well as their access to the 'financial world'.

Our interviews with relevant stakeholders suggested that these changes will provide even less scope for personal finance education to be inspected.

3.12.2 Establishment and measurement of outcomes

As part of the review, we searched for evidence on the establishment and measurement of outcomes; that is, the ways in which the impact of provision is being assessed, such as whether young people report an increase in confidence in dealing with banks; or might feel better able to read information on financial products and make a decision. In general, assessment of the relationship between the provision and the outcome for the learner was not considered often, and when it was, it was done informally. If a formal assessment did take place it tended to be based on the answers to a specific question(s) in a post-provision questionnaire/survey. However, one stakeholder felt it was difficult to identify satisfactory ways of measuring increases in confidence and, more importantly, acumen and changes in attitudes.

Providers placed emphasis on assessing the success of delivery methods; and were keen for pupils not to find the subject dull and boring as a result of the content or mode of teaching. The NatWest Face2Face programme attempts to measure connections between the programme and outcomes (i.e. whether financial decisions are influenced as a result of the education) to some extent, but does so through a debriefing after each activity/module. Here, the students are asked whether, and how, their financial decision-making has been affected as a result of completing the

module. Again it was stressed that this was a difficult aspect to measure as increased knowledge was just one of many variables affecting financial decision-making and because any change was self-reported.

The stakeholder interviews with those involved in specific programmes, proved the most fruitful source of information on the effectiveness of provision. Information was gathered on the following: marketing; take-up; retention; method of delivery; content; and staffing of programmes. Two key programmes have been evaluated – pfeg's Excellence and Access and NatWest's Face2Face – and proved useful sources of evidence.

pfeg: Excellence and Access

pfeg's evaluation found that:

- most of the schools they had engaged with felt they had benefited and had moved provision forward;
- the best of the schools had made very good use of the provision/support, but some had not taken it up or stopped early as the 'wrong' person had been trained or the school was not entirely committed to implementing it;
- key positive factors were that the programme demonstrated that the subject could be introduced to the curriculum and that young people benefited because they were being taught about it;
- they benefited from the opportunity to engage with the different experiences and perspectives presented by other pupils, teachers and representatives of financial institutions. These acted as a counterweight to the strong external influences of family and friends;
- teachers were concerned about their ability to support PFE learning, particularly non-every day aspects of finance they were not familiar with;
- teachers were enthusiastic and optimistic that the resources provided by the project would improve their confidence in being able to deliver the subject;
- students expressed low confidence in all areas of finance but demonstrated strong familiarity with everyday financial matters. The influence of family, friends and the media appeared to be very powerful and fed into firmly held value systems; and
- the introduction of citizenship as statutory element of national curriculum KS 3 and 4 has had a positive effect on the amount and status of personal finance education provision.

The evaluators concluded that the project raised the profile of personal finance education; reached and influenced large number of teachers and students; raised the financial awareness of students and increased teacher confidence; and enabled the development of an extensive range of materials.

NatWest: Face2Face Programme

The NatWest programme was evaluated both internally, and externally by the National Foundation for Educational Research (NFER). Key findings were:

- marketing: this worked well, as it was done at local levels and was supported by an effective programme management structure;
- take-up was very high, attributed to its direct links to a range of curriculum areas, and the involvement of industry professionals in its delivery;
- recruitment and retention on the programme was variable and appeared to be related to geographical location. Because of the way the programme is delivered (i.e. by industry professionals), schools need to be within reasonable distance of a local branch of NatWest/RBS to take part. Consequently, coverage in rural areas is relatively poor, as schools in these areas do not tend to be close to a local branch;
- modules are delivered as interactively as possible, with the aim of actively involving students through group-working and the simulation of real-life situations. This practical method of delivery was described as an effective way of keeping students interested, and as enabling them to directly see the benefits of attending such courses which are applicable to real life;
- course content: the course content was described as simple and light-hearted so as to ensure the students see it as a lively, interesting and useful topic, rather than dry and inaccessible; and
- staffing of programmes: as bank professionals actually deliver the programme, either themselves or in conjunction with teachers, this was said to be a highly effective method of staffing the programmes as the involvement of professionals lends it further credibility. No information was available on the quality of teaching or impact on participants.

3.13 Funding and sustainability

The sustainability of financial education provision for pre-16s appears to depend on two key areas: funding and demands for the provision. Website-based resources can perhaps be easily sustained without needing further funding, but funding does become a key issue where resources need to be updated – an important consideration for financial education. Interviews with stakeholders indicated that as long as the subject remains outside the statutory curriculum it will remain of low priority for schools. Action by the FSA to raise the status of the subject through the development of a CPD programme and the Excellence Award may have an impact on the extent and sustainability of delivery.

As personal finance education is not a statutory part of the curriculum, it is important for suppliers of provision to collect evidence on levels of take-up of, and interest in, programmes already in place as important elements in any attempt to attract funding. In fact, personal financial education's inclusion in other subjects is, in part, a response to the need to avoid the funding issues involved in establishing a new subject. Another approach which has proved successful is for programme providers to partner with organisations from industry who can also provide continuing funding for successful programmes e.g. the NatWest Face2Face programme and pfeg.

4 An overview of post-16 provision

This chapter provides an overview of financial education provision in the UK at the post-16 level. It draws out the key themes of the provision identified through the review, in particular:

- the target audiences;
- the purpose, scope and objectives of the provision available;
- approaches to marketing methods, including issues around take-up and retention;
- the content of provision, methods of delivery and existence of qualifications and accreditation;
- monitoring and evaluation methodology;
- evidence of effectiveness; and
- funding and sustainability.

The chapter starts with a reminder of the key influences on the direction and format of provision.

4.1 Key influences on post-16 provision of financial education

Chapter 2 outlined the key influences on the development of provision of financial education for adults in some detail, so only brief mention of the main factors follows, namely:

- the social inclusion agenda, and research highlighting the poor access to financial services for low-income households and those living in deprived areas. Also critical was research indicating the significant proportion of households with minimal savings provision;

- the report of the Adult Financial Literacy Advisory Group (AdFLAG), and subsequent review of progress, which set out to propose ways for adult financial literacy to be improved, and led to the development of the Adult Financial Capability Framework;
- the work of the Basic Skills Agency (BSA), and its Financial Literacy project (funded by the DfES), which centred on developments on financial literacy, improving the quality of materials and teaching, and raising awareness of the issues around the relationship between poor basic skills and financial literacy;
- the role of the community sector, especially advice agencies such as Citizens Advice, which have seen an increase in the number of clients requesting debt advice and subsequent interest in support with financial capability;
- the increased priority of the Financial Services Authority's (FSA's) statutory duty to promote public awareness of the financial system, and the development of its Financial Capability Strategy. Also important is the design of a baseline survey, aimed at establishing levels of financial capability and providing a mechanism for tracking change; and
- the role of the financial industry more generally, keen to improve public knowledge and awareness, and improve public perceptions of the industry.

Provision of financial education for adults takes place through a number of organisations in the private, public, and community and voluntary sectors. These organisations often work in partnership with one another, producing resources and delivering programmes, advice and guidance around four main areas:

- adult and community learning programmes aimed at those who are socially and/or financially excluded;
- provision of information through websites and CD ROMs, some of which is also aimed at those with basic skills needs, but accessible to the general population;
- provision in the workplace for employees; and
- provision for those in post-compulsory education.

Within the limitations of our review, we found that levels of provision across the UK vary between England, Scotland, Northern Ireland and Wales; our review identified most provision in England, with uneven amounts in Northern Ireland and Scotland. We also only came across a very limited amount of provision in Wales⁶⁶. However, we have not split the chapter up by constituent country provision as we did in Chapter 3 as post-16 provision is not steered by similar country-specific guidelines.

⁶⁶ Contact with stakeholders suggests very localised provision in Wales delivered through the BSA and Citizen's Advice Bureaux but we have not been able to find detailed information as yet.

4.2 Target audiences

The target audience for post-16 provision falls into four main categories, mirroring the types of provision described in Section 4.1:

- adults in general but with an emphasis on those who are disadvantaged, whether financially excluded or with poor basic skills;
- those in post-compulsory education;
- employees in the workplace; and
- practitioners, and community organisations.

For the BSA in particular, practitioners involved in financial capability education, including money advisers, teachers and trainers are key target audiences. The BSA also targets intermediaries, such as local community groups, as an important route to supporting the Financial Capability Framework to increase financial capability of adults. The Community Finance and Learning Initiative (CFLI) pilots also stressed the importance of using such intermediaries to reach special groups which proved successful.

The socially disadvantaged are targeted through a range of initiatives. One example is provided by Services Against Financial Exclusion (SAFE) and has been described in a previous section. As a specific example of targeting, SAFE works with young disadvantaged people who have often experienced homelessness and usually have basic skills needs. They may be members of a housing association or residents association, tenants of a foyer or hostel, attendees at a community project or referred by Jobcentre Plus.

4.3 The purpose, scope and objectives of provision

The key objectives of provision for those over compulsory school age (16) can be categorised as follows:

- Improvement of financial literacy skills:
 - aimed at giving adults the opportunity to brush-up their financial literacy skills;
 - enabling them to become more confident consumers; and
 - to provide them with greater confidence to make crucial decisions on matters such as consumer credit, Government tax credits, utilities, pensions and insurances.
- The provision of learning opportunities for those with poor basic skills:
 - dedicated provision for those with few or no skills and qualifications who are unlikely to participate in traditional forms of learning; and
 - equipping people with the skills they need for employability.

- The provision of support for excluded communities through trusted community-based organisations to:
 - provide a more integrated response to financial exclusion;
 - work in partnership to deliver the services that will improve literacy and numeracy support;
 - provide access to mainstream financial services; and
 - provide access to support for business development and micro-finance.
- The provision of support for adults at key life stages to enable them to make:
 - better sense of the financial world around them; and
 - decisions about financial matters of immediate importance as well as forward planning, budgeting, saving.

The key players, often working in partnership, include the FSA, the BSA, the National Institute of Adult Continuing Education (NIACE), Prudential, Citizens Advice and the DfES. Their involvement in financial education provision will be explained in further detail in the following sections.

4.3.1 Adult and community learning, focusing on the socially excluded

This section reviews provision for adults, primarily socially excluded, which they go to/receive/attend, and where support is provided by a tutor, adviser or teacher.

Much of the provision in this category stems from the AdFLAG which was established in February 2000⁶⁷. AdFLAG's remit was to make recommendations on ways to improve the financial literacy of the adult population with a specific emphasis on those who are disadvantaged.

Two key initiatives were identified by AdFLAG as having the potential capacity to increase adult financial literacy: the Adult Financial Capability Framework; and the CFLI.

As outlined in Chapter 2, the Adult Financial Capability Framework was developed by the FSA and BSA and covers a broad range of money management and consumer issues. It is aimed at all those involved in financial capability education including money advisers, teachers, trainers, and helpers interested in improving financial capability skills.

The CFLI was led by the DfES and ran from 2002 until 2004. It attempted to provide a more integrated response to financial exclusion by supporting existing trusted local community-based organisations to work in partnership to deliver services aimed at improved literacy and numeracy support, access to mainstream financial

⁶⁷ Details of the purpose of the group appear in Chapter 2 and so have not been repeated here.

services, and access to micro-finance. Pilots were based in nine communities in England, and were charged with exploring different ways of improving access to, and delivery of, financial literacy. Information on the success or otherwise of the pilots is included where relevant in this chapter.

The format of adult financial education has also been influenced by the BSA. The BSA was allocated funding⁶⁸ to support the establishment of a programme to improve the financial literacy of adults in England. The BSA developed a range of initiatives, known as the Financial Literacy Project (which ended 31 March 2005), giving adults the opportunity to brush-up their financial literacy skills and become more confident consumers. The initiatives made provision available in two ways:

- learning materials/resources and events for practitioners including money advisers, teachers, trainers, and helpers interested in improving financial capability skills. As an example, materials include three-hour taster modules which provide examples of lesson plans delivering literacy and numeracy within a financial context and a slightly more advanced 24-hour module programme; and
- the establishment and implementation of community projects. Examples include partnership working with Citizens Advice, the Association of British Credit Unions Ltd. and with four Local Education Authorities (LEAs) in the Midlands to develop basic skills programmes within community settings.

The key objectives of the initiatives were to:

- develop new and innovative approaches around financial literacy and disseminate information about what works;
- improve the quality of teaching and learning in financial literacy programmes;
- develop the capacity of basic skills practitioners to teach and support financial literacy;
- raise awareness of the issues around the relationship between poor basic skills and financial literacy; and
- develop a range of teaching and learning materials.

Information about the effectiveness of the project is provided in Section 4.9.

Another important stakeholder in the provision of general financial education is Citizens Advice. One of their key programmes is the Financial Skills for Life (FSfL) project. The project was established in 2002 in response to Citizens Advice evidence⁶⁹ which showed that many individuals using their services lacked confidence

⁶⁸ Source and rationale outlined in Chapter 2.

⁶⁹ Citizen's Advice Bureau monitor the type of Information, Advice and Guidance (IAG) sought by people using their service which showed that a growing number of people were seeking advice on debt/financial difficulties; staff pointed to a growing need for support beyond advice on debt management in the regular reports supplied as part of the monitoring process.

around financial issues, and were ill-equipped to make crucial decisions on matters such as consumer credit, Government tax credits, utilities, pensions and insurance. The programme has been running for three years and recognises the growing role of bureaux as trusted and independent sources of information and financial education for local communities. Eight bureaux (in England and Wales) are involved in FSfL and are providing financial education to a range of audiences including mental health service users, prisoners and unemployed people⁷⁰. The project is also providing opportunities for all bureaux involved in financial capability to have access to the right training, tools and opportunities to share good practice.

FSfL is linked to Prudential's Plan for Life Learning initiative. This programme seeks to generate policy debate about the potential role of financial education as well as to deliver practical solutions through the development of initiatives in partnership with charities and education and research bodies.

Another example of a service provided through a community organisation is SAFE at Toynbee Hall in London's East End. SAFE is funded by a number of sources: the local authority, private sector organisations, and charitable funding; for example, last year the young people's project worker post was funded by The Telegraph newspaper. The overall aim of SAFE is to provide practical services to help to combat financial exclusion and promote financial capability by means of information, education and advice. In terms of education, SAFE is working with many vulnerable and disadvantaged groups and alongside organisations that already have a potential audience in place – in colleges, with housing associations, hostels and foyers, community organisations and so on. SAFE also run a debt support project that has been in place for the past eight months.

Other clients are community organisations such as 'Workspace', for whom SAFE deliver training, local colleges such as Tower Hamlets college, residents associations, and Jobcentre Plus. They also work closely with the BSA and are part of their steering group for financial literacy, as well as being represented on the working group that developed the Adult Financial Capability Framework. They are being sponsored by the Royal Bank of Scotland to develop training resources that can be picked up by other organisations, and have worked with the Child Poverty Action Group to develop a personal finance handbook, which was published in January 2005.

Although SAFE have mapped all their training resources to the Adult Financial Capability Framework, they also aim to deliver financial capability training to clients in an innovative way, always tailoring it to the needs of the particular group. SAFE also offer debt support and help to access financial products such as bank accounts, and are convinced that the provision of financial literacy is vital to support this work. Workshops can focus on financial literacy alongside employability, budgeting and saving, paying rent and being a 'better tenant' and so on, depending on the requirements of the particular client group involved.

⁷⁰ An evaluation of FSfL is being carried out, due to report in January 2006.

In Northern Ireland, the General Consumer Council of Northern Ireland (GCCNI) also supports and develops consumer education, at both pre- and post-16 levels. This encapsulates learning about being a responsible consumer and advice about credit options and facilities. They especially aim to help consumers who are financially excluded as there are a large number of people without bank accounts in Northern Ireland, as well as large-scale debt problems. The Consumer Skills for All is a three year, Government-funded project which aimed to deliver consumer skills to the wider community (it finished in March 2005). It is based on a large-scale piece of research⁷¹ which identified the general public's concerns as to their position as consumers. The report is based on the views of a variety of respondents and related to the needs they perceive for consumer education and skills development. Desk research, interviews and questionnaires were used to collect data on education and skills development needs in the community and school sectors. Interviews were carried out with key people in professional, voluntary, Government agency, local council and local community contexts. In addition, over 2,000 requests for inputs by questionnaire from various bodies were sent out to all local councils, political parties, youth centres, advice centres and representative organisations.

In Scotland, the Capital City Partnership (CCP) is a partnership of key statutory, voluntary and community agencies in the city working together to promote social inclusion and achieve social justice for the people of Edinburgh. The CCP does not run any courses for financial education itself but does fund work through community learning partnerships. Part of the CCP remit is to promote financial inclusion, and to this end, it has appointed a financial inclusion officer. It is a two year project and the goal is to develop financial inclusion on a city-wide level. Its work builds on that carried out at the Wester Hailes Community Banking Agreement partnership, which CCP want to roll out city-wide. CCP targets those who are vulnerable or disadvantaged in terms of financial inclusion, which has been defined as those who do not have a bank account or access to financial products, those who need help with managing their money and learning how to budget, and those who may already have debt problems. For example, through one of its projects it is currently providing £150,000 funding over three years to the 'Welfare Advice in Health Settings' programme. The aim is to provide advice workers in GP surgeries to aid with money and debt advice, as debt or money worries are often at the root of illnesses such as depression or other mental health conditions. The advisors see patients on a referral basis from GPs.

The programmes listed above merely provide a brief indication of the range and type of provision available through adult and community learning. As mentioned earlier in the report, we suspect that there is a great deal of additional activity taking place through community and voluntary organisations on a local, ad hoc basis. The extent of this activity has yet to be measured.

⁷¹ A report by the GCCNI – Consumer Skills For All (2002).

4.3.2 Provision of information and on-line learning through websites and CD ROMs

General information and guidance is provided for adults through websites which contain basic personal finance material and information on a range of financial issues. Key examples of provision, in that they contain significant amounts of information and resources on personal finance, including those run by the FSA, BSA, LearnDirect, Prudential with NIACE, and the Pre-Retirement Association (PRA). Details of these examples follow.

The FSA's learn online programme includes learning about pensions, saving, borrowing and investment. There is also information on Stakeholder pensions.

The BSA provides learning materials/resources and events for practitioners including money advisers, teachers, trainers, and helpers interested in improving financial capability skills. The BSA provision includes three-hour short programmes or taster modules, which provide examples of lesson plans delivering literacy and numeracy training within a financial context and a slightly more advanced 24-hour module programme.

LearnDirect provide a programme called Cash Crescent, a computer-based short programme with video clips based on cast of characters that was designed by the FSA. This is an online 15-hour free course. It aims to help people manage their money better by looking at the money problems faced by real people in real life situations and is followed by 'Cash Crescent Next Steps'. This is designed to enhance numeracy skills at level 2 and is an interactive resource linked to LearnDirect which also provides web links for further information and leaflets on pensions; income tax; life insurance; mortgages and investing in a child trust fund.

NIACE's ICT and Basic Skills team partnered with Prudential Financial Services to produce an on-line financial literacy resource – Money matters to me. The aim of this project was to provide on-line financial literacy materials that could be accessed via the internet to be used by both learners for their day-to-day financial matters and by tutors. The resource is an online financial education site developed with the aims of: widening access to learning about money matters to people with a range of skills levels, within community environments; and enabling students to develop ICT and numeracy skills through a motivating, interactive learning resource which is relevant to their own situations.

The PRA provides an educational programme that addresses the need for increased financial literacy amongst adults, entitled Learn About Money. This includes a website⁷² and workbooks to be used by employees. Employer-specific packs have also been developed.

⁷² www.learnaboutmoney.org

4.3.3 Delivery of financial education related to the workplace

Although the focus of the review was not on the provision of information, advice and guidance on specific products, it was important to consider whether or not provision existed on more generic financial issues within the workplace. We found that financial education provision was available within the workplace for two main reasons:

- to provide support for employees generic financial needs, such as budgeting, saving and borrowing;
- to promote and/or explain the role and content of 'local' employment-related benefits, especially pension provision.

Examples of the type of work follow.

One of the FSA's financial capability work streams is looking at the feasibility of delivering information, advice and guidance on financial issues within the workplace. A number of pilots are being developed⁷³ at the time of writing and will be evaluated in terms of both the ease or difficulty of implementation and the impact of the measures. Reporting is due in January 2006.

Some of the CFLI pilots attempted to use workplaces as a route to engaging low paid employees. While their aim was to sign up people to the Saving Gateway account⁷⁴, it was also a test of how employers might react to such an approach. Some were helpful, but others were resentful of the implication that they were not paying their staff well and reluctant to allow time-off to attend meetings. Some very early emerging evidence from the FSA pilots suggests that the latter point may be a more general issue where employment is tightly controlled, with little flexibility within the working day.

Whilst not providing financial education themselves, in 2004, the CBI produced two reports with some useful findings on the subject: 'Raising the bar: benchmarking pension provision'⁷⁵ and 'A view from the top: a survey of business leaders' views on UK pension provision'⁷⁶. The reports reflect the views of major employers and

⁷³ At the time of writing, seven employers have signed up to the pilot exercise including utility companies, an advertising agency, a transport provider and a school.

⁷⁴ Savings Gateway was a matched savings account specially designed for people living on low incomes piloted alongside the more general work on financial literacy. Some of the CFLI pilots were involved in signing up savers and providing general financial capability support to them.

⁷⁵ 'Raising the bar: benchmarking pension provision'. Author: CBI, June 2004.

⁷⁶ 'A view from the top: a survey of business leaders' views on UK pension provision'. Author: CBI in association with Mercer Human Resource Consulting, April 2004. It should be noted that although over a million employees were covered by the companies who took part, the survey's issued sample size was 1,879.

employees and provide a picture of workplace schemes to increase financial education of employees.

'A view from the top' was a survey amongst senior company executives and pensions practitioners. A total of 233 UK companies, with some 1.2 million employees covered by their pension schemes, responded; those taking part came from a range of companies, by size and sector. The report gives an overview of current practice and a view on what companies' future pension provision could look like, and highlighted employers' actions to increase take-up of such schemes. Many of the companies who took part in the research were seeking to improve pension scheme take-up through provision of individual financial advice, as well as generic financial information/education. However, response rates for the survey were low and the views expressed by these companies may not be representative of all UK employers.

The benchmarking study highlighted best practice case-studies of employers who were offering a range of financial education and planning options to their employees – one of the case studies highlighted by the CBI was GlaxoSmithKline (GSK). GSK offers a range of financial education and planning options, covering both retirement planning and general money management – these range from 30 minute one-to-ones with an independent financial adviser, to lunchtime presentations and workshops, to helplines and online resources. One of GSK's senior executives is quoted in the report as commenting that:

'It is imperative that we get out there, talk to our people and communicate our reward strategy with them effectively. Part of this must be around financial planning and financial education so that our people are equipped to make informed choices on savings and general financial planning.'

Further evidence from the FSA consumer research report 27⁷⁷ on routes for the development of financial capability suggests that there are quite diverse experiences of learning about finances at work. Four out of ten of those who took part in the research (a representative sample of 3,229 UK adults of working age) said they had learnt nothing from this route, while a third had learnt at least something. Interestingly, younger people were more likely to have had support at work; 45 per cent of those aged between 16 and 25, compared to less than a third of the older age groups. The same research asked employees if they would like to learn about financial capability issues through work; almost six out of ten felt that learning in the workplace would make them more confident in dealing with their personal finances.

⁷⁷ FSA Consumer Research Report 27 (2004). 'Financial Capability: Consumers' views on developing their financial capabilities through schools and workplaces'.

The TUC provides education to help develop the strengths and abilities of their union representatives, with the aim of disseminating their new-found knowledge to their members. TUC Education provides learning opportunities for union representatives, mainly focusing on union-oriented subjects with the aim to improve the representatives' performance in their roles. The TUC also runs courses on pensions for representatives that deal with negotiations over company pension funds. The course includes a general introduction to pensions, state pensions, and understanding and negotiating pensions. The aim is to help representatives dealing with pensions become knowledgeable about the differences in schemes that are available, and to be more confident in dealing with pension negotiations.

4.3.4 Provision for young adults in post-compulsory education

Post-16 learning is not compulsory in the UK. Young people in post-compulsory education have the choice of taking courses in the following categories: academic; occupational; general vocational; basic skills and general courses. The following courses and programmes were found to cover elements of personal finance education:

- students in post-compulsory education can obtain qualifications, which incorporate elements of personal financial education by means of the 'skills for working life' and 'career planning' courses. Personal finance is also covered as an element of GCSEs in Citizenship;
- the Institute of Financial Services provides dedicated courses in personal finance education. More information is provided about this in the section on qualifications and accreditation;
- the Entry to Employment programme for 16-18 year olds, not in education or employment, provides some elements of personal finance education; and
- for young adults with basic skills needs, programmes are provided based around the Adult Financial Capability Framework, and delivered through initiatives operated by a range of organisations working in partnership, including the DfES/H.M. Treasury (HMT)/FSA/Citizens Advice. This provision tends to revolve around shorter-term needs such as opening and managing a bank account and dealing with credit and debt.

Our study did not reveal any courses within the higher education sector⁷⁸. There are some information and support services, which relate to financial education for students, available within colleges and universities. We came across two such sources: the DfES Financial Help for Students Website⁷⁹; and the National Union of Students information sheet on money management⁸⁰.

⁷⁸ Based on course searches the Universities and Colleges Admissions Service website: www.ucas.ac.uk

⁷⁹ http://www.dfes.gov.uk/financialhelp/index_flash.html

⁸⁰ <http://www.nusonline.co.uk/media/v1/pdf/4478.pdf>

4.3.5 Provision for older adults

One example of the type of provision aimed at older adults was provided by NIACE, working in partnership with a wide range of organisations⁸¹. The project was called Financial Literacy for Older People (FLOP). It set out to establish what older people's priorities were for learning about financial matters and to develop materials to enable the assessment of individual and group needs for learning support. The programme covered day-to-day money management issues in general and touched on pensions, particularly eligibility and accessibility. Topics included understanding personal financial responsibility and its implications; making choices and decisions about bank accounts; literacy, numeracy, and personal skills such as confidence and information gathering. Everyday financial matters covered in the programme included paying for goods, paying for utilities, banking, savings, insurance, pensions and retirement, welfare benefits, managing and budgeting.

4.4 Marketing methods

For learners, a range of marketing methods are used, including word-of-mouth, mail shots, taster sessions and leafleting. Similar methods are used to market provision to intermediary organisations.

As one example, the BSA has comprehensive lists of interested practitioners (which makes mail shots relatively straightforward) and uses its website, flyers, and e-mails. Records are kept on the number of e-mails/flyers sent out advertising workshops, and the numbers of people attending them. Taster programmes or events are also used to market courses. As an added incentive, practitioners' travel costs are reimbursed when they attend events.

The CFLI pilots provide another example, They used a variety of marketing methods to attract custom from potential learners, including mail shots, leafleting and word-of-mouth. Pilots worked with intermediaries (including community-based organisations) as a way of reaching their desired target groups. The pilots also offered incentives such as free lunches, laptop loan schemes and advice fairs; some organisations tried vouchers to attract people onto courses.

SAFE provides an illustration of the links between the different approaches. Much of SAFE's business comes by means of word-of-mouth from existing clients. However, they also approach people through existing clients, contacts and networks. They have a monthly money advice column in the local free newspaper. They have found that working within intermediary organisations such as housing associations often provides a more receptive audience – it attracts those who would be unlikely to attend in response to passive marketing such as posters. They also reported that

⁸¹ Partners included the FSA, BSA, Inland Revenue (IR), Department for Work and Pensions (DWP), DfES, HMT, PRA, CA, Association of British Insurers (ABI), Age Concern England and Help the Aged.

using incentives makes a difference to initial take-up and attendance, though no precise figures are available.

Where the information provision and guidance is through websites, the resources and programmes are mainly marketed through advertising on the same websites.

4.5 Take-up and retention

As described in Chapter 3, take-up of the website-based information is difficult to track as all that might be collected is the number of hits the website gets. This type of information was not readily available through our desk-based research but an example was provided by Citizens Advice, who supplied information on the rate of download of information from their advice website. This shows that in the last six months, some 14,000 people downloaded the basic debt help sheet; 8,000 downloaded information on credit; and, almost 1,500 downloaded information on basic bank accounts.

Three examples raise a number of general issues around recruitment and retention to courses or projects – NIACE, SAFE and CFLI. NIACE's experience with FLOP supports evidence on the importance of effective links with intermediaries. Where the latter were not interested in the proposed project, it was difficult to get activities off the ground. Once projects were established, few were under-subscribed and levels of retention were high. Consultation with participants on their needs at the outset of the projects appeared to be an important factor in successful engagement.

SAFE at Toynbee Hall provided information about recruitment and retention. The take up figures for the first quarter of 2005 for one element of provision – the young people's advisor – are:

- January – 18 clients were seen in two different workshops;
- February – 45 clients were seen across five workshops;
- March – 44 clients were seen in nine workshops.

SAFE reported that retention on courses was usually good as most clients were there on a conditional basis. For example, for clients living in a hostel or foyer setting, attending the course might be a condition of their tenancy. Resistance was said to come from the most needy clients, such as those who are already in financial difficulties, as it could be difficult for people to confront their problems.

The evaluation of the CFLI pilots included a review of take-up and retention. The pilots found that to attract participants to general sessions, the content needed to be tailored to the needs of the potential consumers and related to key life events. The pilots also found it easiest to work with intermediaries to ensure take-up. Response to general public mail-shots was poor. Once taking up provision, participants often did not stay the course but took what they specifically needed at that time and moved on. Attendance, thus, tended to start high but tail-off. It was

also influenced by who was delivering it, and/or who it was being received by. One pilot trained local residents to provide support but found that participants did not want to discuss their problems with, or in front of, their neighbours.

We were unable to find out any figures on recruitment and retention for those on post-compulsory education paths such as the number of those taking GCSEs with a financial education component or those on the Entry to Employment Programme, which, as mentioned earlier, also includes a financial education component.

In general, there is not a great deal of information about take-up and retention. However, there are indications that provision was most often taken up where it was tailored, specific and relevant to the individual. Providing financial education linked to key life events such as the birth of children, bereavement, university attendance and retirement was another important factor in attracting and retaining individuals.

4.6 Content, including coverage of long-term planning

The content of the provision identified for this review is wide-ranging and includes information and guidance for adults to understand more about:

- household finances, managing money and calculations used in everyday life;
- information and advice about financial products and services; and
- saving for retirement and planning linked to key life events as described above.

The interviews with stakeholders suggested that there is little coverage on long-term planning and saving issues in provision aimed at the disadvantaged. This was, in part, a response to the more pressing day-to-day financial concerns of people in these circumstances; according to stakeholders, these adults rarely felt long term planning to be a priority.

The content of the various resources and programmes is too copious to describe here, so we have outlined examples of provision for those who are socially excluded and/or those with lower skill levels. As we have hinted, this provision appears to be the most widespread and our stakeholder interviews (though limited) revealed an emphasis on provision for this group. Examples include:

- BSA: the content of courses mirrors the Adult Financial Capability Framework. Practitioners are able to select elements of relevance to them. One example of a BSA resource is Money-go-round, a CD ROM that addresses basic skills needs and financial literacy within the context of consumerism. It is aimed at an adult audience aged 25 and older. Its content is aligned to the new Adult Financial Capability Framework which is underpinned by the adult literacy and numeracy core curricula. The CD ROM aims to equip people to organise their household finances, plan their spending, set up a bank account and more. Tutors are able to assign a list of topics to an individual student. Students can also explore the CD ROM to find topics that are relevant to their personal needs.

- University for Industry (UFI)/LearnDirect – UFI’s remit from the Government is to provide high quality post-16 learning which: reaches those with few or no skills and qualifications unlikely to participate in traditional forms of learning; equips people with the skills they need for employability; and is delivered innovatively through the use of new technologies. LearnDirect, developed by UFI, is a network of online learning and information services. This is a Government-sponsored initiative to make possible the vision of a ‘learning society’ where everyone can learn and upgrade their skills throughout life. UFI/LearnDirect provide Cash Crescent which is a computer-based short programme with video clips based on cast of characters (that was designed by the FSA), looking at the money problems faced by real people in real-life situations. The modules cover: getting value for money; getting insurance; making the most of a bank account; credit/store cards; getting a bank loan; budgeting; sorting out basic banking; pay day – salaries, timesheets, overtime, payslips; and loans for small businesses. There is now ‘Cash Crescent Next Steps’ which is designed to enhance numeracy skills at level 2⁸².
- Credit unions are actively involved on a day to day basis in improving the financial literacy of their members even though in the majority of cases there is not a ‘financial literacy’ policy, structured programme or specific responsible member of staff. Some of the areas in which credit unions work on a day-to-day basis in improving financial literacy are: induction of new members; leaflets and newsletters; education of volunteers; training for the Boards of Directors in directing the credit union; links with debt counselling agencies; financial management/budget planning; seminars/short courses; videos; websites and partnerships with other organisations. In many areas ‘New Deal’ employees and credit unions are finding mutual benefits and opportunities in employment and training within the credit union.

The content of the SAFE workshops is mapped to the Adult Financial Literacy Framework, while the content of specific workshops varies depending on the client group being addressed. For example, for the community organisation ‘Workspace’, the content focused on provision of basic financial skills to enable clients to get back into work, such as opening a bank account and budgeting. When addressing the clients of a housing or residents association, the focus will often be on savings and credit products. Resources used include:

- the desert island game – developed by SAFE, this game helps clients to address the difference between needs and wants to help them to budget effectively;
- BSA resources such as flash cards and CD ROMs;
- FSA resources such as Make the Most of It; and
- BBC Cashwise resources.

⁸² Level 2 qualifications include GCSEs at grades A-C, intermediate GNVQs, level 2 NVQs and vocational qualifications such as Modern Apprenticeships.

FLOP's content was piloted with focus groups and adapted as the project progressed in response to the demands of participants. It was clear that participants wanted information to support decision-making and improve their financial decision-making skills.

4.6.1 Coverage of long-term saving/planning issues within all areas of provision

As we have outlined, personal financial education is targeted at four main audiences in the post-16 section of the population and coverage of long-term saving/planning varies:

- For those on post-compulsory education paths, an element on retirement planning is included on some courses that provide a level of attainment equivalent to GCSE⁸³. The Entry to Employment Programme does not cover planning for retirement. The student support and information services do not cover retirement planning.
- For employees, information from the CBI and TUC showed that pensions issues are covered within provision in the workplace, and this has been described in Section 4.2.3. However, it is important to note that much is directly linked to the employers' own remuneration schemes and does not form stand-alone provision. Provision may also appear in pre-retirement courses.
- For the socially excluded/those with more basic skills needs, even though the Adult Financial Capability Framework includes the topic of financial planning for the long term, not all programmes that stem from the framework include it. In fact, evidence from the stakeholder interviews suggested that there is little coverage of long-term planning and/or pensions issues in such provision, as the focus for this group tends to revolve around general money and debt management issues and support, and help to access mainstream financial products such as bank accounts. For example, SAFE addresses the issue of long-term savings and pensions in a workshop if the information is requested by clients – pensions might be used to stimulate a debate, for example, and are generally covered as part of a workshop dealing with employability. If a workshop or client group wants detailed information or advice about pensions, SAFE may ask an external financial adviser to run a session with the group. However, as SAFE's clients are mainly from low-income groups, pensions are rarely a priority to them so such sessions are not much in demand.
- Provision for the general population through websites – these issues are covered on some websites which are described in more detail in Table 4.1.

A sample of provision covering long-term planning/saving issues is summarised in Table 4.1.

⁸³ Within the National Qualifications Framework: Levels 1 and 2 GCSE at grades A-C.

Table 4.1 Sample of long-term planning/saving issues

Provider	Content coverage of long-term planning
TUC	The pensions course modules include information about the state pension, understanding pensions, and pensions and equal treatment. The key audience for the provision is trade union representatives, whom the TUC aim to establish as sources of information and advice on workplace provision of pensions for their members.
BSA	Long-term saving and planning is included in the Adult Financial Capability Framework and, thus, included in BSA provision.
FSA	The Pensions section on the FSA website includes a factsheet on 'Stakeholder Pensions and Decision Trees' 2004. This explains what a stakeholder pension is and individuals can use a decision tree to decide whether a stakeholder pension is suitable for them. It also includes a factsheet on 'Contracting Out of the Second State Pension'. The FSA produces a factsheet on 'FSA guide to the risks of occupational pension transfer' and one on financial planning. In partnership with the ABI, FSA provides an online pension calculator to help people work out how much retirement income they might receive from the amounts they have saved.
ABI	ABI's information zone includes an online pension calculator to help people work out how much pension they might receive from the amounts they are saving. It also includes sections on what endowments are; on saving for retirement and different types of pensions and choosing investment funds.
The Pension Sorter website	Pensions Guide includes what a pension is; the different types of pensions; state, personal and occupational and alternative ways of saving: ISAs and endowment policies
Pensioncheck website	Although this does not provide individual advice, their aim is to provide all the pension information that individuals need – in plain English – to give people more confidence with their pension decisions.
The PRA	The PRA has developed an educational programme that addresses the need for increased financial literacy amongst adults. The programme is well into its second phase and the materials, which include an interactive CD ROM, student workbook and tutor pack, are now being distributed. Other companies are choosing tailored workshops that are also offered by the PRA. The CD ROM contains 7 modules and a short introduction designed to help users learn about money. The modules cover everything from how people use money differently throughout different life stages to the more complex issues of taxation and investment options. The programme can also be accessed on the website http://www.learnaboutmoney.org

4.7 Methods of delivery

The methods of delivery divide into four, reflecting the four main categories of provision:

- programmes for the socially excluded are delivered in a large variety of ways depending on the specific population and their circumstances. For example, the main methods of delivery used for BSA initiatives are based on a blended learning approach; practitioners deliver courses through face-to-face seminars, web-based learning (including CD ROMs), workshops, and group work. Community projects delivered mainly through CD ROMs and face-to-face. The CFLI pilots also used a range of provision including set-length courses, one-to-one sessions; CD ROMs such as Money-Go-Round and 'disguised' provision. For example, one pilot ran 'Crafts on a Budget' courses, and 'Planning for Xmas' as ways of introducing financial management and budgeting issues;
- FLOP used self-help packages, checklists, on-line learning, CD ROMs and group working;
- courses for those in post-compulsory education range from classroom-based provision (GCSEs and the CeFS) through to on-line provision as part of the Entry to Employment programme;
- web-based provision – the delivery methods for website provision are interactive learning (through downloading documents from the relevant websites, and completing modules on-line or using CD ROMs), on-line calculation tools such as pension calculator and the Office of Fair Trading (OFT) – Annual Percentage Rate (APR) calculator; and
- workplace provision tends to be delivered through a range of methods. For example, the CBI survey 'Raising The Bar: Benchmarking Pension Provision' highlighted work carried out by GSK where a range of financial education delivery methods are used including lunchtime presentations, one-on-one sessions with a personal financial adviser, helplines, and online resources.

4.8 Qualifications and accreditation⁸⁴

The Adult Financial Capability Framework is aimed at those involved in financial capability education including money advisers and teachers. It outlines the skills needed to be financially capable and supports the creation of learning programmes and resources.

⁸⁴ See footnote on page 47 for an earlier description of the difference between qualification and accreditation.

The framework is based on Personal, Social and Health Education (PSHE) and Citizenship, and is mapped to the national standards for literacy and numeracy and the basic skills core curriculum. There are three levels:

- basic understanding and developing confidence;
- developing competence and confidence; and
- extending competence and confidence.

The framework has been accredited by the Qualifications and Curriculum Authority (QCA) at Entry 3 and Level 1 of the National Qualifications Framework.

To support those delivering financial education, a professional development module has been produced (part of the Skills for Life Quality Initiative at Level 3 and Level 4) and distributed as a resource to regional Professional Development Centres. The aim is to provide programmes with a financial context which can be funded by the Learning and Skills Council, as part of Skills For Life, the Government strategy for improving the literacy, language and numeracy skills of adults. Citizens Advice, in partnership with the FSA, is piloting financial skills training to agencies working with young adults (between 16 and 25). This work started in February 2005 and will be reported on in November 2005.

In 2004, The Institute of Financial Studies introduced a certificate in Financial Studies, 'A' Level standard qualification (CeFS) (level 3 in the National Qualifications Framework) and Diploma in Financial Studies (DIP FS). The CeFS and Dip FS aim to:

- help improve financial literacy standards;
- improve understanding of financial matters, aiming not just for people who want a career in financial services, but at anyone who wants to make better informed choices when managing their money; and
- offer meaningful career and academic opportunities, and provide close liaison with potential employers and a recognised entry-level qualification for a career in financial services.

The 14-19 white paper produced by the DfES in February 2005 (described in Chapter 3), recognises the importance of personal financial education in enabling young people to develop the financial capability they need to make informed judgments and effective decisions regarding the use and management of money in adult life. This will impact on those in post-compulsory education through a range of subjects such as mathematics, PSHE, citizenship, business studies and careers education, all offering good opportunities and contexts for exploring and improving understanding of financial issues. As highlighted in Chapter 3, the new Enterprise Education strategy further underscores the importance of financial capability as a context for, and key underpinning of, enterprise capability, along with economic and business understanding.

As a whole, though, most of the resources produced do not form part of formal qualifications. However, the interviews with stakeholders working in the post-16 field suggested that accreditation might have a beneficial effect on participation and progression if gained through short modules and unit accumulation. This was felt to be particularly relevant for those with little formal education and/or who had been out of education for a long time. This was in contrast to stakeholder perspectives on whether or not financial education should be a stand-alone element of the formal compulsory education system.

The review also raised the issue of accreditation for practitioners. This appears to be difficult to come by, and, as a consequence, many of those involved in delivery do not have such qualifications themselves when teaching financial capability education.

4.9 Methods of measuring impact and effectiveness

Only limited monitoring of online resources takes place through feedback forms on websites. More evaluation has taken place where resources and programmes are provided for those who are socially excluded and delivered through tutors and/or an intermediary. A number of key examples are summarised in Table 4.2.

Table 4.2 Monitoring and evaluation methodology

Provider/ initiative	Monitoring and evaluation	Quality of methodology
BSA	<p>The BSA recently undertook an audit of adult financial literacy resources suitable for teaching financial literacy skills and literacy or numeracy skills in a financial context. The audit aimed to identify any areas that are not adequately covered and to inform work being undertaken to map all useful financial literacy resources to the Adult Literacy and Numeracy Core Curricula and the Adult Financial Capability Framework. A questionnaire was completed by practitioners. Community projects: some evaluation has been carried out which is both quantitative and qualitative in nature e.g. 'Evaluation of the Community Development Programme in Financial Literacy and Basic Skills'¹.</p> <p>These projects were evaluated by NFER and developed in partnership with Citizen's Advice Bureau (CABx), credit unions (CUs), and LEAs. These three strands adopted different approaches to tackling the problems of basic skills and financial literacy.</p> <p>The LEA Strand: sought to extend and strengthen the 'My Money, My Life' course developed by Coventry LEA, through the addition of a basic skills focus. Three LEAs took part (in addition to Coventry), and the course was piloted at three or four locations in each. The CABx Strand: piloted approaches to the development of basic skills and financial literacy in five CABx located in the East and West Midlands. The focus was on the setting up of programmes, development of material and the raising of staff awareness. The CU Strand: The Association of British Credit Unions Limited (ABCUL) worked with its chapter of CUs in the Newcastle area to develop a training programme that could be used for all Credit Unions in the Association.</p>	<p>A total of 160 practitioners took part in the audit. Almost three quarters of them were from the Adult and Community Learning sector, including a fifth from further education colleges and a further fifth from organisations in the voluntary sector; participants were spread across England, Wales and Northern Ireland.</p> <p>Questionnaires were sent to these practitioners and the organisations were asked to nominate their 'top ten' resources in terms of usefulness. However, less than 20 per cent of respondents nominated their top ten, and a high percentage of them had only seen a few of the resources, and therefore felt unable to comment. The findings are outlined in the next section.</p> <p>The evaluation of community projects was carried out by an independent organisation: NFER.</p>

Continued

Table 4.2 Continued

Provider/ initiative	Monitoring and evaluation	Quality of methodology
NIACE Financial Literacy for Older People (FLOP)	<p>Internal evaluation has taken place on each community project, using qualitative and quantitative methodology. A summative evaluation also took place in 2000-2001 for the published report Old Money.</p> <p>The 'Money Matters to Me' website has a tutor's forum which includes a discussion covering what is good and bad about the resource and what can be improved. The website also has an online feedback form.</p>	<p>The summative evaluation took place through focus groups. The initial focus groups were set up by Coventry Community Education Service, Guildford Pre-Retirement Group, Canvey Island Citizens Advice Bureau and Oxfordshire Chinese Community Group. A total of 45 individuals were consulted within the four groups, about whether they dealt with a range of financial tasks confidently, barely adequately or with some difficulty. The detailed findings, which vary for each group, are available in the Old Money report.</p>
CA Financial Skills for Life	<p>The evaluation of FSfL is underway, incorporating monitoring data compiled by the projects and detailed case study work with each one. The report is due in early 2006 and will include interviews with intermediaries.</p>	<p>The evaluation is being carried out by an independent evaluator (ECOTEC Research & Consulting Ltd) and will involve collation and analysis of monitoring information; support to projects to enable the development of outcome measures; interviews with project leaders, sponsors, partners and beneficiaries.</p>
DfES	<p>'The Skills for Life Survey: A National Needs and Impact Survey of Literacy, Numeracy and ICT'. The DfES' objective for this paper was to encourage and enable adults to learn, improve their skills and enrich lives. The Skills for Life survey was carried out between June 2002 and May 2003. The aim was to produce a national profile of adult literacy, numeracy, ESOL, and ICT skills over five broad levels of competence. The DfES commissioned the evaluation of the CFLI pilots. The evaluation reported on both process and outcomes issues, and involved detailed interviews with project managers, and with beneficiaries. It reported in 2004.</p>	<p>The Skills for Life survey was commissioned by the DfES to BMRB, and involved qualitative and quantitative methodology interviewing 8,730 randomly selected adults aged 16-65 in England. The survey was split into two parts with a sample of respondents from the first interviews taking part in the second. The first interviews comprised a background questionnaire, collecting behavioural and demographic data, and two assessments, one for literacy and one for numeracy. The second interview (4,656 respondents) comprised two ICT assessments, testing awareness and practical skills. The assessments were designed by the Centre for the Development and Evaluation of Lifelong Learning (CDELL) at the University of Nottingham. No information was available on the issued sample; 8,730 respondents were covered in the first part; 4,656 in the second. The Evaluation of CFLI was carried out by an external evaluator (ECOTEC Research & Consulting Ltd) and took place through the lifetime of the pilots. Qualitative methodology was used primarily, centred around detailed case studies of the various pilots involved. Little quantitative data was available as pilots were encouraged to try out different activities, rather than provide frequency counts on take up.</p>

Continued

Table 4.2 Continued

Provider/ initiative	Monitoring and evaluation	Quality of methodology
National Consumer Council	<p>'No Nest Egg': Research into attitudes of younger consumers to saving for retirement' by James King. The overall aim of the research was to understand the attitudes of younger consumers, on low or modest incomes, to saving for retirement. NCC were keen to observe whether factors such as gender and life-stage affected attitudes. The research was part of the NCC's Financial Futures: Meeting the retirement income needs of all consumers'</p>	<p>This relatively small scale qualitative research was conducted in London and Newcastle. All participants were aged 21-34 inclusive, and were on low and modest incomes. There were two focus groups and twelve depth interviews.</p>
FSA	<p>The FSA has commissioned an evaluation of its workplace pilots stream, including qualitative and quantitative methodology. It is also likely to carry out an evaluation of pilots being carried out for the families work stream.</p>	<p>The evaluation is collecting information on take up, the characteristics of the pilots, and attitudes toward financial matters. In-depth interviews will also be carried out with pilot employers, and employees. The report will be produced in January 2006.</p>

¹ Detailed descriptions of the evaluations of the community projects are included on the BSA's website.

4.10 Evidence of effectiveness

Assessment of the effectiveness of personal financial education for adults has, to date, mostly been collected on a programme by programme basis, if at all. No evidence is available as yet on the general level of financial capability in the population. One current development will make a difference here; the FSA's baseline survey to assess and track the population's level of financial capability. The baseline will provide important information on what the level is now; subsequent surveys will track change over time. It will not, however, be possible to link changes directly to any specific developments in provision that take place.

An overall evaluation of the BSA's Financial Literacy Project has not taken place as yet, though as we have described, each area has been evaluated on reaching completion. A number of evaluation reports for specific strands are available on the BSA's website (e.g. the family finance and money bags projects). Measuring impact and outcomes is conducted by external evaluators, with the methodology tailored to the nature of the project. Events and materials for practitioners are evaluated through questionnaires, and criteria such as content, delivery and relevance are measured through qualitative questions. The results suggest that these are highly successful.

The link between the programmes and outcomes (such as people actually starting to save for the future) is difficult for the BSA to measure, as they provide resources for intermediaries, who in turn deliver to beneficiaries. It is important to note, therefore, that such measurement has not taken place as yet.

One area where the effectiveness of resources has been assessed is through the BSA Audit of Financial Literacy Resources as outlined in Table 4.2. The BSA recently undertook an audit of adult financial literacy resources suitable for teaching financial literacy skills and literacy or numeracy skills in a financial context. The audit aims to inform work being undertaken to map all useful financial literacy resources to the Adult Literacy and Numeracy Core Curricula and the Adult Financial Capability Framework. The main findings included:

- that while many text-based resources were available, more coverage was needed in 'speaking and listening'; important skills required to deal with personal finances;
- a shortage of materials for those with literacy/numeracy skills at the pre-entry/entry levels 1/2, to enable them to progress to the basic level of the Adult Financial Capability Framework, which requires Entry 3 literacy and numeracy;
- the absence of a single contextualised resource covering the numeracy needed for personal finance;
- suggestions for the topics for class activities, including: healthy eating, Islamic finance and gambling;
- areas identified as in need of resources, such as consumer rights, responsibilities, and sources of advice; and implications of finance;

- that many resources, although aimed at people struggling with literacy, numeracy and financial skills, referred to income levels that were much higher than their incomes would be; and
- that people needed to be made aware of the link between everyday financial tasks and the literacy and numeracy skills that underpin them, so that they have the desire to work on these skills in context.

The stakeholder interviews, and existing evaluations, provided indicative information on the effectiveness of provision in the following areas: marketing; take-up; retention; method of delivery; content; staffing of programmes; and partnerships. Table 4.3 draws on this information and provides a summary of some of the evidence of effectiveness.

Table 4.3 Summary of evidence of effectiveness of the delivery of provision

Area	Effectiveness
Marketing	Independent research commissioned by the BSA and for the CFLI pilots indicates that generic approaches to marketing are not effective; mail shots to the general population do not attract potential participants; and that tailored approaches are more successful. The CFLI pilots found that working with local community/voluntary organisations was particularly effective. Organisations included Sure Start, mother and toddler groups, and pensioner groups. Marketing material needed to tell exactly what it was aiming to achieve; taster programmes were a good way of giving learners a more accurate idea of what they could expect; some sort of incentive, whether free food or a financial incentive worked; embedding this type of work in other developments such as ICT training was also successful. FLOP was marketed to agencies and consultants by word-of-mouth and personal contact with the agencies directly; initial meetings were often held to build the trust of the older people. Incentives used to attract the older people on to the projects included paying for lunches, travel costs, and help with transport. The FSA pilots will provide information on whether providing sessions at work is a fruitful approach.
Take-up	Recruitment on to programmes appeared to be effective where people had detailed information on their purpose and content, and where they were addressing specific issues. The CFLI pilots found that set length courses, requiring regular attendance did not attract participants. Take-up of one-to-one support was also influenced by immediate need or life events. People were not really very interested in attending general sessions, though such courses, provided in partnership with intermediary organisations, were more successful. For those who had been out of education or had low levels of education, it was important to make the names of the courses as non-intimidating as possible; linking financial capability to the provision of other skills helped take-up (see above). Stakeholders noted that it was important to modify methods of delivery according to the audience involved. For clients with basic skills needs, informal, non-classroom type provision worked most effectively. The FSA workplace pilots will provide information on take-up in different types of workplaces; the FSfL evaluation on the scope of take-up with a very specific type of organisation.

Continued

Table 4.3 Continued

Area	Effectiveness
Retention	This was affected by a number of factors, including need, the location of courses, the participants on a course and a participant's desire for privacy, the identity and personality of those delivering the education, the level of learner trust in their tutors and each other, the relevance, length and timing of courses, the support of intermediaries. One stakeholder had been involved in delivery to groups where attendance was compulsory (a foyer project) and felt that this did not enhance learning.
Method of delivery	Blended learning approaches were used incorporating all potential modes of delivery, and were often tailored to suit a certain group of learners. For example, those who are more confident with their IT skills can use a CD ROM-based course. The CFLI pilots found that some people were not comfortable working in a group situation as they did want to either reveal their problems or their lack of understanding/ability. The FLOP programme used a range of methods, from self-help packages, to checklists, on-line learning and group working. All were effective when chosen to meet the needs of those involved. Findings reported by the OECD ¹ , show that the effectiveness of workplace provision is affected by methods of delivery e.g. one-to-one counselling results in substantial increase in percentage change in participant investing. Less personalised provision of information has little effect.
Course content	Evidence from the BSA work suggests that starting with tightly focused content and broadening the content out, is a good way to enable learners to progress further. The CFLI pilots found that content had to be tailored and relevant. The FLOP project spent its initial development phase working with the potential participants to design provision and determine the content of sessions. This showed that the material needed to be wide-ranging and highlighted the importance of not making assumptions of what people need.
Partnerships	Anecdotal evidence suggests that it is crucial to choose the right partner, relevant and linked to the target audience. For example, the BSA partnership with NIACE to deliver programmes for older workers was very effective; attendance at the event was high due to NIACE's effective networks/connections.

¹ OECD Financial Education Project, started in 2003, sponsored by Prudential. Presentation of findings at ABI seminar on pension reform (lessons from abroad) 21 April 2005 'The Human Factor: How to Encourage Greater Retirement Saving' by Barbara Smith.

4.11 Funding and sustainability

The sustainability of programmes and general provision is dependent on the availability of funding and demand for the provision. This has played its part in influencing the positioning of financial education. For example, The Learning and Skills Council hold funding pots and can potentially fund financial education. However, they also have specific learning programmes that they will fund; unless proposed activity comes under one of these, funding will not be approved. To ensure that funding is available personal finance education has been embedded within basic skills provision.

Website-based resources are relatively easy to sustain without needing major financial support, but need regular updating to remain relevant and useful. Here, long-term funding arrangements become a key factor for sustainability.

As far as post-16 programmes are concerned, the nature of funding is the key issue for sustainability. A number of the programmes we have described in this chapter were funded on a time-limited basis, whether from central Government or from sources within the financial services industry. This characteristic is, of course, not limited to financial education and is an especially common phenomenon where organisations in the community and voluntary sector are leading on the delivery of provision. No matter what the subject, ECOTEC's experience suggests that the community and voluntary sector must devote time to monitoring and evaluating the supply, outcome and impact of provision to provide evidence to support the case for sustained funding.

A number of the stakeholders who took part in the review were agreed that central Government and the financial services industry had key roles to play in the supply of funding.

5 Conclusions and recommendations

5.1 Conclusions

This review of financial education was commissioned by the Department for Work and Pensions (DWP) to assess the extent and effectiveness of financial education for those still in compulsory education and those aged over 16. Key policy customers were the team involved in the Informed Choice Strategy, which aims to improve the quality of long-term financial planning and decision-making and:

- enable people to make the most of pension provision and encourage the availability of the right pension products;
- raise people's awareness of their options and improve financial education; and
- ensure everyone has access to high quality, accurate and timely information.

The success of this strategy is inextricably linked to work aimed at improving the financial capability of the population. The purpose of the conclusions is to draw out some of the key issues around current and future provision of financial education in general, and, more specifically, around long-term saving and planning issues.

5.1.1 Pre-16 provision

The provision of financial education in schools is supported by the respective education departments of all four UK constituent countries. The Department for Education and Skills (DfES) plays a central role in the provision of guidance on financial education for teachers working in compulsory education in England and Wales; Learning and Teaching Scotland (LT Scotland) and the Scottish Centre for Financial Education (SCFE) do the same in Scotland; and the Northern Ireland Department for Education in Northern Ireland. Current guidance is comprehensive and relevant.

Support for the future development of provision for those in compulsory education in England is included in the recently published 14-19 White Paper: 14-19 Education and Skills. The development of the Enterprise Education strategy adds further weight to the growing role of the subject in the education of young people from KS1 to KS4. While these developments apply specifically to England; Scotland, Wales and Northern Ireland are all engaged in reviewing their own provision, placing emphasis on a vocational and skills-based curriculum and on increasing the prominence of financial education within their equivalent curricula.

The content of financial education recommended for KS1 to KS4 (and the equivalent stages in Scotland, Wales and Northern Ireland) starts with the development of knowledge and skills, moves on to develop competence and understanding and, by the final stage, covers the issue of personal responsibility. Long-term saving and planning issues are included though stakeholders who took part in the review expressed reservations as to the salience and relevance of these topics for young people. The review found that:

- it was essential to use materials pitched at the right level for the audience; and
- financial education worked best where emphasis was placed on including whole school groups in teaching sessions, while at the same time tailoring the specific content to local characteristics.

Interestingly, though, the review found some evidence to suggest a tendency for schools in disadvantaged areas, or catering for special populations, to be more likely to take up and use resources around financial education. This mirrors the emphasis in adult provision on working with people who are financially or socially excluded, but may also be attributable to more flexible timetables.

Notwithstanding the positive context for the provision of personal financial education for those aged 16 or younger, the review found some evidence to suggest that implementation was uneven in terms of its coverage and quality – certainly in England and Scotland. Research for the Financial Services Authority (FSA) and evaluation of programmes delivered by non-statutory organisations working with schools, found that dedicated lesson provision was infrequent and dependent on the commitment of individual members of a schools' staff. This uneven pattern of provision has its roots in the fact that financial education is not a separate, mainstream subject. Most teaching of it is through Personal, Social and Health Education (PSHE)/Personal social education (PSE), alongside some efforts to embed it in mainstream subjects such as mathematics.

Stakeholders who took part in the review were not convinced that the subject should be accredited in its own right; they felt that it was important that coverage was universal as the skills required apply to everyone, regardless of ability or background. Stakeholders were also concerned that changing its status would mean moving away from the current emphasis on whole school group teaching, which enabled teachers to draw out the diverse range of experience and attitudes, irrespective of ability.

Evidence from the review drew out some additional issues. Support and training for teachers was a key component in successful delivery. A number of reports, and interviews with stakeholders, stressed that it was unwise to assume that teachers were confident in their ability to teach the subject and automatically equipped with the skills to do so. Knowledge management was another key determinant of the sustainability of provision. Ownership of personal financial education often sat with one teacher, committed to delivering the subject. There was also a tendency for the subject to have greater prominence in schools based in deprived areas and/or catering for specialist needs, where a more flexible timetable encourages inclusion of such subjects. Less positively, these are the very areas where turnover of teaching staff tends to be high, with the resulting loss of knowledge, experience and commitment; we are also concerned that financial capability is perceived as a more salient issue for people living in disadvantaged areas as this detracts from the growing emphasis on coverage for all.

Young people are able to access information, advice and guidance through other means, including websites, through youth workers/youth groups, and even via their parents, as some provision is available for the latter to support their children. However, the main source of non-school-based Information, Advice and Guidance (IAG) was through websites and it is not possible to comment on how effective this provision is as even simple measures of 'hit rate' provide little illumination on who is using the site, for what reasons and what they do with any information they collect as a result.

Even with these reservations, future developments are encouraging. The FSA's Financial Capability Strategy's Schools Group has drawn together key interest groups in the pre-16 sector to work together on the issues raised above. One of the main aims of the Schools Group is to increase the status of financial education in schools, and improve the ability and confidence of teachers. To this end, a one-stop-shop for resources and support is signposted through the internet and there are plans for the development and provision of continuing professional development in the subject for teachers. The Schools Group is also keen to develop a quality mark for schools and track the growth in provision. An important element that should be included here is the development and use of measures designed to assess impact and effectiveness as well as tracking progress on implementation of planned programmes.

5.1.2 Post-16 provision

The main direction of post-16 provision discussed in this review has been influenced strongly by the work in the late 1990s and early 2000s on social and financial exclusion, and the parallel concerns about the basic skills levels of the population. Emphasis is placed, therefore, on financial literacy and basic skills, on the difficulties faced by disadvantaged communities in accessing financial services, and enabling adults to make decisions on key issues such as consumer credit, tax credits and pensions.

A number of organisations from the public and private sectors, together with community and voluntary organisations, have led provision, often working in partnership. Four main areas are covered:

- adult and community learning programmes aimed at those socially and financially excluded;
- provision of information through websites and CD ROMs, some of which is aimed at those with basic skills needs but is accessible to the general population;
- provision in the workplace for employees; and
- post-compulsory education.

Community and voluntary organisations have played a significant role as providers of information and as intermediaries facilitating access to disadvantaged/socially excluded groups, especially supporting access to mainstream financial services. We suspect we have only touched the surface of the amount of activity in this area, and also suspect that a great deal of it will be concentrating on those with debts and other serious financial problems. In fact, our interviews with community providers suggested that their main focus will continue to be on disadvantaged communities.

One of the key issues around the provision of financial education for adults has been the concentration on financial 'literacy' and basic skills issues. But, financial capability is an issue for all adults, and there appears to be little provision for the mainstream adult population, except through websites, on-line learning and CD ROMs. While some of these sources do include information advice and guidance on pensions and broader financial capability/money matters issues, they tend to concentrate on money management and budgeting. Crucially, it is impossible to assess the extent of use and impact of websites, how useful the information has been and whether or not the individual concerned took any action as a result.

For an adult without basic skills needs, and who does not live in a disadvantaged area, there is no obvious place to go for generic support from a skilled provider/face-to-face IAG or teaching. The workplace is a potential route for this audience though the review found that there is a tendency for workplace-based provision to be focused on encouraging take up of organisational employment related benefits. The FSA is running a series of pilots on the delivery of generic advice through the workplace and will be an important indicator of whether the workplace is an effective conduit for more generic information. Two other potential sources of advice are Citizen's Advice Bureau and Independent Financial Advisers but adults are most likely to use such sources when in need of specific support or information, rather than as a result of a more general desire for advice or guidance.

Of the information included within the scope of this review, the content included information, advice and guidance around the calculations of everyday life, expenditure and budgeting, and advice on debt. It also included IAG in financial planning. There is some evidence that potential consumers take what might be called a 'pick and mix' approach, in that they want the information when they need it, on the issues

they want to know about, and are unlikely to be much interested in the meantime. The review suggests that it is difficult to get the general population interested in subjects or issues that are not immediately relevant to them. Long-term planning and pensions are likely to fall into this category. In short, provision needs to be easy to find, easy to access and relevant; adults are unlikely to take up stand-alone provision, but more likely to respond to provision based around key life events.

The FSA's development of a financial capability strategy has great potential to draw together the issues around provision for adults, and is looking at ways of widening the scope of financial education. One of the strengths of the work being carried out by the FSA is the range of partners involved in the various work streams. These partners also support the development of the baseline survey, which aims to measure the population's overall level of capability and track change. Significantly, the survey will be able to provide evidence on where the starting point is.

5.2 Recommendations

We have five main recommendations for consideration:

- it is important not to assume that there is an immediate requirement to design and implement major financial education programmes for adults. We suspect it would be much more useful to attempt to map comprehensively what is out there and develop an effective practice guide to delivery;
- there are no 'quick fix' solutions to increase the financial capability of the population; it will be more effective to concentrate on the compulsory education route for those aged under 16, and for adults to develop provision that can be started and stopped as needed;
- for the pre-16s, there is a clear need, for now, to keep strengthening the guidelines, framework and incentives for enhancing take up via PSHE/PSE, for seeking opportunities to embed the subject in curriculum subjects. In particular, in line with the DfES White Paper on the 14-19 curriculum for England, and reviews of provision in Wales and Northern Ireland, it is important to consider whether financial education should be more explicitly included in the mathematics curriculum;
- future developments in the design and provision of financial education need to bear in mind that both pre- and post-16 provision works best when it is tailored and relevant, as well as easy to find and access; and
- Government and the FSA have a key role to play in the continued development of partnership working and as a means of co-ordinating activity and developments.

Appendix A

The methodology

Our methodology involved the following activities:

- inception and team briefing;
- design of analytical framework and analysis of existing information;
- information search, collection and analysis;
- interviews with key stakeholders;
- analysis and report production.

Information in the draft report was supplemented and checked by informal consultations with the relevant stakeholders.

A.1 Design of analytical framework

The key purpose of the review was to identify existing financial education programmes and assess their effectiveness. With this in mind, for each programme identified and delivered in both pre- and post-16 provision, we designed the analytical framework outlined below.

Table A.1 Analytical framework for each financial education programme identified

Key features

Overview of provision
 Lead organisation (both delivery and funding)
 Partners
 Purpose, scope and objectives of programme
 Time in existence
 Target audience, marketing methods
 Take-up and retention levels
 Content, including who/where materials developed and/or obtained, and coverage of long-term saving/planning issues
 Method(s) of delivery, including by whom
 Qualifications/accreditations awarded
 Monitoring and evaluation methodology: quantitative, qualitative, anecdotal and assessment of robustness
 Outcome measures
 Evidence of effectiveness: marketing, take-up, retention, impact, lessons learned
 Implications for policy development

It should be noted that there were gaps in the framework for individual programmes. It was particularly difficult to find evidence of effectiveness, as had been suspected by the policy team at the Department for Work and Pensions (DWP). Information was, therefore, entered into the framework as applicable.

Once the framework contained the information on the provision, we were able to identify, a secondary analysis stage was carried out, aimed at drawing out the key thematic features on each criteria for the report.

The initial analysis provided a check on the coverage of the framework and identification of gaps in information to be followed up with the organisations included as key stakeholders below.

A.2 Information search, collection and analysis

While much of the information on financial education programmes had been compiled by the DWP team, we carried out a web search, using key words, to check for any missing provision and/or delivery organisations. One notable gap in information was the voluntary and community sector, which is known to provide locally-based activities on the subject. We also checked for provision in Scotland, Wales and Northern Ireland, which were not identified separately in the grids prepared by the DWP team (these 'grids' included information on the organisations and their aims and roles in relation to financial education; financial education provision i.e. initiatives and other activities e.g. products, strategies, pilots, reviews, information; evaluation of impact/effectiveness; and any research the organisations

had carried out in relation to financial education provision). Key word searches were used, for both provision and organisations. We also used ‘snowballing’ as a way of identifying relevant organisations. We followed up leads as appropriate.

Once obtained, information was entered into the analytical framework as above.

A.3 Interviews with key stakeholders

As indicated above, a considerable amount of information for the review was available from the DWP. However, we needed to check:

- the completeness and coverage of the information; and
- on what evidence was available on the impact and effectiveness of provision.

For this reason we carried out 20 interviews with key stakeholders. The range of stakeholders we approached are shown in Appendix B.

The core of the interviews established what financial education each organisation either provides, or is aware of, on financial capability/literacy matters in general, and, more specifically, on long-term planning for the future and retirement.

For each main education programme in place, we collected information on:

- purpose, scope and objectives;
- target audience, marketing methods;
- take-up and retention;
- content;
- method of delivery;
- qualifications and accreditation;
- monitoring and evaluation methodology;
- outcome measures;
- evidence of effectiveness, in terms of what did and didn’t work well;
- lessons learnt/examples of best practice;
- recommendations for the delivery of this kind of education.

Information gleaned from each interview was then entered onto the analytical framework alongside the existing information. The interviews with stakeholders took one of two directions:

- among stakeholders involved primarily in delivery, we focused on the delivery activities;
- where a stakeholder was a policy lead, or involved in the development of policy/strategy, interviews tended to concentrate on that aspect.

The interviews were based on the following topic guide:

Organisation

What financial education programmes they provide (or know of)

Partners - Who do they work with and why?

Who funds the work done with partners

Time in existence of FE programme(s)

Provision for u-16?

Post-16?

Both?

Section One – Financial education provision
--

- Purpose, scope and objectives

1. What are the aims and objectives of the financial education programme(s) you are providing?

.....

.....

.....

- Target audience and marketing methods

2. Who are the target audience(s) for the financial education programmes? Any groups in particular?

.....

.....

3. Why do you target these groups in particular?

.....

.....

4. What ways do you use to market the programmes to them?

.....

.....

5. How do the approaches differ, if at all, to attract and retain the target audience(s)?

.....

.....

6. Do you keep records around the impact of marketing? If so, which methods work best? *Probe here for success rates attached to different methods?*

.....

7. Are there any hooks used to attract people on to the courses? E.g. free lunches

.....

.....

- Take-up and retention

8. Do you record statistics on recruitment and retention for the financial education programmes? If so, how?

.....

.....

- Content

9. Who develops the material for the courses? In-house or external? What is the content of the course, what issues does it cover?

.....

.....

10. Do any of the programmes or courses cover long-term saving/planning issues? If so, please describe.

.....

.....

- Method of delivery

11. What method(s) do you use to deliver the courses? (e.g. face-to-face; distance learning; seminars and group working)

.....

.....

12. Who delivers them? *i.e. job title and role, and whether employed by organisation*

.....

.....

- Qualifications and accreditation

13. Are any of the courses accredited?

.....

.....

14. What qualifications are on offer?

.....

15. If accredited, then why? And if not accredited, why not?

.....

.....

.....

16. What impact does it have whether or not courses are accredited on participation rates?

.....

.....

Section Two - Effectiveness

- Monitoring and evaluation methodology

17. Are there any mechanisms in place to evaluate the impact/effectiveness of the education programmes? If so, what mechanisms are used (quantitative, qualitative, or anecdotal)?

.....

.....

18. What criteria are you using to measure impact? What are the outputs and outcomes?

.....

.....

19. How successful or otherwise is the programme?

.....

.....

20. Is there any measurement of the relationship between the programme(s) and outcomes (e.g. people actually starting to save for the future) ? In the short-run?

.....

.....

In the long-run?

.....

.....

- Evidence of effectiveness

21. What did and didn't work well in the following areas, and why not:

Marketing

.....

Take-up/Recruitment

.....

Retention - *Anyone that is more or less difficult to recruit and retain?*

.....

.....

Method of delivery

.....

Content of course

.....

Staffing of programmes

.....

Partnerships

.....

Sustainability

.....

22. Are there any lessons learned and/or examples of best practice that you can highlight?

.....

.....

.....

23. Do you have any recommendations for the delivery of this kind of education?

.....

.....

.....

Appendix B

Stakeholders consulted

Organisation type	Organisation
Government, agencies and related	Department for Education and Skills (DfES) Financial Services Authority (FSA) Basic Skills Agency (BSA) National Institute for Adult Continuing Education (NIACE) Scottish Council for Education or Teaching and Learning Scotland Qualifications, Curriculum and Assessment Authority for Wales (ACCAC) General Consumer Council Northern Ireland (GCCNI) Office for Standards in Education (OFSTED)
Private sector	Aegon UK Association of British Insurers (ABI) Confederation of British Industry (CBI) Prudential Natwest, and Financial Capability Centre at Warwick University
Community and voluntary sector	Personal finance education group (pfeg) Citizens Advice (CA) Personal Finance Research Centre Services Against Financial Exclusion (SAFE) at Toynbee Hall Association of British Credit Unions Ltd (ABCUL) Capital City Partnership (Scotland) Trades Union Congress (TUC)

Appendix C

Summary of financial capability at each key stage in England and examples of content from NatWest Face2Face and the Scottish Centre for Financial Education

Key stage 1

During KS 1, pupils learn:

- about spending and saving money in the context of their own lives, including how to solve whole number problems involving money;
- about the different sources and uses of money;
- about the importance of looking after money;
- that people will make different choices about spending money;
- about social and moral issues about the use of money in their everyday lives.

Key stage 2

During KS 2, pupils learn:

- about making simple financial decisions and consider how to spend money including pocket money and contributions to charity;
- that resources can be allocated in different ways and that these decisions, have individual, social and environmental consequences;
- how to look after money and realise that future wants and needs may be met through saving;
- about the different values and attitudes that people have with regard to money;
- how to solve word problems involving money and simple percentages and how to approximate and check their answers.

An understanding is developed about people's different financial circumstances and that standards of living vary across time and place.

Key stage 3

During KS 3, pupils learn:

- about what influences how we spend or save money and how to become competent and managing personal money in a range of situations including those beyond their immediate experience;
- how local and central Government is financed;
- about insurance and risk and about making safer choices about healthy lifestyles;
- about social and moral dilemmas;
- about the use of money including how the choices they make as consumers affect other people's economies and environments;
- to solve complex numerical problems involving money including calculating percentages, ration and proportion.

Key stage 4

During KS 4, pupils learn about:

- financial decision-making and money management and using a range of financial tools and services, including budgeting and saving, in managing personal money; and
- how to assess the different sources of financial help and advice available to them;
- how the economy functions and the rights and responsibilities of consumers, employers and employees;
- the different risk and return involved in savings and investment;
- interpreting social statistical information;
- developing an understanding of the wider social, moral, ethical and environmental consequences of personal financial decisions. They continue to learn to solve complex numerical problems involving money including calculating percentages, ratio and proportion.

Adult life

Personal finance curriculum prepares pupils for their life as adults. Financially capable adults are able to make informed financial decisions. They are numerate and can budget and manage money effectively. They understand how to manage credit and debt. They are able to assess needs for insurance and protection. They can assess the different risks and return involved in different saving and investment options. They have an understanding of the wider ethical, social, political and environmental dimensions of finances.

NatWest

NatWest's Face2Face provides 10 modules, eight of which link directly to England and Wales' curriculum:

- Basic Banking – 11 activities help students to understand more about what banks do and the practical tasks of managing an account.
- Cards and Card Services – activities cover the whole process of 'paying by plastic' from recognising different cards to considering card security and the importance of keeping accurate records.
- Credit Worthy? – by taking on the roles of both borrowers and lenders, students will come to understand from both perspectives the importance of money management and the potential dangers of borrowing.

- Enterprise – students working in small groups set up and run a business or community enterprise to develop teamwork, communication, problems solving and other key skills.
- Fresher Finance – provides opportunities for post-16 students who are considering applying for a place in higher education to learn about the principles of managing their money and time.
- Tender – the students work in small groups and take on the role of catering firms which have to present tenders for a contract to supply a local social club with an annual dinner.
- It's Your Life – eight case-studies to enable students to learn about lifelong financial planning through role play as acting financial advisers to eight different people, e.g. a pop star, a single middle-aged person, etc. (insurance and pensions).
- Single Currency – provides information for students relating to EMU (European Monetary Union).
- Work Experience – An opportunity for students to gain work experience in the bank.
- Teacher Professional Development – Opportunities for teachers to have work placements and training in certain areas of the bank e.g. in the bank divisions, or in the call centres.

The modules are developed by teachers and the bank staff; teachers give the bank staff the information about the curriculum context and the bank then devises the material for the modules, the teacher can then tailor the activities/modules to their curriculum needs.

The Scottish Centre for Financial Education

The Scottish Centre for Financial Education (SCFE) delivers a similar programme, including:

- Talk money, talk mathematics – this was developed by SCFE in response to an audit of existing financial education provision. Resources and lesson plans are aimed at the 5-14 age group using financial scenarios to teach mathematics. Includes scenarios around mobile phones, banking (interest rates, savings and loans) and budgeting. The resource is widely used and has had positive feedback from local authorities.
- Enterprise in Education – helps to promote entrepreneurship amongst students whilst concentrating on how to manage the finances of a business. It aims to foster links between personal and business finance.
- Face 2 Face with Finance – Seminars were held across Scotland by the SCFE in order to familiarise teachers with the NatWest Face2Face with Finance project. A manager has been appointed by the bank to drive the resource forward in Scotland.
- Facing up to Finance – launched in 2001, this is a CD ROM aimed at S3 and S4, to be used in Personal and Social Education classes. However, it has been used in many other subjects such as mathematics, business, Information and Communication Technology (ICT) and home economics. Some parts of the course are more popular with students than others, for example the video clips are far better received than the quizzes and 'academic' parts.
- Make the Most of it – produced by the Financial Services Authority (FSA) Not used as widely in Scotland as the other packages and is seen as being 'dense' for use in schools. This resource does cover some pensions and saving issues. There are also sections on e-marketing and e-commerce which are seen as being quite useful.

General personal finance education information provision, through websites and the Association of British Credit Unions Limited's (ABCUL's) resource packs for savings clubs, covers similar topics and issues but are not linked to school curricula.

References

Centre for Longitudinal Studies, *London University data based on the 1995 sweep of the National Child Development Study*, Unpublished.

Centre for Research in Social Policy, Loughborough University (2000) *A cycle of disadvantage? Financial exclusion in childhood*, Consumer Research 4, FSA.

Coben, D. et al, (2003) *Adult numeracy: A review of research and related literature*, NRDC for adult literacy and numeracy.

Confederation for British Industry (2004) *Raising the bar: benchmarking pension provision*, CBI.

Confederation for British Industry and Mercer Human Resource Consulting (2004) *A view from the top: a survey of business leaders' views on UK pension provision*, CBI and Mercer Human Resource Consulting.

Davies, H. (2002) *Review of Enterprise and Economy in Education*, HM Treasury.

Department for Education and Employment (2000) *Financial capability through Personal Financial Education: Guidance for schools at Key Stages 1, 2, 3 and 4*, DfEE.

Department for Education and Skills (2002) *Review of progress against the Adult Financial Literacy Advisory Group*, DfES.

Department for Education and Skills (2005) *14-19 Education and Skills white paper*, DfES.

Department for Work and Pensions (2002) *Pensions Green Paper: Simplicity, security and choice: working and saving for retirement*, DWP.

Deputy Minister for Social Justice and Regeneration (2005) *Review of Overindebtedness*, Social Justice and Regeneration Committee.

Financial Services Authority (2004) *Financial Capability: Consumers views on developing their financial capabilities through schools and workplaces*, Consumer Research No. 27, FSA.

Gardner, J. et al, (2002) *Consumer Skills for All*, General Consumer Council for Northern Ireland.

McCormick, J. et al, (2004) *Thrifty Scots? Steps to improve financial literacy*, Scotland Council Foundation.

MORI (2001) *Basic Skills and Financial Exclusion*, London: Basic Skills Agency.

National Centre for Social Research (2002) *Personal Finance teaching in schools: Implications for consumer education of research*, Consumer Research 11, FSA.

Policy Action Team 14, (1999) *Access to financial services*, Social Exclusion Unit, HM Treasury.

Policy Action Team 14 (2000) *Family Resources Survey 1998-99: Helping people to save, consultation paper*, Social Exclusion Unit, HM Treasury.

Royal Bank of Scotland (2004) *Financial future of UK's Cash-Rich kids hangs in the balance*, RBS.

Smith, B. (2005) *The human factor: How to encourage greater retirement saving*, OECD.

Wanless, D. (2000) *Adult Financial Literacy Advisory Group Report*, DfEE.