

Money skills that add up



What has been the impact of compulsory money lessons for 11-16 year olds in English schools?

For an academic year now, students have been learning how to budget and understand tax and pensions through Citizenship and Maths classes.

But, is it working? What are students learning? After the government decided personal finance would not be tested, there has been a risk of financial education's introduction being seen as tokenistic.

MyBnk has crunched the 2014/15 data and can show a surge in young people's financial capability and the impact of expert-led money lessons. After our sessions with tens of thousands of young people in hundreds of UK schools, collecting 100,000s of pieces of data, we found:

- Budgeting: 58% jump in those planning to budget.
- Confidence: 86% feel confident making informed financial decisions. +29%.
- Scams: 90% know security features of money +36%.
- Banks: 44% increase in ability to use a bank.
- Maximising money: 91% can use budgeting to make effective use of money.
- Risk: 87% can identify risks of financial decisions +23%.
- Rights: 89% know their employment rights like minimum wage, tax and hours +38%.
- Jargon: 81% feel confident understanding banking terms +41%.
- Ethics: +44% will ask for bank's ethical policy.
- Macroeconomics: 47% increase in understanding how money flows through the financial system.
- Teachers: 71% recommend us to other schools. Our Net Promoter Score is 67, that's as high as Apple!

However, we are just scratching the surface and the need is ever present as UK Personal debt edges £1.5 trillion, the cost of living along with youth and graduate unemployment remain stubbornly high and the Bank of Mum and Dad stays under huge pressure with young people struggling to afford independent living.

In addition, 50% of 11-18 year olds are potentially missing out as Academies and Free schools can opt out of the National Curriculum. Sixth Forms do not have to teach money skills.

Founder & Co-CEO Lily Lapenna, said:

“At face value, it has been a success! Awareness is up and more young people than ever are learning about money. The argument that we need to give students the skills to manage money has been won.

On the other hand, exactly what they are learning and how, varies widely across schools. Concerns around quality and tokenism are abound. The Money Advice Service’s Evidence Hub rated online resources for teachers and financial service schemes lower than our face-to-face independent expert-led provision. Ofqual also decided that only government finance will be GCSE tested – meaning young people’s knowledge on things like budgeting, risk, and interest rates remain unmeasured.

Ironically, since money lessons were made compulsory, the sector has had to turn away many schools as demand for our programmes soared. Trusts, foundations and CSR Units are reluctant to fund something that is even marginally statutory, meaning young people and teachers miss out on what works.

The time has come to properly fund effective financial education for young people in schools”.

About MyBnk:

Since 2007 MyBnk has armed over 125,000 young people with money and enterprise skills through 650 organisations. Independently assessed, the charity has noted significant increase in young people’s financial capability after taking part in MyBnk sessions

In 2015 the Money Advice Service gave MyBnk the UK’s highest rating of any financial education initiative for young people.

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