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Y Gweinidog Addysg a Sgiliau  
Minister for Education and Skills



Llywodraeth Cymru  
Welsh Government

Eich cyf/Your ref:  
Ein cyf/Our ref:

Bethan Jenkins AM  
National Assembly for Wales  
Cardiff  
CF99 1NA

16 October 2013

Dear Bethan,

Thank you for your question regarding financial education in schools at last week's Assembly Questions. I hope the information in this letter will assure you that we take this area of learning very seriously and are committed to ensuring that all children are equipped to navigate the often complicated issues of money and finance.

Since 2008, financial education for 7 to 16-year-olds has been included in the school curriculum in Wales through the Programme of Study for Mathematics for 7 to 16-year-olds, and also in the non-statutory frameworks for Personal and Social Education and Careers and the World of Work.

To facilitate the formal incorporation of financial education into the curriculum and to support the Welsh Government's Financial Inclusion Strategy, the Welsh Financial Education Unit (WFEU) was established following the 2008 curriculum revisions. It was set up as a partnership between the Department for Education and Skills, the Welsh Government's Financial Inclusion Unit and the Money Advice Service. WFEU was staffed by two seconded teachers and provided support and training for the planning and delivery of financial education in schools.

The first round of WFEU activity ran until 2011 when the initial secondments came to an end. During that year a guidance document on the provision of financial education in schools and colleges, 'Financial education for 7 to 19-year-olds in Wales', identified opportunities for provision of financial education in the curriculum. The document set out the aim of financial education as being to ensure that learners are 'financially capable', and defined financial capability as comprising three interrelated themes:

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*Wedi'i argraffu ar bapur wedi'i ailgylchu (100%)  
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- *Financial knowledge and understanding* – having knowledge and understanding of the nature of money and insight into its functions and uses.
- *Financial skills and competence* – being able to apply knowledge and understanding of financial matters across a range of contexts in order to deal with day-to-day money management issues and to begin thinking about planning for the future.
- *Financial responsibility* – being aware that money and financial decisions are closely linked to value judgements and that they can impact, not only on the decision-maker, but also on their family and community.

In 2011 Estyn published a report ‘Money Matters: the provision of financial education for 7 to 19-year-olds in primary and secondary schools in Wales’, it recommended that the Welsh Government should support and share good practice with schools and local authorities; and continue to support the development of Welsh-language financial education resources.

Also published in 2011, the Arad report looked into the work of WFEU and the effect its strategies were having within schools. In summary, the report draws on findings from a range of documentary evidence plus visits to schools that received support from the Unit and interviews with local authority advisers. Arad also held discussions with pupils following financial education lessons and observed training sessions run by the Unit with local authority advisers.

The main findings confirmed that the objectives set out in the Unit’s Plan for 2009/10 and 2010/11 had been met. With specific regard to the impact on classroom practice the report was consistent with Estyn’s findings. The guidance and training provided for schools by the Unit in partnership with local authorities had been well received and “the individual qualities, skills, and knowledge of WFEU’s current advisers are seen as being tremendously valuable”. The support was considered to have made an impact by raising awareness of financial education and promoting improvements in teaching. However, Arad also concluded that more needed to be done to embed financial education in primary and secondary schools. Arad therefore recommended that “WFEU should continue to provide a programme of support” but with a shift in focus to curriculum planning and delivery.

In light of the recommendations in both of these reports a second round of WFEU was agreed. In 2012, two new secondees (one for primary and one for secondary schools) were appointed to WFEU to take forward a second round of Continuous Professional Development (CPD) training for teachers. This second round of activity was funded solely by the Department for Education and Skills and was able to take on board issues raised in the 2011 Estyn report.

The focus in this round was on providing training to support teachers to embed financial education across the curriculum, aligned to the new National Literacy and Numeracy Framework (LNF) which subsequently became statutory for all learners between the ages of 5 and 14 in September 2013. The numeracy matrices within the LNF contain a ‘Manage money’ element, which clearly sets out expected progression in money managing skills on a year-by-year basis. One of the more obvious and essential applications of numeracy in the real world is that of managing money and the ‘Manage money’ strand allows teachers greater precision in appraising the financial capabilities of their learners through the various stages of their development, from the Foundation Phase onwards. We have also invested in a National Support Programme (NSP) to offer direct support to schools and teachers, to ensure that they receive the necessary hands on support and training to effectively implement the requirements of the LNF.


We want to give learners the opportunity to acquire a solid understanding of the nature of money and its uses, to equip them not only with the knowledge to enable them to manage money on a day-to-day basis but also to make them aware of financial responsibility. Ultimately, our commitment to embedding financial capability within the LNF will help furnish learners with the knowledge and confidence to make informed decisions in relation to money later in life.

The 2012-13 WFEU training programme came to an end this summer having trained 766 teachers across Wales during the 2012-2013 academic year. In order to provide continued support for teachers, a financial education teaching pack, incorporating materials developed by the UK education charity pfeg (Personal Finance Education Group), has been developed for use by primary and secondary schools. The bilingual pack will go live on the Learning Wales site later this autumn. The materials included in the teaching pack are mapped to the LNF and include the following modules:

- An introduction to financial education and where it 'fits' in the Curriculum
- Using a bank account
- The teaching of money
- Managing your money - borrowing
- Managing your money - budgeting
- Managing your money - saving
- Being a smart consumer
- Managing money across the Curriculum
- Money and the world of work
- Foreign money

I hope this has provided you with a comprehensive response to what my Department has been undertaking with regards to taking forward Financial Education in schools across Wales.

*Best Regards*



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