

Youth Select Committee

Education and Life Skills Inquiry

A Response by Credit Action

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Background

Credit Action is a national financial capability charity (registered Charity in England & Wales No. 1106941) established in 1994.

Credit Action empowers people across the UK to build the skills, knowledge, attitudes and behaviours, to make the most of their money throughout their lives. It develops and delivers products and services which provide education, information and advice on money matters, in an appropriate way for young people and adults. Through its work Credit Action reaches over 500,000 UK citizens every year.

Summary

Credit Action welcomes the opportunity to comment on the Youth Select Committee's inquiry into education and life skills, and has particular expertise in the area of personal finance. We run financial education programmes in schools across the UK, specifically *DebtCred* (aimed at 11-16 year olds) and *Future Ready* (aimed at 16-19 year olds).

We believe that the education system should play a role in equipping young people with key life skills, and that schools have an almost unparalleled opportunity to do so at a crucial formative period in a person's life. With respect to financial education specifically, we are therefore pleased by the Department for Education's recent decision to make this a compulsory part of the National Curriculum in England within Mathematics and Citizenship, although we believe certain issues remain.

In particular, we are concerned that unless it is appropriately assessed, Citizenship could take on an implicitly lower status than other subjects and therefore be taught less rigorously. The concept of teaching life skills as a separate and distinct part of the curriculum could help address this, and while we believe it is unrealistic to expect this change to be made in the short-term, we do think there is definitely merit in the idea.

To our knowledge young people currently have limited involvement in shaping the PSHE and Citizenship curricula, but we believe they have an extremely important voice which policymakers should take account of. In our view there is significant demand for life skills education amongst young people themselves – this inquiry itself provides clear evidence of that. We also feel that important lessons can be learned from devolved administrations, especially in terms of the provision of financial education.

Comments

1. As a financial capability charity with extensive experience of delivering educational programmes to young people in schools, Credit Action takes a strong interest in the debate around life skills provision in the education system, particularly with regard to personal finance. We therefore welcome the opportunity to contribute to the Youth Select Committee's inquiry into these issues, and will address each of the points that are being examined by the Committee in the paragraphs that follow.
2. In general, we agree that the education system should play a significant role in equipping young people with life skills such as political education, personal finance and cultural awareness. Schools possess a unique and almost unmatched level of reach into young people's lives throughout their formative years, and therefore have an unrivalled opportunity to help young people develop the life skills they will require in adulthood. Moreover, we believe that in the long-term there will prospectively be significant consequences if this sort of support is not provided, for both young people themselves and the UK more generally. With respect to financial education, we believe strongly that provision from an early age can play a valuable role in helping young people build positive attitudes and behaviours towards money and ultimately avoid problems such as over-indebtedness, which not only have negative implications for individuals themselves but also the economy more broadly, as the recent financial crisis has illustrated starkly.
3. At the moment, life skills education in England is essentially provided on a non-statutory basis in schools, largely through PSHE education (although this situation is different in other parts of the UK, as we touch on further in paragraph 9). However, this will change to some extent with the introduction of the new National Curriculum, which will incorporate life skills content such as political education and personal finance into Key Stage 3 and 4 Citizenship on a compulsory basis (personal finance will also be covered in Key Stage 1 to 4 Mathematics, although the focus here will very much be on the mathematical skills underpinning the use of money, such as calculating interest and percentages – broader issues such as being able to budget, or understanding concepts like credit and how to use it appropriately, will only be addressed in Citizenship). This is a very welcome development, but certain issues do remain – for example, it is unclear to what degree Citizenship will be assessed at the end of Key Stage 4, which in our view is a crucial determinant of how rigorously the subject is taught.
4. There are various different forms of support available to help teachers deliver life skills lessons. From the perspective of personal finance, some organisations deliver their own financial education workshops directly to students. At Credit Action we offer two programmes which introduce young people to the financial issues they will encounter in later life – our *DebtCred* workshops are aimed at 11-16 year olds in secondary schools, while our *Future Ready* sessions are provided to 16-19 year olds, usually in Sixth Form or Further Education Colleges. Both are delivered by external presenters, and we receive extremely strong feedback from students and teachers alike. The other model of teacher support in

this area is the development and provision of resources which teachers themselves can use in lessons.

5. When considering the balance between academia and life skills within the school education system, a key issue from our perspective (already touched upon in paragraph 3) is the question of whether content will be assessed. Assessment at the end of Key Stage 4 is fundamental part of teaching in many academic subjects, such as the core subjects of English, Mathematics and Science. However, there is no form of national assessment for non-statutory life skills education, such as that in the PSHE curriculum, and it is unclear whether anything like this will be put in place for Citizenship once it becomes a compulsory part of the new National Curriculum. Throughout the debate that has developed in recent years around financial education, it has been regularly stressed that some form of assessment is crucial to ensuring that sufficient teaching time is dedicated to the subject.¹ Our fear therefore is that if financial education – and indeed life skills content more broadly – is not meaningfully assessed, it will take on an implicitly lower status than other academic subjects which are, and will therefore be taught less rigorously (regardless of whether or not it is in fact compulsory within the curriculum). In our view, addressing such issues is crucial to ensuring that there is an adequate balance between academia and life skills.
6. The question of whether life skills should be taught within core subjects or as a separate part of the curriculum is not a straightforward one. Currently, life skills provision is either taught as part of non-statutory PSHE lessons, or else by essentially “piggybacking” on other subjects (teaching financial education as part of the Mathematics and Citizenship is a good example of how this will operate within the new National Curriculum). The alternative approach, which would be to block-off a specific part of the curriculum for life skills provision, represents a significantly different way of structuring teaching time, and is not one that is widely used by schools to our knowledge. Implementing such a shift nationally would therefore demand a radical overhaul of the National Curriculum, and one that goes well beyond the Department for Education’s current programme of reforms. Therefore, it may be unrealistic to expect this level of change, at least in the short-term. However, this is not to say that such proposals do not carry merit. Teaching life skills as a separate part of the curriculum could, in our view, help improve their status as a subject and raise the importance attached to them by teachers and students, potentially addressing some of the problems created by lack of assessment noted in paragraph 5. Moreover, we would also point out that while the current approach of teaching life skills through other subjects can work, doing so in an effective manner does present challenges of its own. For example, Ofsted recognised in 2008 that attempting to teach financial capability purely through Mathematics could prove difficult in some instances, as it required teachers to promote not only the acquisition of fundamental mathematical skills but also the broader development of positive attitudes towards money, something that some teachers were concerned about

¹ All Party Parliamentary Group on Financial Education for Young People (2011) *Financial Education and the Curriculum* p. 29

having to balance in the context of a crowded curriculum.² Teaching life skills as a distinct part of the curriculum would help resolve these sorts of challenges, by allowing teachers dedicated time to fully explore the relevant issues with students.

7. To our knowledge, young people's involvement in shaping the PSHE and Citizenship curricula is limited. As we understand it, the framework for content is set centrally by the Department for Education, with schools themselves responsible for the details of how it is delivered on the ground. Therefore, the Department is probably best placed to comment on the degree to which it engages with young people when formulating the overall framework, while at school level this is prospectively variable depending on the approach taken by individual institutions.
8. As noted in the previous paragraph, schools themselves are responsible for determining how they actually deliver PSHE and Citizenship education to students. Therefore, the precise nature of how this is implemented will vary depending on the school in question. The main comment that we would make in this regard is that, when delivering financial education specifically, some schools choose to utilise support in the form of direct delivery from external presenters, which is provided by organisations such as ourselves, while others choose to use teacher resources provided by the likes of the Personal Finance Education Group (pfeg), although we believe that both approaches can be effective.
9. With respect to the question of what the UK Government can learn from others about the teaching of life skills to young people, we would make two main points. Firstly, we feel that it is important that the Government listens to what young people themselves want from their education system – we believe that there is a strong demand from young people for life skills provision (indeed, the Youth Select Committee's inquiry is in itself proof of this), and that this should be recognised by policymakers. Secondly, we would also point out that the UK Government can arguably learn important lessons from the experience of devolved administrations. From the perspective of financial education specifically, the nature of provision differs in different nations within the UK (in Northern Ireland for example, financial capability is currently a statutory element of the curriculum all the way down to primary level, something we would ultimately like to see replicated in England) which can provide important sources of learning and insight for work in this area.
10. For further information please contact John Davies at Credit Action, either by email at [johndavies@creditaction.org.uk](mailto: johndavies@creditaction.org.uk) or by telephone at 0207 380 3390.

² Ofsted (2008) *Developing financially capable young people* p. 18-19