

# BREAKING THE CYCLE

## THE MONEY CHARITY'S BUSHARA AWAN EXPLAINS WHY FINANCIAL EDUCATION IS IMPORTANT IN SCHOOLS – AND HOW TO DELIVER IT EFFECTIVELY...

As a country we hold personal debts of over £1.4 trillion, pay £164 million in interest every day and spend £1.5 billion a day on credit and debit cards. As a result, every 4 minutes 16 seconds one of us is declared bankrupt.

These figures in themselves are distressing, but don't even come close to demonstrating the emotional and physical impact on children living in households struggling with money problems. We have seen first-hand, how the lack of financial capability can devastate people's lives, and unfortunately these unhealthy money habits are being inherited by our young people.

There has never been a more pressing need for financial education. And with it now embedded in the national curriculum, we have a chance to break this cycle by reaching out to a new generation of consumers and making sure they enter into the world of financial independence with the skills, knowledge, attitudes and behaviours to make informed and educated decisions. Like many of the skills taught in school, financial education continues to benefit students long after they've left the classroom.

In addition to learning the essentials – what a bank account is, and how tax works, for example – good financial education goes much further. It aims to establish savvy consumers and responsible citizens. For Key Stage 3, it is all about the importance of setting goals and planning ahead, prioritising needs and wants and understanding how to budget. Key Stage 4 focuses on the overwhelming world of financial products such as mortgages and loans and makes them easier to understand. And although post-16 financial education isn't compulsory on the national curriculum it is still vital as now our young people are expected to take on huge financial responsibilities with real consequences.

### The practice of teaching good money management

The key to teaching good money management is about breaking down negative associations with money and encouraging an open and honest dialogue. For too long the common approach has been to scaremonger about credit or getting into debt, to tell young people what is the right and the wrong way to manage money. But when it comes to money, there isn't a one-sized fits all answer, and this approach hasn't worked to date. So let's start to look at it differently. We believe the way to inspire young people to make educated financial decisions is by reinforcing positive relationships with money. Being inspired to think about all the things you want in life, and understanding how money will help you achieve them.

The topic, by its nature, can be perceived as



### ABOUT THE AUTHOR



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dull and boring, so we need to find creative ways to bring it to life. Include a mixture of hands-on activities, discussion, debate, and mythbusting; allowing the students to explore what they already know about tax or student finance for example. There are lots of great, free resources out there available for teachers.

Crucial to the success of financial education is making the topic relevant to the student and their life. Don't make it about facts and figures; "a pension is..." or "Sarah earns..." is not relatable. Empower them with the knowledge, by putting them into the situation so it can be visualised. Most young people see money worries and financial independence being so far in the future that they don't need to think about it yet.

### Help at hand

With financial education now embedded in the new maths, PSHE and citizenship curriculums, schools have a great opportunity to start to empower young people to make the most of their money. And if we get the delivery of it right, we should have a much more savvy and knowledgeable consumer population due. Win, win. Or is it?

Financial Education becoming compulsory doesn't change the fact that talking honestly and openly about money remains one of

the last taboos in our society, and many people still find it difficult to do. Whilst we fully support the inclusion of financial education in the new school curriculum we are aware that this, plus a lack of subject knowledge and confidence, are among teachers' main concerns when discussing the obstacles they face in delivering financial education – which is where we believe our Money Workshops can help.

We offer free financial education workshops to schools and colleges across the UK. We have six unique workshops for KS3, KS4 and Post 16 students. We pride ourselves on offering flexible and tailored workshops, with a choice of topics and session length; ranging from 45 mins – 2 hours. We typically deliver as part of designated lesson times, such as citizenship, maths or PSHE. Workshops are approximately one hour and delivered to a classroom sized group of around 25-30 students. Each workshop is delivered by an expert presenter and provides the building blocks to sound money management. They include a range of activities, the chance to debate and discuss, and relevant takeaways for the students – and all content is mapped to the national curriculum.

