

Kickstarting financial education

Charles McCready reveals why TISA's KickStart Money campaign is providing financial education to primary school children

Primary school children might seem to be too young to learn about money management and long-term savings, but research shows that lifelong attitudes are formed at this early age. This means there is a great opportunity to influence a healthy appreciation of money and the importance of saving, for children to take into their adult life.

That's why an industry initiative that aims to turn future generations into savvy savers is so important. KickStart Money is a £1 million industry-led programme that over the next three years will provide around 18,000 children aged between seven and 11 with financial education in school.

TISA is proud to have initiated the programme, which involves a collaboration of 17 leading savings and investment firms: Aberdeen Asset Management, Alliance Trust Savings, Allianz Global Investors, Aviva, Axa Investment Management, BlackRock, BMO Global Asset Management, Columbia Threadneedle Investments, CQS, Janus Henderson Investors, Legg Mason Global Asset Management, LGIM, Old Mutual Wealth, Prudential UK & Europe, Redington, Schroders and Standard Life.

A leading independent financial education charity – MyBnk – have been selected to deliver the programme in schools. There won't be any corporate sponsor branding and, using MyBnk's existing 'Money Twist' programme as the base, we are hoping to equip children to deal with all their short-, medium- and long-term money needs, including pensions. Lessons will focus on the value of money; where money comes



from; budgeting; saving; prioritising spending and personal relationships with money. The programme is designed to be fun and interactive, with homework challenges for parents to complete with their children.

Crucially, KickStart Money has been recognised by the Money Advice Service (MAS), who have awarded the programme £80,000 as part of their 'What Works Fund' to enable an independent assessment of the effectiveness of the programme to be conducted. This is important as the findings will be used to help deepen the knowledge of the most effective financial capability interventions, and provide evidence for the broader ambition of the project to get financial education included within the statutory primary school curriculum.

Unfortunately, there is a significant lack of financial education provision for children in the UK during their formative years. Financial education is compulsory in the secondary national curriculum but only for 11-16 year olds in maintained schools, which make up less than 50 per cent of UK schools.

MAS research found that only 40 per cent of seven to 17 year olds say they have received financial education in school and just 7 per cent said they have talked to their teachers about money. Even at home only one third of parents talk to their children about money.

As a result, less than half (43 per cent) of young people aged 12 to 17 feel confident in managing their money. Furthermore, 44 per cent of parents say they also lack confidence in financial affairs. On a more positive note, MAS report that 90 per cent of young people who learned about money at school said it was useful.

A House of Lords Select Committee on Financial Exclusion, chaired by Baroness Tyler, reported in March on the importance of early intervention for financial education and called for its inclusion in the statutory primary school curriculum.

If we are serious about preparing young people for the real world, we need to ensure that every child of primary school age receives financial education as an integral part of the school curriculum. KickStart Money won't solve the problem on its own, but it does represent a serious statement of intent by the industry to play a part in finding the solution.

We know that significant proportions of the UK population risk being seriously underfunded when they reach retirement age. If we can influence future generations so that they grow up with a positive attitude towards their financial wellbeing and an understanding of the benefits of long-term saving, then that must be good news for all of us.

Further information including a video is available on the website: www.kickstartmoney.co.uk



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