

Research Briefing

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Financial and enterprise education in schools (England)



Summary

- 1 Current requirements for schools in England
- 2 Reviews of financial and enterprise education and pressure for change

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Summary

Place of financial education in the school curriculum

Financial literacy education became part of the National Curriculum for the first time in September 2014, as part of citizenship education in key stages three and four (ages around 11-16). This required it to be taught in local authority maintained schools. Academies and free schools do not have to follow the National Curriculum, but in practice, many do.

In addition, the new mathematics curriculum is intended to ensure that young people leave school with an understanding of the skills needed for personal finance.

Enterprise education and the role of PSHE

Enterprise education is not part of the National Curriculum. However, financial and enterprise education can also be taught as part of non-statutory Personal, Social, Health and Economic education (PSHE).

Although reformed relationships and health education is now mandatory for primary schools, and relationships, sex and health education at secondary level, aspects of PSHE that fall outside of this remain non-statutory.

Reviews of current provision and calls for change

The note also provides information about reviews of the teaching of financial and enterprise education in schools, by Ofsted and others, and details of pressure to strengthen the position of financial and enterprise education in different parts of the curriculum.

1 Current requirements for schools in England

1.1 Place of financial and enterprise education in school curriculum

On 20 January 2011, the Education Secretary announced a review of the whole of the National Curriculum. The consultation on the proposed new curriculum was launched on 7 February 2013 and the revised National Curriculum programmes of study, published in September 2013, have been taught in local authority-maintained schools since September 2014.¹ Academies and free schools are not required to teach the National Curriculum.

Under the revised National Curriculum, financial literacy education became statutory for the first time, as part of citizenship education in key stages three and four (for pupils aged 11 to 16 years).² The [Citizenship programmes of study](#) make provision for pupils in key stage three (aged 11 to 14 years) to be taught about:

- the functions and uses of money, the importance and practice of budgeting, and managing risk.

Pupils in key stage four (aged 14 to 16 years) are to be taught about:

- income and expenditure, credit and debt, insurance, savings and pensions, financial products and services, and how public money is raised and spent.

In addition, the mathematics curriculum is intended to ensure that “all young people leave school with an understanding of the mathematics skills needed for personal finance”.³

Enterprise education is not part of the National Curriculum.

¹ Department for Education, [National curriculum in England: framework for key stages 1 to 4](#). Information on the curriculum review is provided on the DfE’s websites: [2014 National Curriculum and National Curriculum Review](#).

² [PQ 212533](#), 30 October 2014

³ [HC Deb 12 May 2014 c368W](#)

1.2

Financial and enterprise education as part of PSHE

Financial and enterprise education can also be taught as part of non-statutory Personal, Social, Health and Economic education (PSHE). PSHE, as a discrete subject, is not a statutory requirement, but the current National Curriculum framework document states that “all schools should make provision for PSHE”.⁴ [A separate Library briefing paper looks at PSHE.](#)

Revised relationships and health education (RHE) is now mandatory for primary schools, and revised relationships, sex, and health education (RSHE) is mandatory for secondary schools. However, elements of PSHE that fall outside RH(S)E and which are not included in other subjects such as citizenship or maths, remain, technically, non-statutory.

Guidelines updated by the Department for Education in September 2021 state that schools should seek to use PSHE education to:

...build, where appropriate, on the statutory content already outlined in the national curriculum, the basic school curriculum and in statutory guidance on: drug education, financial education, sex and relationship education (SRE) and the importance of physical activity and diet for a healthy lifestyle.⁵

PSHE Association guidance

The Government provides grant funding to the [PSHE Association](#) to work with schools to advise them in developing their own PSHE curriculums and improve the quality of teaching. The PSHE Association has published a non-statutory [programme of study](#) for PSHE. This suggests that pupils in key stages one and two (ages five to 11) should be taught about a range of issues, including:

- what money is, its sources, and the forms that money comes in
- that people make different choices about saving and spending
- concepts such as value for money
- The risks of gambling, and other ways money can impact on feelings and emotions
- The importance of looking after money, risks, and different ways of doing this

⁴ Department for Education, [National curriculum in England: framework for key stages 1 to 4](#), para 2.5

⁵ Department for Education, [Personal, social, health and economic \(PSHE\) education](#), 13 September 2021

During secondary schooling, at key stages three and four (ages 11-16) pupils could be taught about:

- Assessing and managing financial risks
- Values and attitudes to finance and debt
- Social and moral dilemmas about the use of money
- Financial exploitation, and where to get support
- Where to get support when making financial decisions
- The risks and rewards of different job types such as employment, self-employment, and zero-hours contracts
- Budgeting and saving.⁶

1.3

Other initiatives and resources

There is a range of organisations working to support schools and colleges in providing financial and enterprise education, including:

- [Young Enterprise](#)
- [The Bank of England](#)
- [MyBNK](#)
- [The Money and Pensions Service](#)
- [The Money Charity](#)
- [Enterprise Educators UK](#)

⁶ PSHE Association, [Programme of study for PSHE education, key stages one to five](#) (2020), ps 19-20; 31

2 Reviews of financial and enterprise education and pressure for change

2.1 Money and Pensions Service financial wellbeing survey (June 2023)

The Money and Pensions Service (MPS) carries out a survey of children and young people's financial wellbeing across the UK, every three years. [Its latest findings were published in June 2023](#)⁷ and relate to a 2022 nationally-representative survey of children and young people aged seven to 17, and their parents and carers. The MPS survey analysis considers children and young people to have received a meaningful financial education if either or both of the following applies:

- They recall receiving financial education at school that they considered useful
- They receive regular money from parents or from work and their parents set rules about money and give them responsibility for some spending decisions.

The report found:

- The proportion of children and young people receiving a meaningful financial education had remained stable, at 47% (48% in 2019)
- A third of children and young people recalled receiving such education in school, and a quarter at home. Only ten percent had received it in both settings
- Some groups were less likely to have received meaningful financial education, including:
 - young children (seven to 11 year olds)
 - children living in social housing, rural areas and in lower income households

⁷ Money and Pensions Service, [UK Children and Young People's Financial Wellbeing Survey: Financial Foundations](#), 14 June 2023

- children whose parents or carers have mental health conditions.⁸

2.2

MyBNK and Compare the Market report on secondary financial education (May 2023)

A [May 2023 report from charity, MyBNK, and comparison website, Compare the Market](#), examined the current state of financial education in secondary schools across the UK.⁹ The research was based on the findings of two surveys, one with around 4,000 young people and 645 teachers. The report estimates:

- Nearly two-thirds (61%) of young people did not remember receiving any financial education at school. 29% did
- Of those who reported receiving financial education, on average, this was for less than an hour a month
- On MyBNK and Compare the Market's own measure, only two in five young people were financially literate
- However, over three quarters (78%) of teachers said that financial education was being delivered in secondary schools.¹⁰

The report made a number of recommendations including:

- The Government should guarantee at least 30 hours of financial education for all pupils aged 11 to 18
- Support should also be provided to parents and carers, given their important role in financial education
- Greater monitoring and assessment by regulators of school and college provision
- Establishing an awards programme to recognise excellent financial education.¹¹

⁸ Money and Pensions Service, [UK Children and Young People's Financial Wellbeing Survey: Financial Foundations](#), 14 June 2023

⁹ MyBNK and Compare the Market, [Financial Education in Secondary Schools in the UK: Summary of findings](#), May 2023

¹⁰ As above, p 4; ps 7-8

¹¹ As above, p3, p11

2.3

London Institute of Banking and Finance survey (March 2023)

The London Institute of Banking and Finance (LIBF) carries out annual research on the take-up and impact of financial education in schools. It surveys a representative sample of secondary students aged 15 to 18 across the UK, and [published its most recent findings in March 2023](#).¹² It found:

- Only 8% cited school as their main source of financial education, down from 15% the previous year. 62% said they'd received some financial education at school, compared to 73% the previous year
- Two thirds (68%) said most of their financial knowledge and understanding came from their parents, up from 56% last year
- Of those who had learned about money and personal finance in school, most (68%) said this was for an hour a week or less
- 82% said they wanted to learn more about money and finance in school, compared to 72% a year earlier.¹³

2.4

All Party Parliamentary Group on Financial Education for Young People (February 2023)

There is an [All Party Parliamentary Group \(APPG\) on Financial Education for Young People](#), which was set up to discuss and promote financial education in schools. It published its [most recent report in February 2023](#).¹⁴ This examined the barriers schools face in delivering financial education.

The report claimed two fifths of teachers with a statutory responsibility to deliver financial education, were unaware of this duty. "Training, time and funding" are identified as the key barriers to delivery.¹⁵

Recommendations include:

- More ambitious targets in the Money and Pensions Service's [UK Strategy for Financial Wellbeing](#). Currently this aims for two million more children and young people to receive a meaningful financial education by 2030.

¹² London Institute of Banking and Finance, [Young persons' money index 2022-23](#), March 2023

¹³ As above, p2; p6

¹⁴ All Party Parliamentary Group on Financial Education for Young People, [Building Beyond Barriers – A roadmap for enhancing financial education in schools](#), February 2023

¹⁵ As above, p19

The APPG says the target should be for all school-aged children to receive this

- Embedding financial education in the primary curriculum
- Ofsted to undertake ‘deep dives’ on the subject
- More available training for teachers in delivering financial education, appropriately resourced by the DfE.¹⁶

2.5 Centre for Social Justice report (June 2022)

The think tank, Centre for Social Justice (CSJ) published [a report in June 2022, setting out its roadmap for lifelong financial learning](#).¹⁷ This advocated an “urgent rethink” of financial education, and said its inclusion as part of the statutory national curriculum had “not, on the whole, translated into widespread high quality financial education”. It also pointed out that Wales, Northern Ireland and Scotland all included financial education in their primary school curriculums, unlike in England where “financial education was only incorporated into the secondary school curriculum in Citizenship and Maths”.¹⁸

Its recommendations included the DfE placing “financial education on the national curriculum for primary schools and taught within PSHE (Personal, Social, Health and Economic Education) or the equivalent as a minimum”.¹⁹

2.6 Young Enterprise report (June 2018)

In June 2019, the charity, Young Enterprise published [a report looking at how well young people were being prepared for the world of work](#).²⁰ This was also based on a survey of parents and children, and a small number of teachers, across the UK. More than half (61%) of parents surveyed did not feel schools were adequately preparing their children for work. When asked what single thing they’d most like to see change, 26% of parents surveyed said they wanted more financial education and specifically, more coverage of loans and credit cards.²¹

¹⁶ All Party Parliamentary Group on Financial Education for Young People, [Building Beyond Barriers – A roadmap for enhancing financial education in schools](#), February 2023, p6

¹⁷ Centre for Social Justice, [On the money. A roadmap for lifelong financial learning](#), June 2022

¹⁸ As above, p36

¹⁹ As above, p44

²⁰ Young Enterprise, [The undiscovered entrepreneur: Driving business skills in UK schools](#), 2018

²¹ As above, p4

The report recommended:

- Promotion of entrepreneurialism through mandatory PSHE
- Increasing work experience programmes
- Basing enterprise education on role models, business leaders and case studies.²²

2.7

Ofsted reports

Enterprise education: ‘Getting ready for work’ (2016)

In November 2016, Ofsted published [Getting Ready for Work](#), a follow-up to Lord Young’s 2014 report (see section 2.7), assessing how secondary schools prepare children for work, through enterprise education and work-related learning.

The report found that few of the schools visited by Ofsted were building on good enterprise education being provided in primary schools, with some school leaders reporting that enterprise education was “not a feature of their curriculum,” and that their focus was on accountability through examinations.²³

The report included the following key findings related to enterprise education:

- The extent to which schools used their curriculum to prepare pupils for the world of work was largely dependent on whether school leaders considered it to be a priority
- Even where schools were delivering enterprise education, it was often unclear whether this was having any impact on pupils’ knowledge, understanding and skills
- Opportunities for pupils to take part in meaningful work-related learning or work experience were limited at key stage 4
- Business involvement in some of the schools visited relied too heavily on the personal networks of teachers and parents, potentially resulting in disadvantaged pupils missing out
- A lack of coordination across local areas has created an environment for schools and businesses that business leaders described as ‘chaotic’.²⁴

²² Young Enterprise, [The undiscovered entrepreneur: Driving business skills in UK schools](#), 2018, p8

²³ Ofsted, [Getting ready for work](#), November 2016, p3

²⁴ As above, p4

The report made several recommendations, including for:

- The DfE to revisit the Young report and promote the importance of well-planned provision for enterprise education
- The DfE to further promote the Careers and Enterprise Company to encourage schools and businesses to work together in delivering enterprise education
- Ofsted to ensure that inspection judgements take greater account of the coherence and rigour with which schools prepare pupils for employment and self-employment
- Schools to ensure that there is a coherent programme to develop enterprise education
- Schools to develop stronger links with business
- Employers to support local schools in greater number by offering activities such as mock interviews, participation in careers fairs and careers talks
- Employers to provide well-planned and constructive work experience and work shadowing opportunities.²⁵

Other reports on financial and enterprise education (2005-15)

Ofsted has published several other reports and collections specifically on enterprise education and financial education. These include:

[Ofsted examples of good practice in economics, business and enterprise teaching](#) (Ofsted, 2015). Examples of good practice in economics, business and enterprise teaching from providers inspected by Ofsted.

[Economics, business and enterprise education](#) (Ofsted, 2011). The report evaluated the strengths and weaknesses in economics, business and enterprise education in primary schools, secondary schools and colleges. It covered both formally assessed economics and business courses taken by students aged 14 to 18 in secondary schools and colleges, and whole-school enterprise education. It found that:

- Schools did much to promote students' enterprise capability by a range of often highly engaging and wide-ranging provision.
- In the secondary schools, financial capability was not as well developed and was often weak. Students often had only a vague idea about interest

²⁵ Ofsted, [Getting ready for work](#), November 2016, p5-6

rates and their impact, inflation, why prices vary and the ownership of companies.

- The main weaknesses in whole-school enterprise education provision, both in the primary and secondary schools surveyed, were a lack of coherence and a failure to identify and assess learning outcomes.
- Many of the teachers deployed to deliver aspects of enterprise education were non-specialists, who had little or no training or experience of this area. This limited their confidence and ability to teach effectively.²⁶

[Developing financially capable young people](#) (Ofsted, 2008). The report found that providing personal finance education in schools could have a significant and lasting impact on pupils' future prosperity. However, the report noted that pressures on curriculum time, teachers' lack of subject knowledge and expertise in the area led to wide variation in provision.

[Developing young people's economic and business understanding](#) (Ofsted, 2008). The report evaluated the strengths and weaknesses in business education for 14 to 19-year-olds in schools and colleges, and in the provision of initial training of teachers to teach business education in schools. The report found that standards, as measured by examination results, had improved and noted that the growing number of specialist business and enterprise schools was leading to considerable improvements in curriculum provision. It also reported, however, that in around half of the schools pupils had insufficient opportunities to engage directly with business and employers, and fewer than half of the schools had explicit and comprehensive programmes to develop the business, economic and financial capability of students at key stage 4 (ages 14-16).

[Developing enterprising young people](#) (Ofsted, 2005). This evaluated enterprise learning in schools at key stage 4, drawing on the research of two surveys performed in 2003/04 and 2004/05. The surveys covered a range of schools providing key stage 4 enterprise education. The report highlighted some progress but found that many shortcomings identified in the earlier survey were still present.

2.8 Young review of enterprise education (2014)

In June 2014, Lord Young, Adviser to the Prime Minister on Enterprise, published his third report on enterprise, [Enterprise for all: The relevance of enterprise in education](#). The report covered the whole breadth of education and made a number of recommendations. Its recommendations relating to enterprise education in schools included:

²⁶ Ofsted, [Economics, business and enterprise education: report summary](#), 8 June 2011

- the development of an enterprise passport for young people to record and demonstrate their enterprise learning and work experience throughout their education
- the creation of a new national volunteer network of ‘Enterprise Advisers’, coordinated by the LEPs, to work closely with head teachers and enlist local businesses and others to give pupils real-life experience of the world of work and business engagement
- the embedding of an enterprise flavour into new curriculum materials and examinations, supported by a higher profile for enterprise skills and activities in Ofsted school inspections
- that teachers be provided with experience in business as part of their Continuous Professional Development
- that Level 3 vocational courses include as a core component a module on working for yourself and how to start up a business.²⁷

Lord Nash, Parliamentary Under-Secretary of State for Schools, stated in July 2014 that the Government expected to publish its response to Lord Young’s report in the autumn.²⁸

In December 2014, the Government [the Government announced it had accepted the report](#) in full, alongside the creation of the Careers and Enterprise Company (CEC).²⁹ More information about the CEC can be found in the Library briefing [Careers guidance in schools, colleges and universities \(England\)](#), CBP 7236

²⁷ Lord Young, [Enterprise for All: The Relevance of Enterprise in Education](#), June 2014, p5-6

²⁸ [HC Deb 14 July 2014, c87-8WA](#)

²⁹ [Enterprise for All – news](#) [accessed 1 July 2016], Department for Education, [New careers and enterprise company for schools](#), 10 December 2014

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