

Primary school pupils should receive compulsory lessons on how to manage money as part of the response to growing levels of financial insecurity and problem debt in the UK, the Archbishop of Canterbury's Just Finance Foundation says today.

Learning where money comes from, when to spend and how to save is vital to children's ability to navigate adult life and should be a mandatory part of personal, social, health, and economic education (PSHE) in primary schools, the Foundation says in a document published today.

In a written submission to a Department for Education consultation, the Foundation highlights figures that show 40% of UK adults have less than £100 in savings and that struggling to manage money is becoming a mainstream issue.

"Financial distress is on the rise in the UK. A recent report by the Financial Conduct Authority found that 50% of UK consumers show one or more characteristics of financial vulnerability and the Money Advice Service estimate that one in six individuals in the UK are over-indebted," the Foundation notes.

"Uncertain incomes, the impact of lifelong indebtedness, and high housing costs are compounding to make financial capability an issue of pressing importance for younger generations."

The call comes as the Foundation publishes an interim report on the impact of its LifeSavers programme of financial education in 30 primary schools across the North East, Nottinghamshire, South East London and West Yorkshire.

The research shows that 70% of schools running the programme say financial education for primary school pupils should be compulsory.

Rowena Young, Executive Director of the Just Finance Foundation, said: "Children growing up today face the most challenging and complex financial landscape of a generation. Education should reflect the times and there is a growing consensus that managing money should now form an essential part of setting children up for life."

LifeSavers was designed to address a gap and is practically demonstrating how schools can weave financial education throughout the teaching and life of the school in a way they can sustain. The study showed that 90% of participating schools agreed LifeSavers had improved the quality of financial education.

The Archbishop of Canterbury, Justin Welby, said: "Research has shown that habits and attitudes to money are already being formed at the age of seven. LifeSavers helps primary schools and teachers embed financial education in ways that best meet the needs of pupils and local communities. The programme combines down-to-earth, practical experience and helping children explore what it means to be wise, generous, just and thankful with money."

Chief Economist at the Bank of England, Andy Haldane, said: "Having seen first-hand (indeed, participated in!) the LifeSavers initiative at a school in Ashington, I know how big the benefits can be in getting money matters understood by children.

"This and the broader work of the Just Finance Foundation are important steps towards the crucial goals of improving financial literacy and

money skills across the UK."

Notes to editors

The LifeSavers scheme is an initiative of the Just Finance Foundation (JFF), whose founder and President is the Archbishop of Canterbury. The programme, a partnership between JFF and Young Money, with support from the Government and Virgin Money, provides training and resources to teachers, offers support to set up and manage school savings clubs and encourages parental and wider community engagement.

The programme began as a pilot with six schools in 2015 and was expanded the following year to 30 schools across four regions. The second full year of the programme, currently under way, has extended the programme to two more regions – Merseyside, and Bristol and Gloucester - and work with a further 40 schools. The final year of the programme will work with an additional 50 schools in 2018/19.

More than 15,600 pupils have already taken part in LifeSavers, and over 1,200 teachers have been trained through its Continuing Professional Development (CPD) programme. Children have deposited more than £24,000 in savings.

The interim report summary examining the delivery and impact of the LifeSavers programme can be read [here](#).

The JFF submission to the Department for Education consultation can be read [here](#).

For more information about LifeSavers, visit [their website](#).

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