

**The London Institute
of Banking & Finance**

Young Persons' Money Index 2020-21

Examining the delivery of financial education
in schools and the financial capability of young
people in the UK

libf.ac.uk/fe

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About the research

The Young Persons' Money Index is an annual survey that tracks the take-up of financial education in schools in the UK. It also examines the attitudes, behaviours and experiences of UK students in relation to money and personal finance. We've been tracking this since financial education was introduced onto the National Curriculum in September 2014.

For the 2020/21 edition we worked with YouthSight to survey a representative sample of just over 2,000 secondary school children across the UK. Aged between 15-18, the young people came from a mix of schools including academies, local authority (state) schools, as well as private and independent schools. We asked them about:

- their access to financial education
- their confidence and behaviour with money
- their use of financial services, and
- their levels of financial capability and knowledge.

The London Institute of Banking & Finance

About The London Institute of Banking & Finance (LIBF)

We're a university college and professional body that exists to advance banking and finance by providing outstanding education and thinking, tailored to the needs of individuals, business and society.

We're the awarding body for dedicated financial education qualifications at Levels 1, 2 (GCSE equivalent) and 3 (A Level equivalent). We also have an eLearning programme (Lessons in Financial Education - LiFE) which requires no teacher or classroom time and can be studied at both Level 1 and 2. These all cover the essential elements of managing money well, to build financial confidence and resilience.

We also provide degrees in banking and finance for people wanting to pursue a career in the sector, and professional qualifications to help people progress throughout their careers.

You can find out more on our website.

Foreword from Catherine Winter

Why do children need to learn how to manage money?

It sounds like an obvious question – and we all know the answer. Having the skills and knowledge to manage your money, even in the hardest circumstances, isn't a 'nice-to-have'. It's an essential life skill.

When we talk about the qualifications and tools we provide, almost everyone says: 'I wish I'd learned that when I was at school. It would have stopped me making some very expensive mistakes!'

For many however, it's about more than expensive mistakes; it's about real financial hardship. Getting into unsustainable debt is a serious issue – one the next generation must be equipped to avoid.

We produce this report every year and have been tracking the take-up of financial education in schools since it was first introduced onto the National Curriculum in September 2014. While progress has been made over the last six years, that progress has slowed and – in some areas – seems to be going into reverse.

Time in the classroom is at a premium and the impacts of Covid-19 have made life even more difficult for teachers and students alike. We recognise that. We do everything we can to support teachers who do make time for financial education in school. But something has to change.

More and more families are likely to face financial hardship over the next year, even if the economy gets back on its feet. And young people are more likely to become unemployed after being furloughed during the Covid-19 pandemic, according to a recent report by the Resolution Foundation¹.

Financial health has a direct impact on somebody's ability to manage the twists and turns of life. Getting it wrong can have dire consequences – not only for people's finances but for their mental health too.

This year's results

Young people still say they get most of their financial knowledge and understanding from their parents, but they want more financial education in school.

You might ask, "Is it so bad if families are talking about money?" Of course not – unless parents with patchy financial knowledge are passing on bad habits to the next generation. If we want young people to have a solid foundation in managing money, they need quality education that covers all the essentials.

Of the young people we surveyed, 67% regularly worry about their personal finances. Covid-19 has not improved that picture, with 59% saying the pandemic has made them more anxious about money. Young people want to learn about the practicalities: products like mortgages, loans (particularly student loans) and credit cards; budgeting and tax.

This year we asked young people at what age they'd like to have started learning about money. The majority said financial education should be taught in secondary school, but there was less enthusiasm for teaching it to younger age groups.

If not now, then when?

Even after six years of being on the National Curriculum, the signs are that financial education's not getting the attention – or the lesson time – it deserves. At a time when so many are facing some of the hardest financial challenges we've seen for many years, how can we justify not equipping young people with the tools they'll need to survive?

We believe financial education is a priority and should be compulsory for secondary school pupils.

For financial education to be truly effective, it needs to be taught as a separate subject. It's worth noting that teaching the 'E' element in PSHE is still not currently a statutory requirement. And the results of our survey continue to show that financial education, if taught as part of another subject, doesn't get the time or attention it needs.

Still, some financial education is better than none. But if it is to be taught as part of another subject, financial education needs dedicated, regular classroom time, with clearer guidance for teachers on what to cover and more support for schools. To help ensure this happens, financial education should be included in the Ofsted Framework.

This critical life skill is as important as maths and English in our view and the time has come for the curriculum to reflect that.

Please read this year's statistics. And please think about how you might be able to help make a difference. If we can help you, get in touch. We're always delighted to connect with anyone who shares our passion for financial education.

Catherine Winter, Managing Director of Financial Education and Community Outreach.

¹ [Jobs, jobs, jobs', Resolution Foundation](#), supported by the Health Foundation, October 2020



64% of young people say they have access to financial education in school.

There's been no change since last year (2019: 64%)



Of the **64%** who say they have received financial education of some sort:

- 19% had access within the last month (2019: 18%)
- 18% in the last year (2019: 17%)
- 15% more than a year ago (2019: 15%)
- 58% say they have access for less than an hour a week (2019: 57%)



A significant number (**75%**) say that most of their financial understanding and knowledge comes from their parents (2019: 69%). That increases to **88%** when those who say they are self-taught are included. Only 8% cite school as their main source of financial education.



The percentage who say they worry about money remains high at **67%** (2019: 69%)

- That increases to 82% in the 17-18 age group (2019: 82%)
- 59% say that Covid-19 has made them feel more anxious about money



83% want to learn more about money and finance in school - a 1% increase compared to last year.



When asked at what age they'd like to start learning about money:

- 54% said between the ages of 11-14
- 27% said between the ages of 15-18
- 7% said from the age of ten, with only a few suggesting younger ages

What would they like to learn more about?

Financial products - such as mortgages, pensions, loans and credit cards - along with budgeting and debt management came top, followed closely by tax.



77% said they hadn't received any information about tax in school (2019: 78%).

41% do not know or are unsure how a student loan works (2019: 37%).

32% would like to learn more about pursuing a career in the finance sector.

What do those surveyed plan to do on leaving secondary education?



62% said they intended to go to university, with a further **21%** saying they plan to study at college and **6%** saying they'd like to take an apprenticeship.

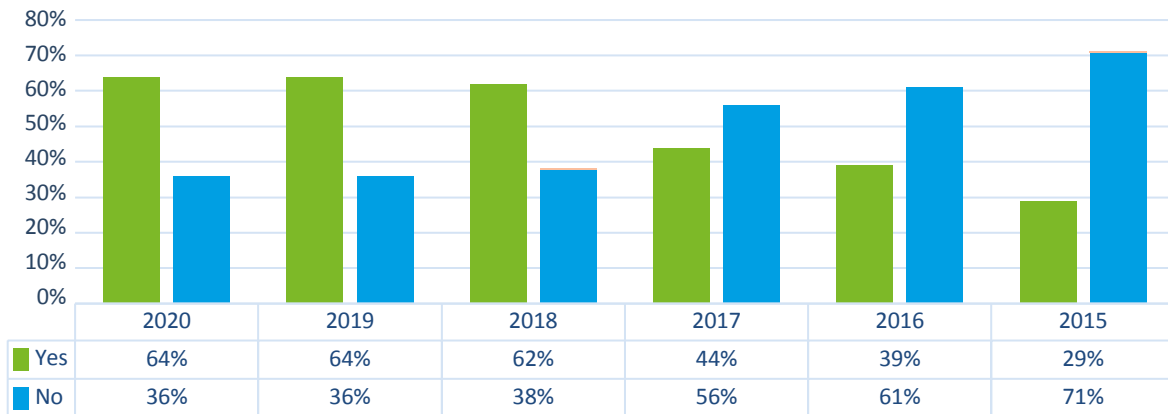
Only **2%** plan to seek full-time employment when they leave school.

Key results

What do we know about young people's experiences of financial education?

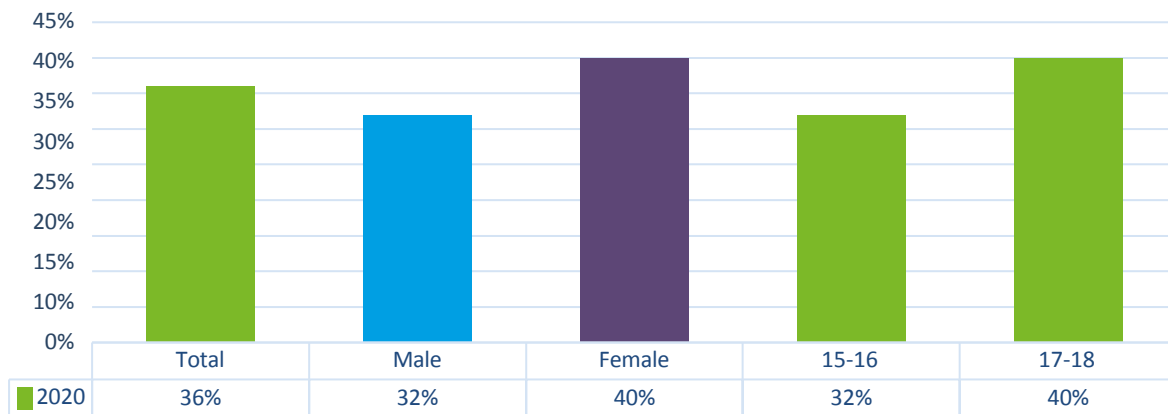
- Less than two-thirds (64%) of young people receive financial education in school, which shows no improvement on last year. There was a marked improvement in young people reporting that they had some access to financial education following its introduction onto the National Curriculum in September 2014 - more than doubling between 2015 and 2018. But that progress has plateaued over the last three years.

Do you study personal finance in school?



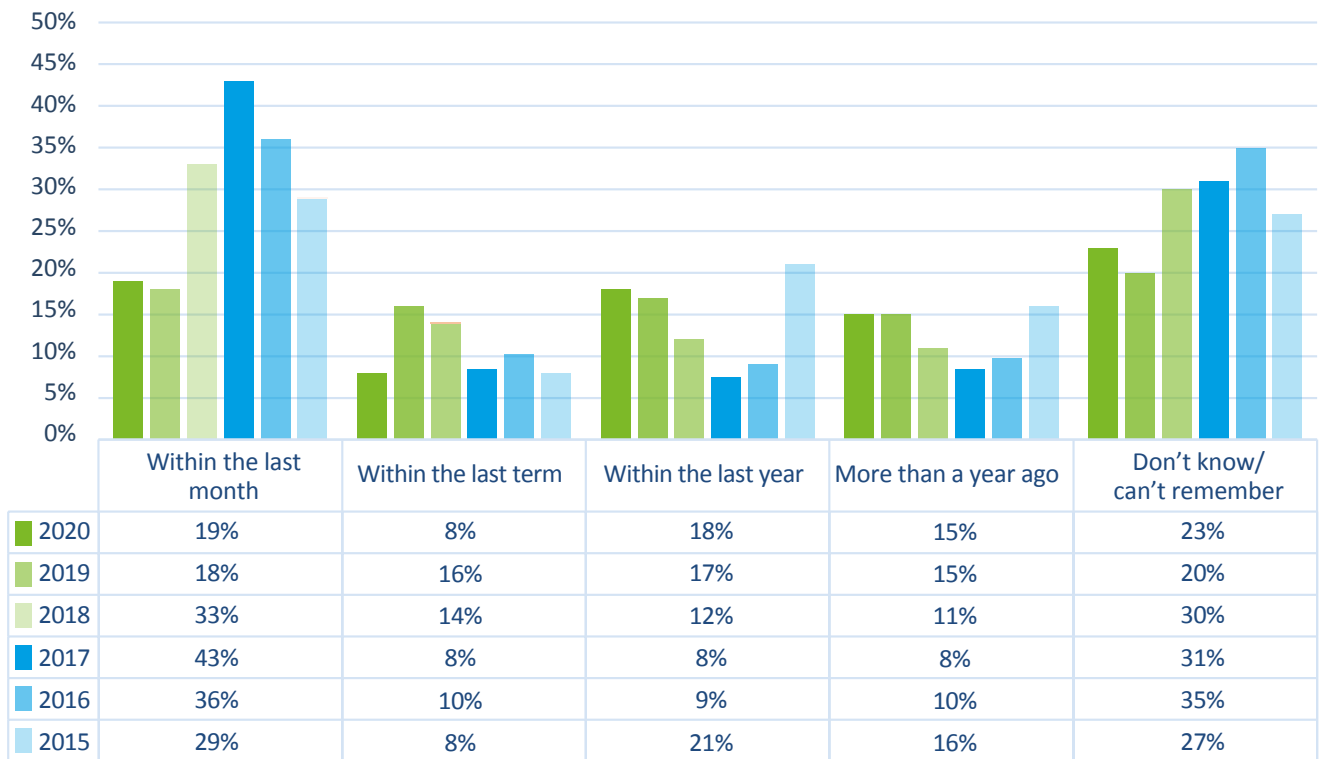
- It's worth noting that the older age group (17-18) are still less likely to have access to financial education and girls still trail behind boys. That's consistent with previous years, again demonstrating a lack of progress in recent years.

I don't study personal finance at school: by gender and age



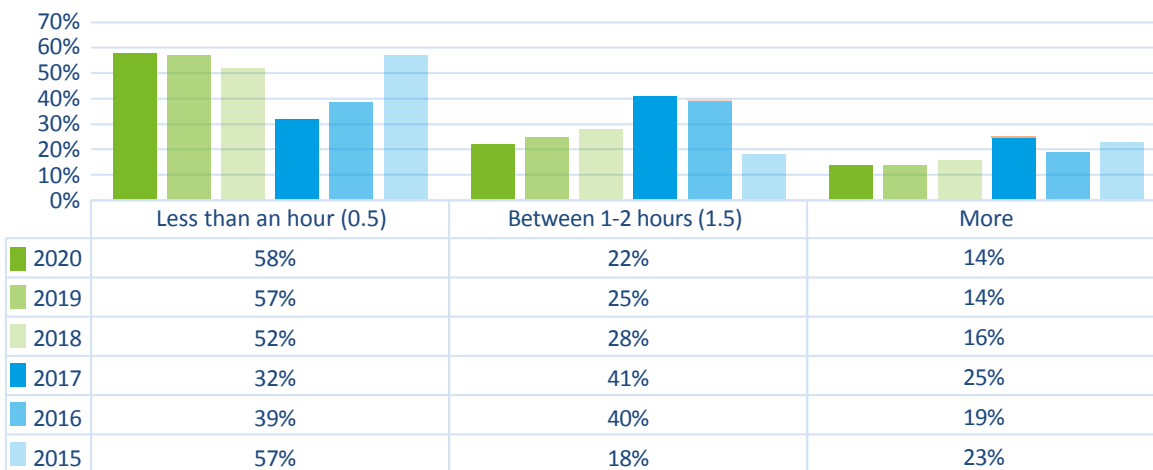
- Asked when they last studied personal finance, only 19% of our respondents said, “within the last month”. That’s broadly consistent with last year, but still significantly down on figures in previous years. More worrying, nearly one-quarter of respondents (23%) couldn’t remember when they last studied personal finance.

When did you last have a lesson that discussed personal finance?



- Of those who do study personal finance, more than half (58%) say they have access for less than an hour a week. Compared to previous figures, those numbers are going in the wrong direction.

How many hours do you study personal finance a week?

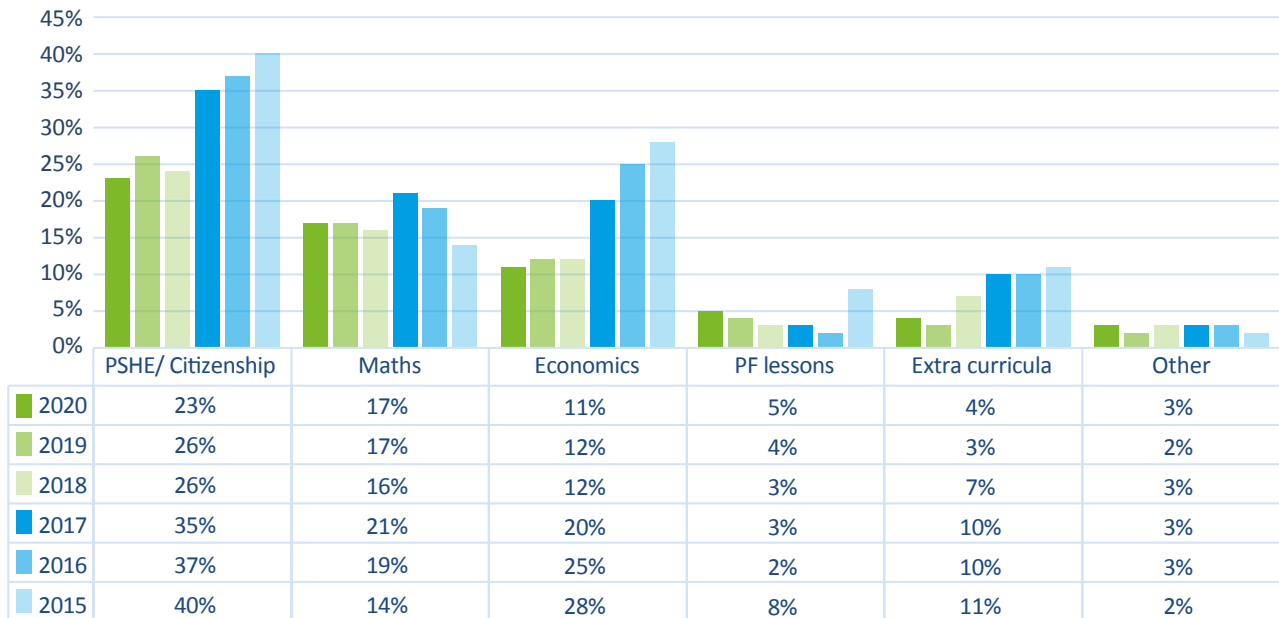


Base: All those who learn about money or personal finance at school

How do young people learn about personal finance in school?

- The most popular subjects for delivering financial education are still Personal Social Health and Economic education (PSHE) and Citizenship. However, there has been a marked drop in the teaching of personal finance in these subjects since 2015 - from 40% in 2015 to just 23% in 2020. It's also worth noting that teaching the 'E' element of PSHE is not currently a statutory requirement.

How do you learn about personal finance in school?

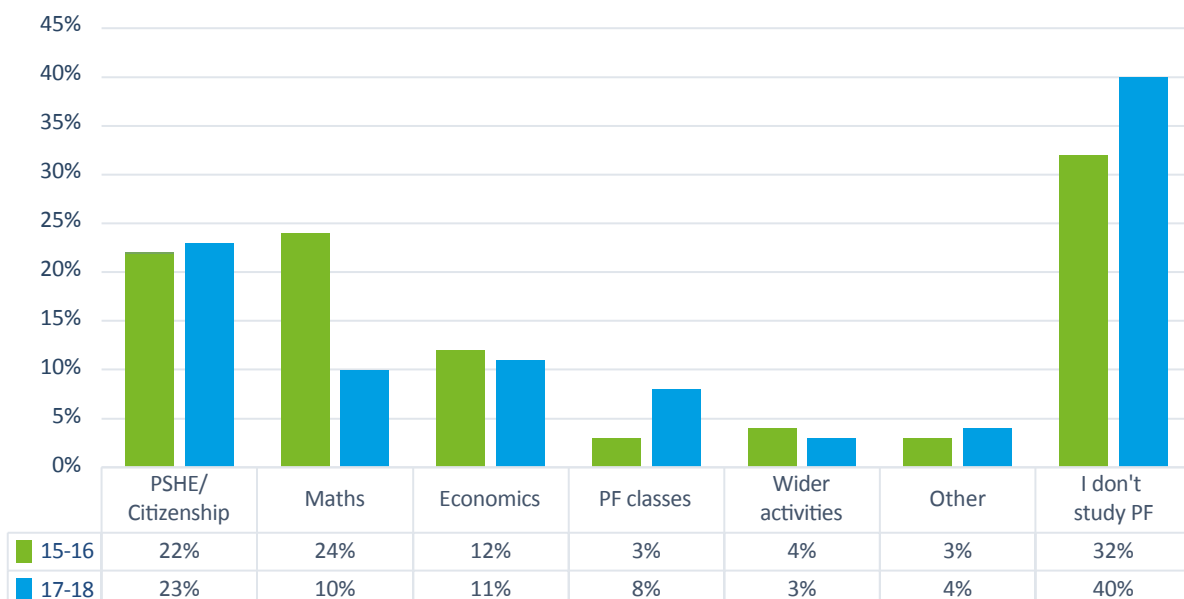


Base: All those who learn about money or personal finance at school

- The way young people receive financial education at school also varies by age and gender. Higher percentages for younger age groups are likely to reflect mandatory subjects at GCSE. At A Level, more male students are likely to choose subjects like maths and economics which may be why more boys report receiving financial education than girls do.
- The most notable finding here, however, is that 40% of 17 to 18-year-olds and 32% of those aged 15-16, don't receive any personal finance teaching at all.

How young people learn about personal finance in school, by age (2020)

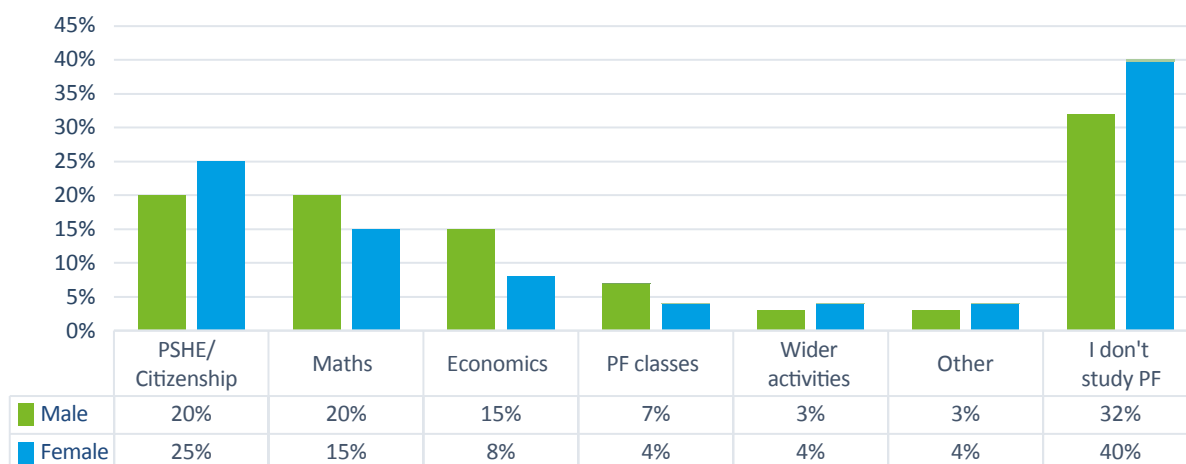
How: by age



Base: All those who learn about money or personal finance at school

How young people learn about personal finance in school, by gender (2020)

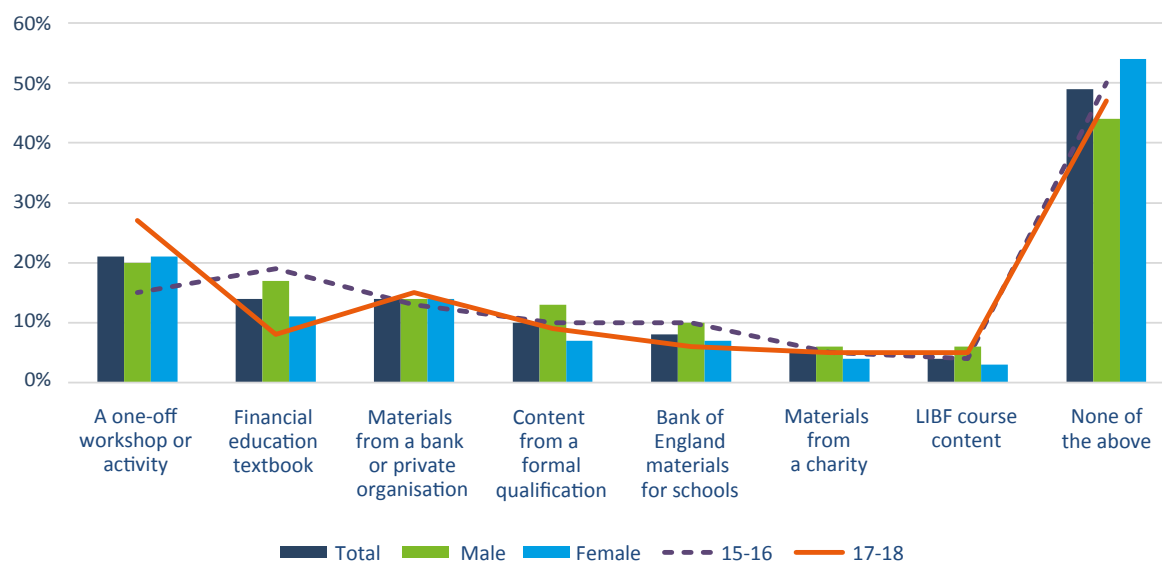
How: by gender



Base: All those who learn about money or personal finance at school

- This year we asked young people about the resources they have. This was to help us understand whether schools are using textbooks, course materials, materials from third parties or developing their own learning content. The results suggest that most schools develop their own content, with very few using formal course materials or textbooks.

What materials have you had access to?

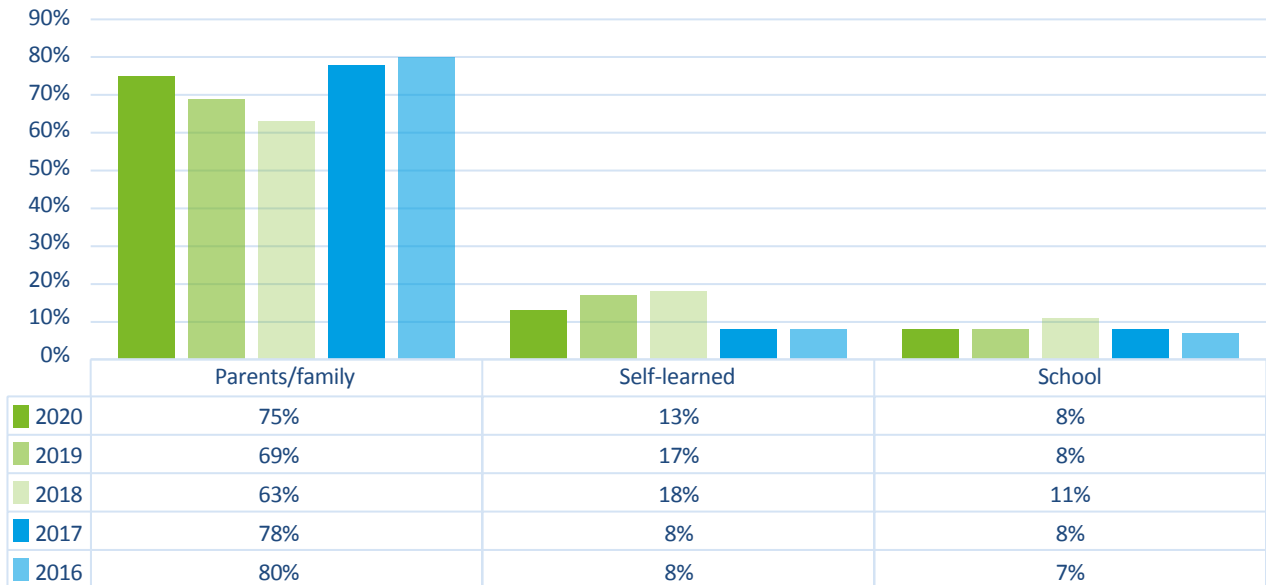


| What materials have you had access to? | Total | Male | Female | 15-16 | 17-18 |
|-----------------------------------------------|-------|------|--------|-------|-------|
| A one-off workshop or activity | 21% | 20% | 21% | 15% | 27% |
| Financial education textbook | 14% | 17% | 11% | 19% | 8% |
| Materials from a bank or private organisation | 14% | 14% | 14% | 13% | 15% |
| Content from a formal qualification | 10% | 13% | 7% | 10% | 9% |
| Bank of England materials for schools | 8% | 10% | 7% | 10% | 6% |
| Materials from a charity | 5% | 6% | 4% | 5% | 5% |
| LIBF course content | 4% | 6% | 3% | 4% | 5% |
| None of the above | 49% | 44% | 54% | 50% | 47% |

Where do young people get most of their financial understanding from?

- This year 75% say they get most of their financial understanding from parents and family, a slight increase on 2019. Only 8% cited school – a figure that’s stayed fairly constant over the years despite financial education being introduced onto the National Curriculum in 2014.

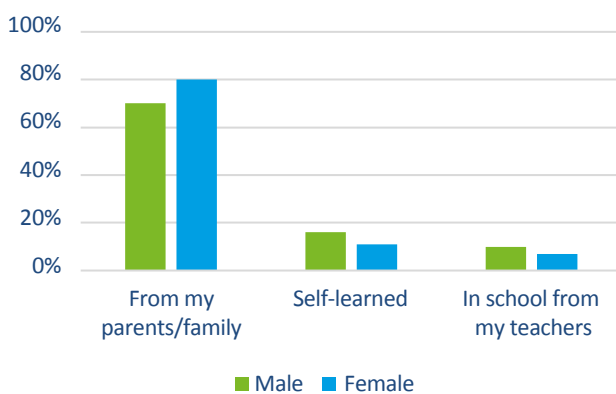
Where do you get most of your financial understanding from?



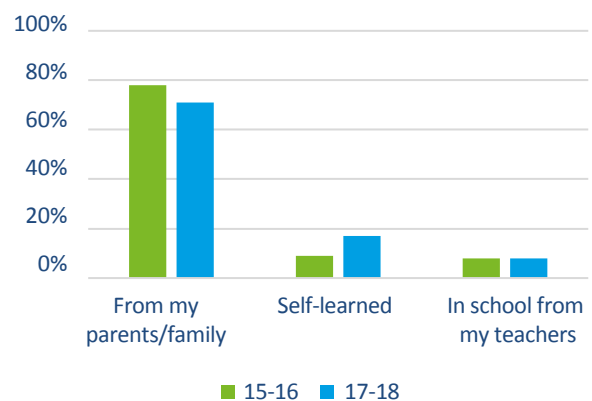
**2015 data was not comparable.*

- We found that males are more likely to teach themselves about money, as are older students. Perhaps the prospect of leaving home and having to be financially self-sufficient prompts some young people to learn what they can about managing their finances as they prepare for adult life.

Understanding: by gender (2020)



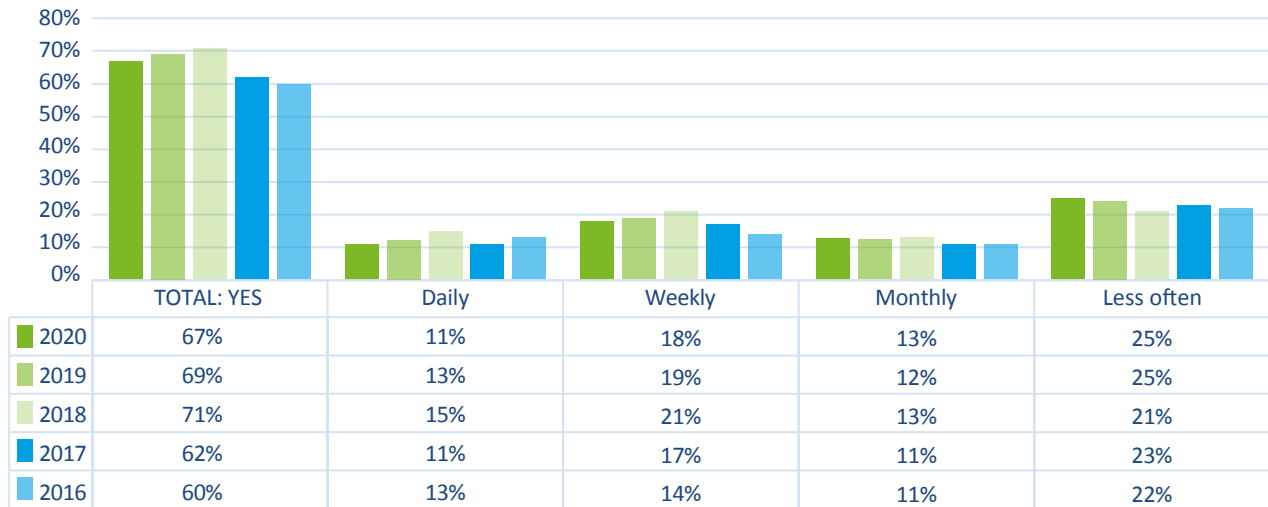
Understanding: by age (2020)



Do they worry about money?

- This year, over two-thirds (67%) of young people said they worry about money with a total of 42% saying they worry about money monthly or more frequently.

Do you ever worry about money or your personal finances?



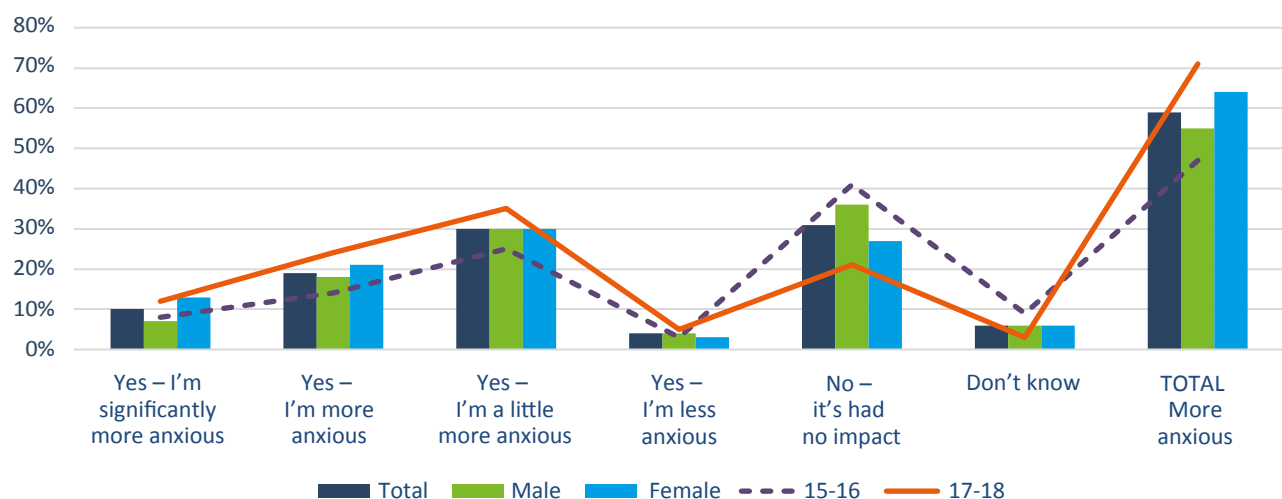
*Question not asked in 2015.

- That figure increases to 82% among 17 to 18-year olds - for whom working life and independence is getting ever closer - and is higher among females than males (figures highlighted in orange).

| 2020 results by gender and age | Total | Male | Female | 15-16 | 17-18 |
|--------------------------------|------------|------------|------------|------------|------------|
| Yes, daily | 11% | 8% | 13% | 7% | 14% |
| Yes, weekly | 18% | 16% | 20% | 12% | 24% |
| Yes, monthly | 13% | 13% | 13% | 10% | 17% |
| Yes, less often | 25% | 25% | 26% | 23% | 27% |
| No | 31% | 36% | 25% | 45% | 16% |
| Don't know | 3% | 2% | 3% | 4% | 2% |
| TOTAL: YES | 67% | 61% | 72% | 52% | 82% |

- This year, we also asked if Covid-19 was making young people feel more anxious about money. The majority (59%) confirmed that it was, but this figure rises to 71% in the 17-18 age group.

Has Covid affected how you feel about money?



| Has Covid-19 affected how you feel about money? | Total | Male | Female | 15-16 | 17-18 |
|-------------------------------------------------|------------|------------|------------|------------|------------|
| Yes - I'm significantly more anxious | 10% | 7% | 13% | 8% | 12% |
| Yes - I'm more anxious | 19% | 18% | 21% | 14% | 24% |
| Yes - I'm a little more anxious | 30% | 30% | 30% | 25% | 35% |
| Yes - I'm less anxious | 4% | 4% | 3% | 3% | 5% |
| No - it's had no impact | 31% | 36% | 27% | 41% | 21% |
| Don't know | 6% | 6% | 6% | 9% | 3% |
| TOTAL: More anxious | 59% | 55% | 64% | 47% | 71% |

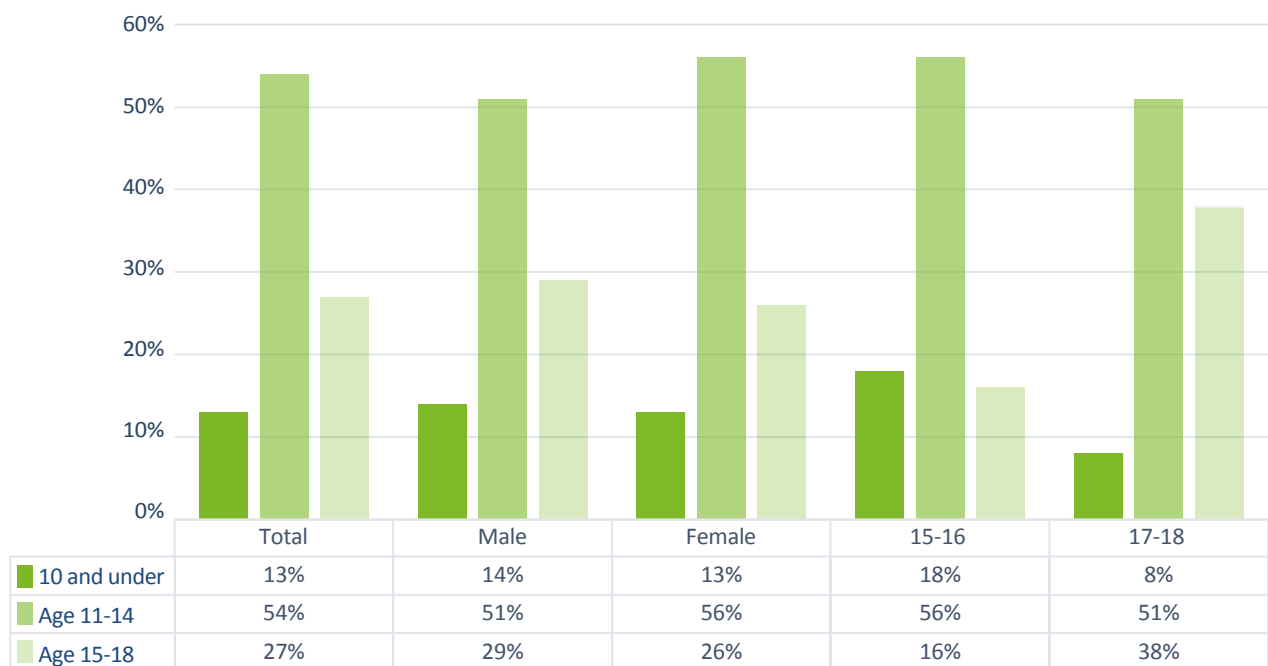
Do young people want to learn more about money and personal finance in school?

- The number of young people who want more financial education in school remains very high at 83% across all respondents, and is particularly high among 17 to 18-year olds (89%). (This question was not asked in 2015 or 2016).

| 2020 results by gender and age | Total | Male | Female | 15-16 | 17-18 |
|--------------------------------|------------|------|--------|-------|------------|
| Yes | 83% | 81% | 87% | 78% | 89% |
| No | 9% | 11% | 6% | 10% | 7% |
| Don't know | 8% | 9% | 7% | 12% | 4% |

- We also asked young people what age they'd like to have started learning about money and finance in school. Over half (54%) would have liked to start learning between the ages of 11-14.

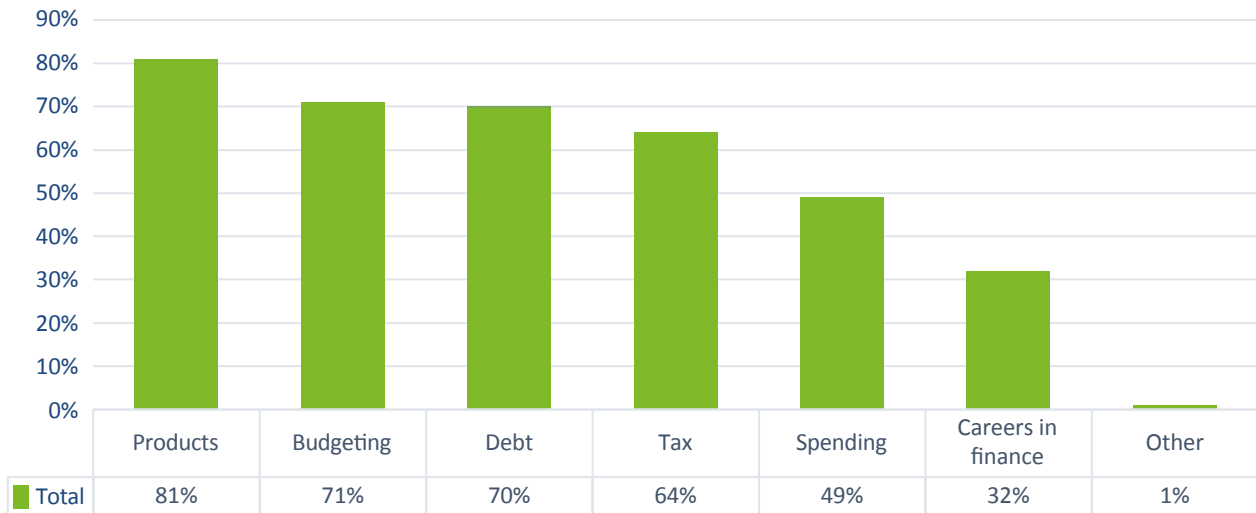
At what age would you like to start learning about money and finance in school?



What would young people like to learn more about?

- Learning about different types of products – mortgages, pensions, credit cards and savings – are top priorities for 81% of young people, closely followed by budgeting, debt, tax and essential versus discretionary spending.
- 32% would also like to learn more about careers in the finance sector.

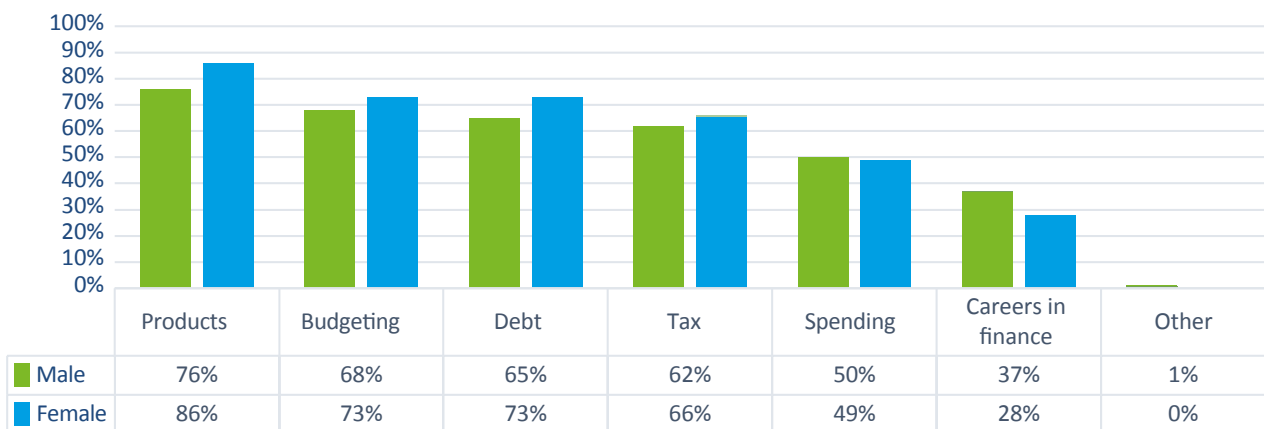
What would you like to learn more about?



Base: all those who want to learn more about personal finance at school

- Overall, there was little variation in the types of things young people would like to learn more about, based on gender. However, it's notable that females were more interested in products, budgeting, debt and tax, and more males than females were interested in careers in finance.

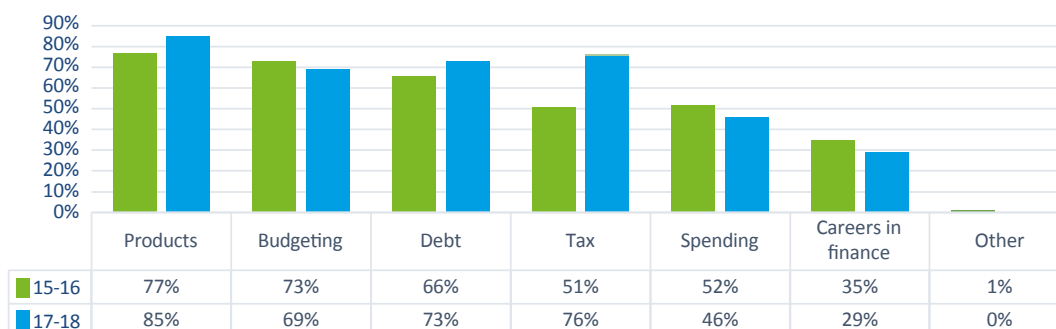
What would you like to learn more about: by gender



Base: all those who want to learn more about personal finance at school

- While 51% of the 15 to 16-year-old age group would like to learn about tax, over three-quarters (76%) of those aged 17-18 wanted to know about it. This may be because more of that age group have part-time jobs or are thinking about working in the near future.

What would you like to learn more about: by age



Base: all those who want to learn more about personal finance at school

Key results by school type

- Results by school type tend to follow the overall results, but there are some notable exceptions from the general survey population. Students at independent schools worry more about money, for example, and report the highest levels of Covid-related anxiety (highlighted in orange).
- There is little variation across the school types in terms of appetite to learn more about personal finance - in most instances the percentages wanting to learn more are over 80%, with one exception in the 'Other' group of 75%. Over four-fifths (at least 80% in all categories) expressed an interest in learning more about financial products such as mortgages, pensions and credit cards.

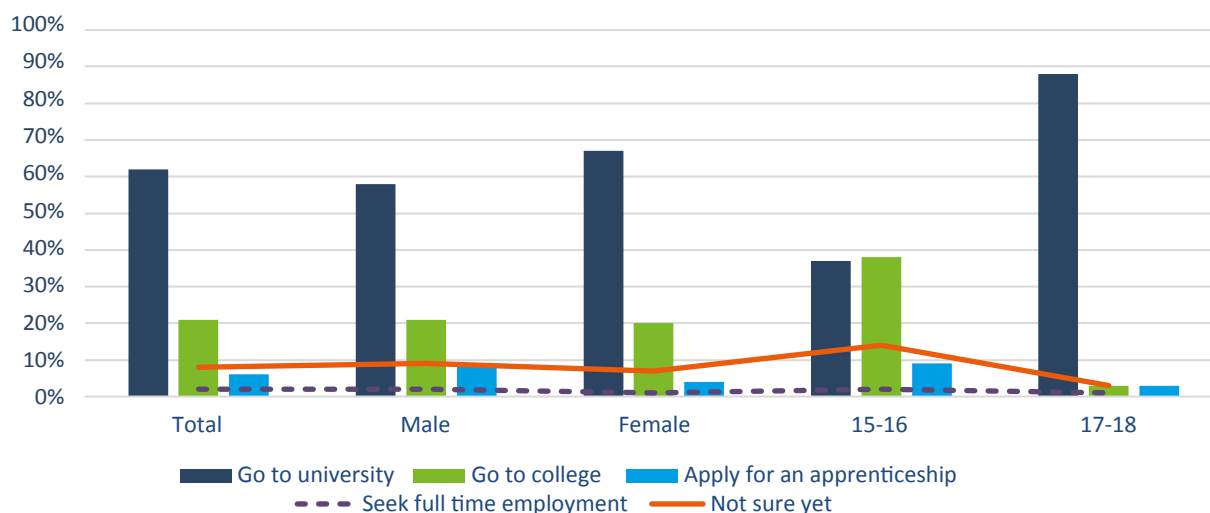
Results by school type

| Core questions | Total | Academy | State/Local Education Authority | Independent | Other |
|-----------------------------------------------------------------------|-------|---------|---------------------------------|-------------|-------|
| I worry about money and/or personal finances | 67% | 60% | 67% | 79% | 72% |
| Covid-19 has made me feel more anxious about money | 59% | 56% | 58% | 67% | 64% |
| I don't study money or personal finance at school | 36% | 32% | 38% | 23% | 49% |
| I would like to learn more about personal finance: | 83% | 81% | 86% | 84% | 75% |
| • products, like mortgages, pensions, credit cards | 81% | 80% | 81% | 80% | 86% |
| • budgeting | 71% | 73% | 71% | 63% | 68% |
| • debt | 70% | 70% | 70% | 62% | 76% |
| • tax | 64% | 62% | 62% | 75% | 68% |
| I get most of my understanding about money from my parents | 75% | 79% | 75% | 65% | 74% |
| I get most of my understanding about money from my teachers in school | 8% | 8% | 8% | 14% | 6% |

Plans for the future

- This year is the first time that we asked students what they planned to do after leaving secondary education. Most say they intend to go to university or college, with a few citing apprenticeships. Very few (2%) expect to seek full-time employment.

What do you plan to do when you leave secondary education?



| What do you plan to do after leaving secondary education? | Total | Male | Female | 15-16 | 17-18 |
|-----------------------------------------------------------|-------|------|--------|-------|-------|
| Go to university | 62% | 58% | 67% | 37% | 88% |
| Go to college | 21% | 21% | 20% | 38% | 3% |
| Apply for an apprenticeship | 6% | 9% | 4% | 9% | 3% |
| Seek full time employment | 2% | 2% | 1% | 2% | 1% |
| Not sure yet | 8% | 9% | 7% | 14% | 3% |
| None of the above | 1% | 1% | 1% | 1% | 1% |

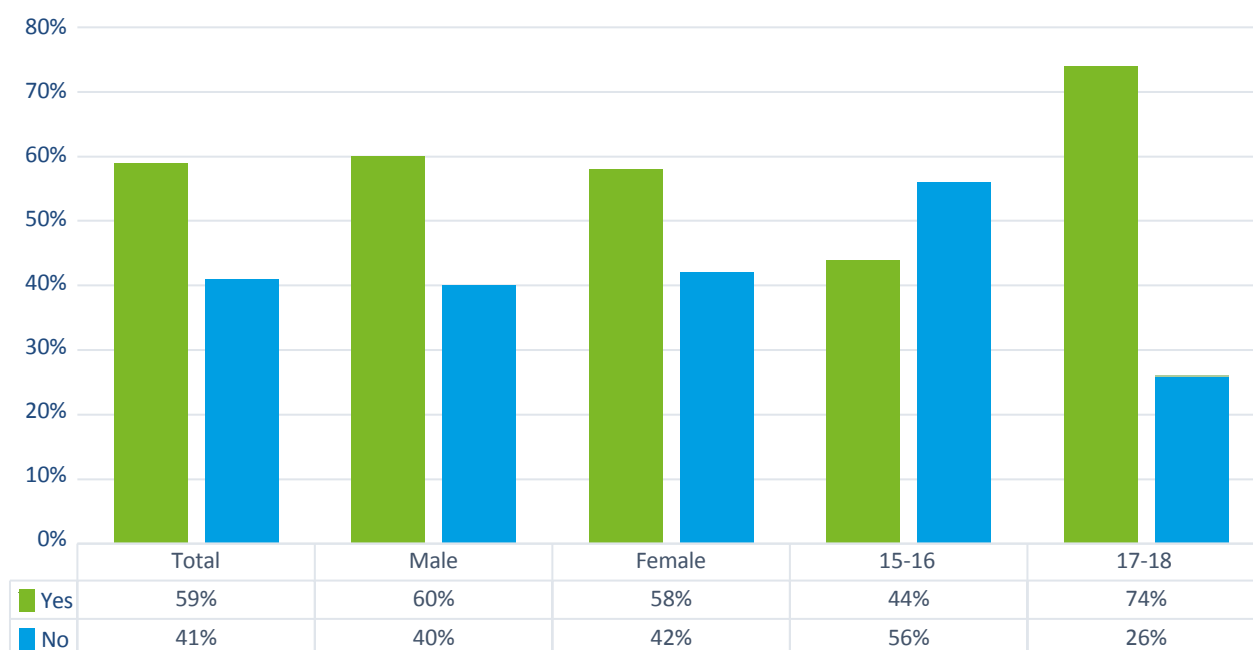
Do you intend to take out a student loan?

- With so many respondents saying they expect to go to university or college, we wondered how they are planning to pay for it. So, we asked if they intended taking out a student loan. The majority said yes - particularly in older age groups - with slightly more females responding yes than males. There is also some variation by school type.

| | Total | Gender | | Age | | School type | | | |
|------------|-------|--------|--------|-------|-------|-------------|---------|-----------|-------|
| | | Male | Female | 15-16 | 17-18 | Independent | Academy | State/LEA | Other |
| Yes | 63% | 59% | 68% | 42% | 85% | 72% | 57% | 64% | 67% |
| No | 16% | 21% | 12% | 23% | 9% | 18% | 18% | 15% | 19% |
| Don't know | 21% | 21% | 20% | 35% | 6% | 10% | 26% | 21% | 15% |

- We asked those who said they were likely to take out a student loan if they understood how student loans work. A significant number said no.
- While many students say they understand how a student loan works, there are quite interesting differences by gender and age. It's worrying that over 50% of 15 to 16-year-olds don't understand how student loans work, as this is a critical time for deciding future studies and careers.

Do you understand how a student loan works?



What do you know about tax?

- We also asked young people whether they'd been taught about tax, and if so, had access to the HMRC Tax Facts resources. Although most people pay tax at some point in their lives, a staggeringly high majority (77%) of respondents hadn't received any information about tax in school – a percentage that increases among female students.

Have you received information about tax in school? By gender and age

| All respondents | Total | Male | Female | 15-16 | 17-18 |
|-----------------|-------|------|--------|-------|-------|
| Yes | 18% | 21% | 15% | 15% | 21% |
| No | 77% | 74% | 80% | 78% | 75% |
| Don't know | 5% | 5% | 5% | 7% | 3% |

If yes, have you used the HMRC Tax Facts resources? By gender and age

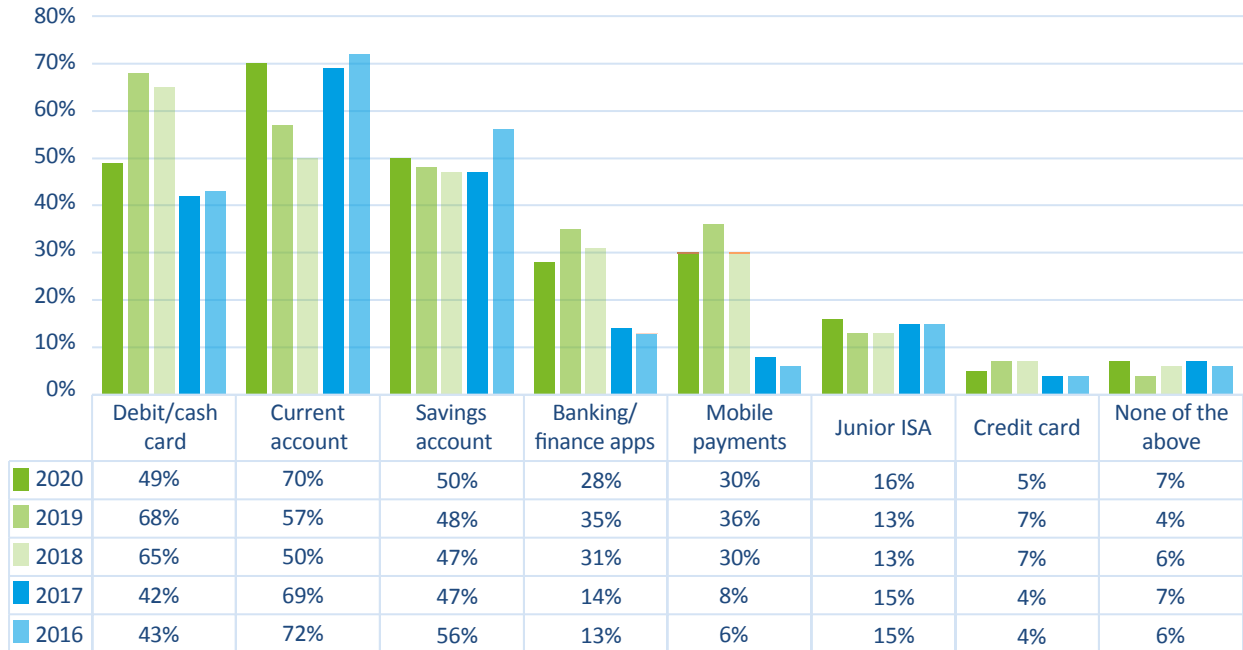
| All those who have learned about tax | Total | Male | Female | 15-16 | 17-18 |
|--------------------------------------|-------|------|--------|-------|-------|
| Yes | 21% | 23% | 19% | 34% | 12% |
| No | 62% | 66% | 58% | 48% | 73% |
| Don't know | 17% | 12% | 23% | 18% | 15% |

Financial products

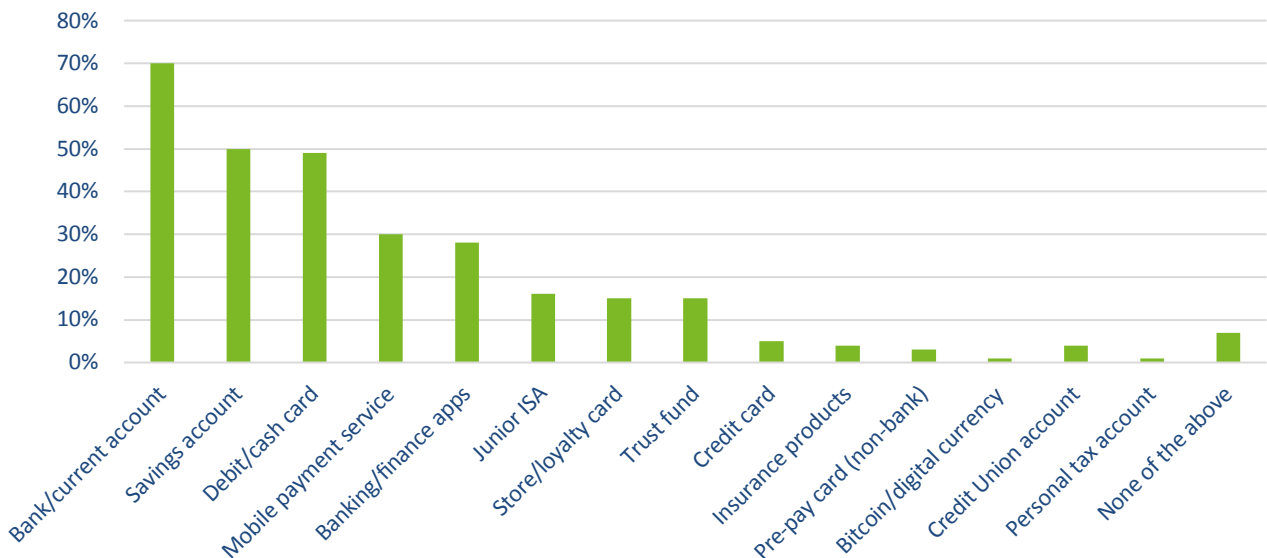
The financial products young people have or use

- There's been a jump in the number of young people saying they have a current account (70%), with many now having debit or cash cards. Unsurprisingly, the use of digital products is growing, with more young people using banking apps and mobile payments compared to previous years.

Products I have or use: by year (2020-2016)



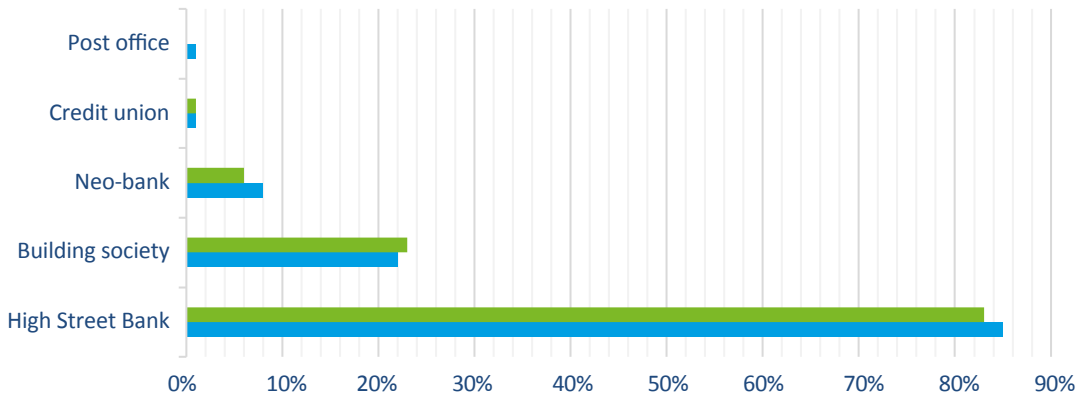
Products I have or use: detail for 2020



Who do you bank with?

- Of those who have a current account, the majority bank with traditional high street providers such as Barclays, Lloyds, NatWest and Midland, or with building societies. The use of 'neo-banks' has dropped from last year.

Who do you bank with?

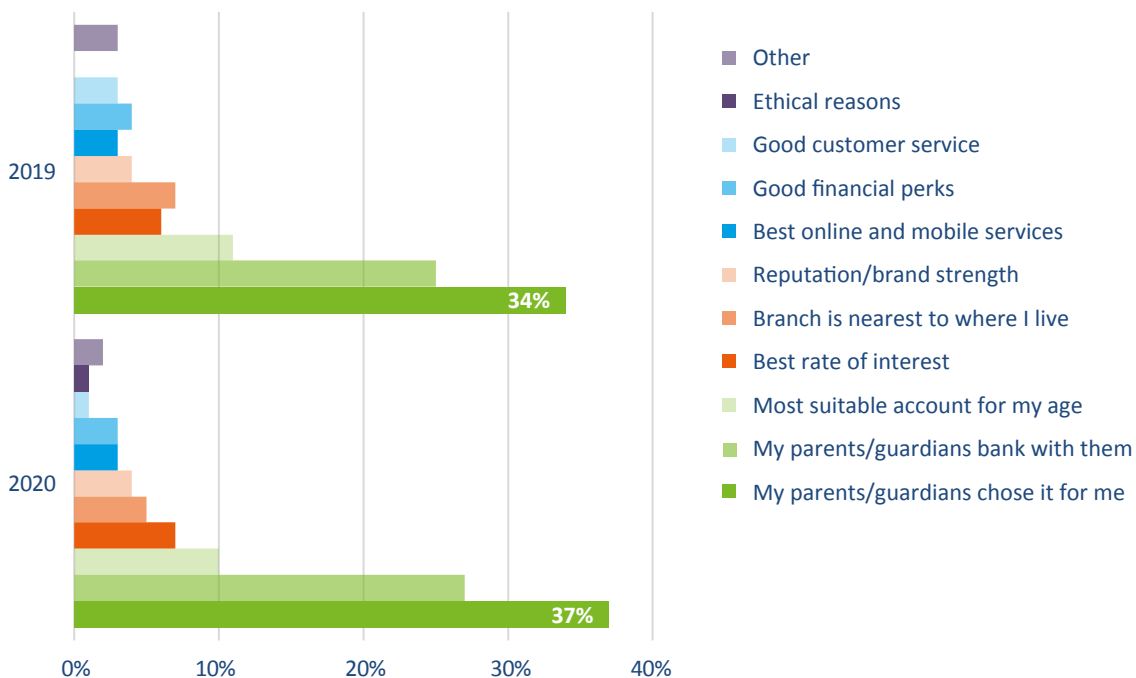


| | High Street bank | Building society | Neo-bank | Credit union | Post office |
|------|------------------|------------------|----------|--------------|-------------|
| 2020 | 83% | 23% | 6% | 1% | 0% |
| 2019 | 85% | 22% | 8% | 1% | 1% |

What's the main reason you chose the bank account you currently have?

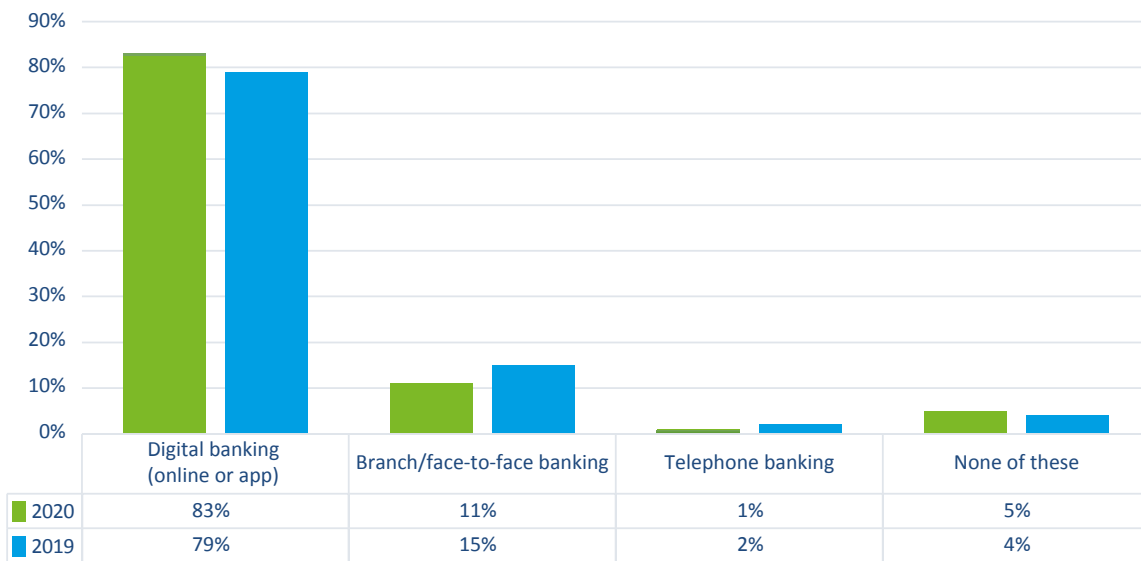
- The reasons young people gave for choosing their banking provider haven't changed much from 2019, with more than half saying they were influenced by their parents.

What's the main reason you chose the bank account you currently have?

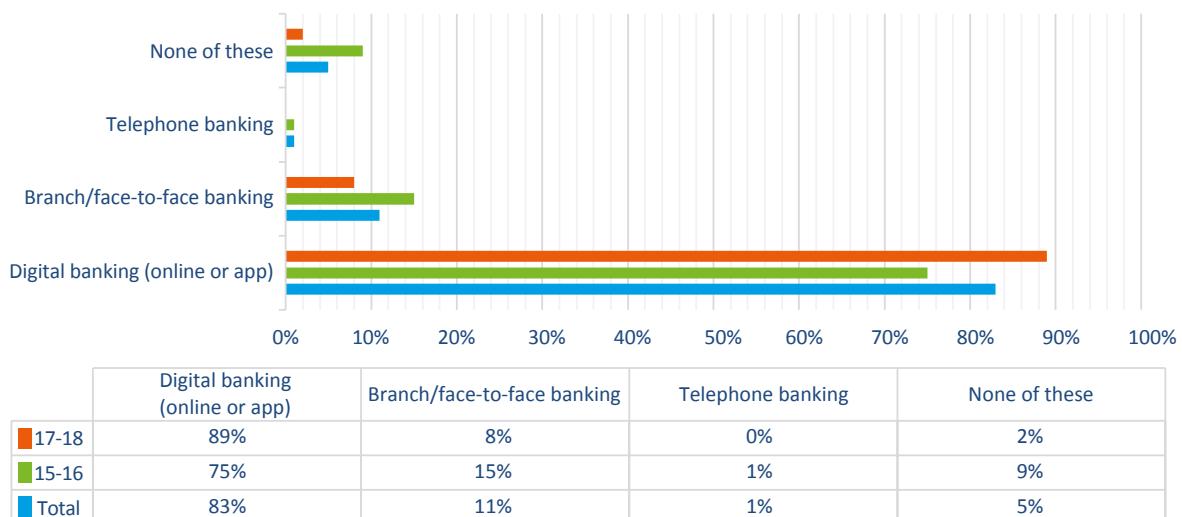


- Most young people prefer to bank online, with little change from 2019, and many seem comfortable using apps.
- Most students have engaged independently with financial products of some sort (93%), although there are marked differences depending on age.
- Asked what they have done independently, just over half (54%) of our respondents mentioned contactless payments. These, along with downloading banking apps, buying online and saving for expensive items were by far the most common activities.
- More complicated activities – such as researching and comparing financial products and planning a budget – lag behind in popularity by a considerable margin. Only 12% have planned a budget for example, compared to 54% who've used a contactless payment method. Unsurprisingly, the older age group was more likely to have independently carried out one of the activities.

Banking services used most regularly (2019-20)



Banking services used most regularly (2020)

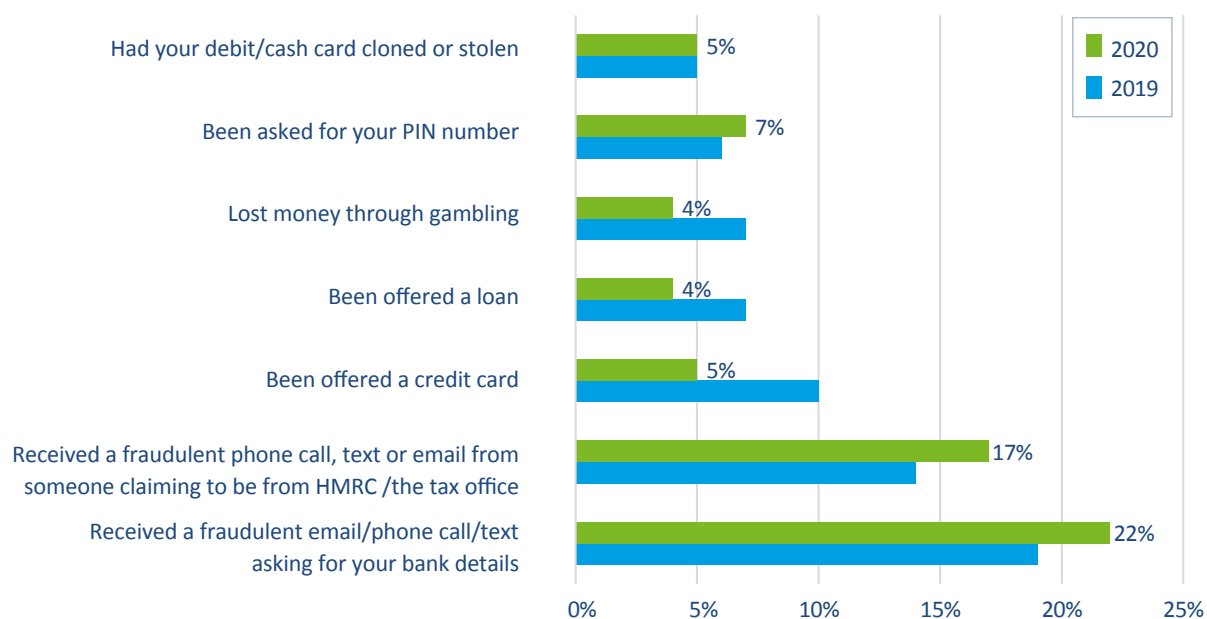


| Which of the following, if any, have you ever done independently (ie without any help from parents, teachers, friends)? | Male | Female | 15-16 | 17-18 | 2020 | 2019 |
|-------------------------------------------------------------------------------------------------------------------------|------|--------|-------|-------|------------|------|
| Used a contactless payment method (eg with a card or smartphone) | 50% | 59% | 40% | 69% | 54% | 58% |
| Downloaded a banking/financial app | 43% | 48% | 29% | 63% | 46% | 49% |
| Bought products through your smartphone/tablet | 39% | 52% | 31% | 59% | 45% | 54% |
| Saved to buy an expensive item | 41% | 48% | 36% | 52% | 44% | 55% |
| Opened a bank account | 22% | 23% | 13% | 32% | 22% | 24% |
| Compared or researched different financial products to get the best deal | 17% | 16% | 8% | 25% | 16% | 23% |
| Set up a direct debit | 18% | 12% | 6% | 23% | 15% | 15% |
| Paid a bill by using banking services | 16% | 13% | 7% | 21% | 14% | 15% |
| Planned a budget (including using budgeting websites) | 12% | 12% | 6% | 18% | 12% | 17% |
| Changed or swapped your main bank account to a different provider | 4% | 3% | 2% | 6% | 4% | 6% |
| None of these | 18% | 17% | 28% | 7% | 18% | 11% |

Have any of the following happened to you?

- In terms of their daily experiences, young people continue to experience scams, phishing, actual and/or potential fraud. One in 20 have had their cards cloned or stolen and even more (7%) have been asked for the PIN numbers. Of greater concern, over a fifth (22%) have been targeted by fraudsters asking for bank details and nearly as many (17%) by fraudsters claiming to be from HMRC. These figures underline just how vulnerable young people are to financial crime.

Have any of the following ever happened to you?



Financial capability

- We ask a few questions to help us assess basic levels of financial knowledge and capability. While there are positives in these results - with many students getting the basics right - there are clear gaps, and some deterioration, particularly with some of the more complex concepts. (Correct answer in orange) (2019 results in brackets).

| Which of the following do you think is essential expenditure? | Total | Male | Female | 15-16 | 17-18 |
|---------------------------------------------------------------|------------------|------|--------|-------|-------|
| Gas or electricity bill | 54% (64%) | 51% | 57% | 46% | 62% |
| Mobile phone | 16% | 15% | 17% | 17% | 15% |
| Clothes | 12% | 12% | 13% | 16% | 8% |
| Takeaway food | 3% | 4% | 2% | 4% | 2% |
| Online gaming subscription | 3% | 5% | 0% | 4% | 1% |
| Netflix subscription | 2% | 3% | 1% | 2% | 2% |
| Gym membership | 2% | 3% | 1% | 1% | 3% |
| Don't know | 3% | 3% | 2% | 3% | 2% |
| None of these | 5% | 4% | 5% | 5% | 4% |

| Which of the following do you think would usually charge the lowest rate of interest? | Total | Male | Female | 15-16 | 17-18 |
|---------------------------------------------------------------------------------------|------------------|------|--------|-------|-------|
| Credit card | 29% (28%) | 31% | 27% | 27% | 31% |
| Store card | 20% | 22% | 17% | 11% | 28% |
| Unauthorised bank overdraft | 6% | 7% | 5% | 7% | 4% |
| Payday loan | 5% | 6% | 3% | 4% | 5% |
| Don't know | 41% | 35% | 47% | 51% | 31% |

| What do you think happens if you only pay the minimum payment on your credit card each month? | Total | Male | Female | 15-16 | 17-18 |
|-----------------------------------------------------------------------------------------------|------------------|------|--------|-------|-------|
| The amount I owe the credit card provider stays the same | 10% | 10% | 11% | 8% | 13% |
| The amount I owe the credit card provider goes up / takes longer to pay off | 62% (59%) | 63% | 60% | 66% | 57% |
| The amount I owe the credit card provider goes down | 6% | 8% | 4% | 6% | 6% |
| I'll pay off the amount I owe more quickly | 3% | 2% | 3% | 2% | 3% |
| Don't know | 20% | 17% | 23% | 18% | 22% |

| How do you think authorised overdrafts are supposed to be used? | Total | Male | Female | 15-16 | 17-18 |
|-----------------------------------------------------------------|------------------|------|--------|-------|-------|
| To borrow small amounts for short periods of time | 55% (63%) | 57% | 53% | 53% | 57% |
| To borrow small amounts for long periods of time | 9% | 9% | 9% | 9% | 10% |
| For day-to-day spending | 5% | 6% | 4% | 6% | 4% |
| To borrow large amounts for short periods of time | 7% | 7% | 8% | 6% | 9% |
| Don't know | 24% | 21% | 26% | 26% | 21% |

| What do you think APR is? | Total | Male | Female | 15-16 | 17-18 |
|-------------------------------------------------------------------------------------|------------------|------|--------|-------|-------|
| The rate of interest charged for borrowing money over a year (eg loan, credit card) | 34% (37%) | 39% | 29% | 37% | 31% |
| The monthly interest rate charged for borrowing money (eg loan, credit card) | 16% | 19% | 13% | 16% | 16% |
| The amount of annual interest paid on my savings (eg by a bank or building society) | 13% | 13% | 14% | 10% | 16% |
| The monthly interest paid on my savings (eg by a bank or building society) | 3% | 3% | 2% | 3% | 2% |
| Don't know | 35% | 27% | 42% | 34% | 35% |

| Please estimate how much debt the average student in the UK faces on leaving university | Total | Male | Female | 15-16 | 17-18 |
|-----------------------------------------------------------------------------------------|------------------|------|--------|-------|-------|
| Less than £10,000 | 5% | 6% | 3% | 6% | 3% |
| £10,000 - £19,999 | 13% | 15% | 10% | 15% | 10% |
| £20,000 - £29,999 | 21% | 22% | 19% | 22% | 19% |
| £30,000 - £39,999 | 24% | 22% | 26% | 20% | 27% |
| £40,000 - £49,999 | 15% | 13% | 17% | 9% | 22% |
| £50,000 or more | 12% (17%) | 11% | 13% | 8% | 16% |
| Don't know | 11% | 11% | 11% | 19% | 3% |

| Which central organisation do you think collects taxes for the government? | Total | Male | Female | 15-16 | 17-18 |
|----------------------------------------------------------------------------|------------------|------|--------|-------|-------|
| HM Revenue and Customs | 67% (71%) | 68% | 66% | 64% | 70% |
| HM Treasury | 13% | 13% | 13% | 12% | 13% |
| The Department for Business, Energy and Industrial Strategy | 3% | 4% | 1% | 2% | 3% |
| Don't know | 18% | 15% | 20% | 22% | 13% |

| Where would you go for information about taxes? | Total | Male | Female | 15-16 | 17-18 |
|-------------------------------------------------|------------------|------|--------|-------|-------|
| My parents | 38% | 34% | 43% | 43% | 34% |
| Gov.uk | 33% (34%) | 35% | 30% | 29% | 37% |
| Google | 21% | 22% | 20% | 18% | 23% |
| Social media | 2% | 3% | 1% | 2% | 3% |
| Other/Don't know | 7% | 6% | 5% | 8% | 4% |

CONCLUSION

Young people tell us – year after year – that they want to study financial education in school. But despite being included in the National Curriculum six years ago, access to financial education remains patchy.

For many schools – battling with all the challenges of the pandemic – implementing better financial education may not seem like it can take top priority right now. Meanwhile Covid-19 is making most young people (59%) more anxious about their money-managing skills, particularly in the 17-18 age group (71%).

Young people say they want to learn the practical skills that will help them prosper in life; to understand the financial products they're likely to use, such as mortgages, loans (particularly student loans) and credit cards; and to be able to budget and understand their tax. The financial capability results demonstrate how patchy some of their basic knowledge currently is.

In short, young people want to take responsibility for managing their money properly but they need quality education in school to help them do that.

So what's the answer?


We've been advocating for financial education in schools since 2012 and have provided qualifications and learning resources to schools around the UK for over 8 years. We've been supported by schools and teachers around the country, as well as organisations in the community sector, who understand just how much of a difference financial education can make to someone's life.

This year, in response to the pandemic, we've made resources and activities free to access from our website to give everyone who wants the opportunity to improve their money managing skills. We hope that our work goes some way to help.

But the answer is simple and hasn't changed since the Young Persons' Money Index began in 2014: all young people should have regular access to good quality financial education.

For that to happen, we believe it should be included in the Ofsted Framework – so that it becomes a priority in schools around the UK and the impact of any financial education can be measured.

We recognise that teachers need more guidance and schools need more support to make this happen. We'll do everything we can to help. What part can you play?



For information on our qualifications for schools please visit our website:

libf.ac.uk/fe

Demographics 2020

| Which region of the UK do you live in? | Total | Male | Female | 15-16 | 17-18 |
|----------------------------------------|-------|------|--------|-------|-------|
| East Anglia | 7% | 7% | 6% | 8% | 5% |
| East Midlands | 8% | 8% | 8% | 8% | 8% |
| London | 14% | 14% | 14% | 13% | 16% |
| North East | 4% | 4% | 4% | 6% | 3% |
| North West | 12% | 12% | 12% | 11% | 12% |
| Northern Ireland | 3% | 3% | 4% | 2% | 5% |
| Scotland | 6% | 5% | 7% | 8% | 4% |
| South East | 14% | 15% | 14% | 13% | 15% |
| South West | 9% | 9% | 9% | 7% | 12% |
| Wales | 5% | 5% | 4% | 5% | 5% |
| West Midlands | 10% | 11% | 9% | 10% | 9% |
| Yorkshire / Humberside | 8% | 8% | 8% | 10% | 7% |

| Which type of school do you attend? | Total | Male | Female | 15-16 | 17-18 |
|-------------------------------------|-------|------|--------|-------|-------|
| Academy | 27% | 26% | 29% | 34% | 21% |
| Independent | 9% | 10% | 7% | 5% | 12% |
| State/LEA | 53% | 53% | 52% | 53% | 53% |
| Other | 11% | 10% | 12% | 8% | 15% |

| Do you receive free school meals? | Total | Male | Female | 15-16 | 17-18 |
|-----------------------------------|-------|------|--------|-------|-------|
| Yes | 18% | 20% | 15% | 23% | 12% |
| No | 81% | 78% | 84% | 75% | 87% |
| Prefer not to say | 1% | 1% | 1% | 2% | 1% |

About The London Institute of Banking & Finance

We exist for a very simple reason – to advance banking and finance by providing outstanding education and thinking, tailored to the needs of business, individuals, and society.

Our focus is on lifelong learning; equipping individuals with the knowledge, skills and qualifications to achieve what they want throughout their career and life. We provide a balance of experience, insight and thought leadership into today's financial world, delivered by industry leaders, thinkers and members of our community.

And because we've been at the heart of the sector since 1879, we create connections and build partnerships between people and business that make banking and finance more accessible and understood, and enhance social inclusion through better financial capability.

We are The London Institute of Banking & Finance, **lifelong partners for financial education.**



Contact details

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