

Routes to financial education



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Are we failing current and future generations by not ensuring they have a sound financial education?

Did you know?

- **nearly two million adults in the UK do not have a bank account;**
- **financially excluded people pay a 'poverty premium' of £1,300 each year;**
- **up to 8.8 million people are over-indebted**
- **Around 9.79m (36%) of households have no savings while a further 3.54m (13%) have under £1,500**
- **19.31m, 71% have less than £10,000 in savings**
- **50% of households in the bottom half the of the income distribution do not have home contents insurance; and**

(source Financial Inclusion Commission)

Even more worrying!

- 20 properties were repossessed every day in May 2018
- 304 people a day are declared insolvent or bankrupt – 1 person every 4 minutes 44 seconds!
- Total credit card debt in April 2018 was £71.1bn
- The average interest rate on credit cards was 18.26% - 17.76% above the Bank of England Base Rate of 0.5%
- Average overdraft rate is 19.67% - 19.17% above the Bank of England Base rate!
- 15 million people (31% of the population) report one or more signs of financial distress.

(source The Money Charity & LIBF Young Persons' Money Index 2017)

Worse still (for parents too!)

What is the average age of a first-time buyer in the UK?

38



2. What is the approximate retirement age for current teens??

78



What is financial education?

- **Financial literacy is like reading and writing, it is an essential skill for the 21st century**

(OECD global policy research symposium to advance financial literacy – April 2018)

- **It is essential for full participation in society**

(OECD global policy research symposium to advance financial literacy – April 2018)

The Young Persons' Money Index tells us.....

- Despite inclusion of FE in the curriculum, only 44% of students are being taught it
- Young people are more likely to gamble than save
- Females are less likely to have access to regular financial education than males
- Lower social economic areas more likely to be in debt
- 62% of young people worry about money
- Young people have high financial expectations!!

What should students learn in order to be financially capable?

BUDGET

LONG TERM

INVESTING

FINANCIAL

RISK

INTEREST

PAYE

SAVING

PENSION

APR

AFFORDABILITY

COMMISSION

RETIREMENT

FCA

ADVICE

CONSUMER

MORTGAGE

TAX

Preparing young people for life - Schools



- Helping schools instil the knowledge and confidence their pupils need to make good financial decisions
- Focusing on the everyday financial skills needed and essential skills employers say are missing
- Making the banking and finance sector more accessible and attainable
- Financial education now in the national curriculum



Formal HE Programmes - Developing the next generation of professionals



- Providing the skills and knowledge that the sector expects from people starting out or furthering their careers
- Delivered by respected practitioners and leading industry thinkers
- Learning is based on contemporary real life rather than theory



Degree Route Apprenticeships



- **Programme designed to reflect the authenticity of the financial services workplace within an academic framework**
- Delivery that fits in with a full time job
 - Face to Face workshops
 - Online distance learning
 - Inclusion of formal and informal learning (collaborative work, peer and lecture support)
- Taught by subject area specialist academics and experienced practitioners

Learning through Career Progression



- Helping individuals continue their learning and development
- Licence to practice qualifications, specialist certificates and diplomas
- Providing opportunities to network and share information
- Sharing insight and generating thought leadership
- An active global community of like-minded individuals and professionals

In summary



Provide outstanding financial education and thinking, tailored to the needs of business, individuals and society.

Start early

Continuous learning

We are all responsible!

Thank you

