

Dear Parents,

In the summer term, we will be teaching the children about money and finance, which aims to equip them with the knowledge, skills, and confidence to manage their money well. As children move through the school, we want them to understand how we acquire money, how we manage and keep money and its role within the wider world. Children will learn about the affordability of living, differences between basic needs and wants and will look at global sustainability issues and investigate how consumer choices have an impact on the environment. The children will also explore their attitude to risk, and become aware of their own behaviour and emotions when making financial decisions. UKS2 children will explore up to date issues and dangers connected to finances including; online subscriptions, gambling and social media pop-ups and money scams.

Why do we need to teach Financial Education?

- 55% of young people say they do not know how to manage their money.
- By the time they are ten, children are likely to be shopping online using their parents' credit or debit cards.
- Just 5% of UK adults believe that young people are currently leaving school with the financial skills and knowledge they need to manage their finances.
- Despite the arrival of new technology, such as online and mobile banking, 60% of UK adults believe that managing money is more difficult now than it was 10 years ago, with only 12% finding that it had become easier.
- The shift towards an increasingly cashless society, and more financial products and services than ever before, is making it harder for young people to navigate their personal finances.
- Nearly half (42%) of 14-25 year olds cannot interpret the difference between being in credit and overdrawn on a bank statement.



Year	Key Learning
Reception	<ul style="list-style-type: none"> • Recognise coins and other items relating to money. • Identify the uses of money. • Talk about why it is important to keep money safe. • Identify ways to save money. • Talk about why we save money.
Year 1	<ul style="list-style-type: none"> • Explain where people get money from. • List some of the things that money may be spent on in a family home. • Recognise that different notes and coins have different monetary value. • Explain the importance of keeping money safe. • Identify safe places to keep money. • Understand the concept of 'saving money' (i.e. by keeping it in a safe place and adding to it).

Year 2	<ul style="list-style-type: none"> Understand that people have choices about what they do with their money. Know that money can be saved for a use at a future time. Explain how they might feel when they spend money on different things. Recognise that money can be spent on items which are essential or non-essential. Know that money can be saved for a future time and understand the reasons why people (including themselves) might do this.
Year 3	<ul style="list-style-type: none"> Understand the terms 'income', 'saving' and 'spending'. Recognise that there are times we can buy items we want and times when we need to save for items. Suggest items and services around the home that need to be paid for (e.g. food, furniture, electricity etc.). Explain that people earn their income through their jobs. Understand that the amount people get paid is due to a range of factors (skill, experience, training, responsibility etc.). People can have more than one job at once or over their lifetime.
Year 4	<ul style="list-style-type: none"> Define the terms 'income' and 'expenditure'. List some of the items and services of expenditure in the school and in the home. Prioritise items of expenditure in the home from most essential to least essential. To know about Fair Trade and what it means. To consider the needs of the global environment and the impact of consumer choices.
Year 5	<ul style="list-style-type: none"> To consider the degrees of risk and the possible consequences of borrowing and lending money. Define the terms loan, credit, debt and interest. Suggest advice for a range of situations involving personal finance. Define what is meant by the term stereotype. Recognise how the media can sometimes reinforce gender stereotypes. Recognise that people fall into a wide range of what is seen as normal. Challenge stereotypical gender portrayals of people, particularly those relating to the work place.
Year 6	<ul style="list-style-type: none"> Recognise and explain that different jobs have different levels of pay and the factors that influence this. Explain the different types of tax (income tax and VAT) which help to fund public services. Evaluate the different public services and compare their value. Recognise common risks associated with money, including debt, fraud and gambling. Recognise how money can be gained or lost e.g. stolen, through scams or gambling and how these put people at financial risk.

Additional information and resources

There are a number of free resources you can access online at home:

<https://natwest.mymoneysense.co/parents/>

- **Money Sense** is an impartial financial education resource for 5–18 year-olds created in collaboration with educational experts, and based on PFEG's (Personal Finance Education Group) financial education planning frameworks.
- **Values, Money and Me** is a free online resource to teach children valuable life lessons connected to money. The resource uses characters and settings within a 'Pride Place Community.' Through the characters' lives and dilemmas, we explore their experiences around money and how they feel about it.

<https://www.valuesmoneyandme.co.uk/>



The Money Advice Service provides ideas and activities to help your child learn about money.

<https://www.moneyadviceservice.org.uk/en/categories/talking-to-your-children-about-money>

Information for children about saving on Martin Lewis's MoneySavingExpert website.

<https://www.moneysavingexpert.com/savings/child-savings-tax-free/>

Many thanks for your continued support,

Miss Dixon (Deputy Headteacher)