



**Cynulliad Cenedlaethol Cymru
The National Assembly for Wales**

**Y Pwyllgor Plant, Pobl Ifanc ac Addysg
The Children, Young People and Education
Committee**

**Dydd Mercher, 17 Medi 2014
Wednesday, 17 September 2014**

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynndi yn y pwyllgor. Yn ogystal,
cynhwysir trawsgrifiad o'r cyfieithu ar y pryd.

These proceedings are reported in the language in which they were spoken in the committee.
In addition, a transcription of the simultaneous interpretation is included.

**Aelodau'r pwyllgor yn bresennol
Committee members in attendance**

Paul Davies	Ceidwadwyr Cymreig (yn dirprwyo ar ran Angela Burns) Welsh Conservatives (substitute for Angela Burns)
Keith Davies	Llafur Labour
Suzy Davies	Ceidwadwyr Cymreig Welsh Conservatives
John Griffiths	Llafur (yn dirprwyo ar ran Rebecca Evans) Labour (substitute for Rebecca Evans)
Ann Jones	Llafur (Cadeirydd y Pwyllgor) Labour (Chair of the Committee)
Lynne Neagle	Llafur Labour
David Rees	Llafur Labour
Aled Roberts	Democratiaid Rhyddfrydol Cymru Welsh Liberal Democrats
Simon Thomas	Plaid Cymru The Party of Wales

**Eraill yn bresennol
Others in attendance**

Pierre Bernhard-Grout	Swyddog Gweithredol, Cymdeithas Cyfarwyddwyr Addysg Cymru Executive Officer, Association of Directors of Education in Wales
Dave Brown	Cyfarwyddwr Strategaeth, Canolfan Cydweithredol Cymru Director of Strategic Development and Performance, Wales Co-operative Centre
Michael Dauncey	Y Gwasanaeth Ymchwil, Comisiwn y Cynulliad Research Service, Assembly Commission
Eifion Evans	Cyfarwyddwr Addysg, Cyngor Sir Ceredigion, a Chadeirydd Cymdeithas Cyfarwyddwyr Addysg Cymru Director of Education, Ceredigion County Council, and Chair of the Association of Directors of Education in Wales
Rhys Iorwerth	Y Gwasanaeth Ymchwil, Comisiwn y Cynulliad Research Service, Assembly Commission
Bethan Jenkins	Aelod Cynulliad, Plaid Cymru, yr Aelod yn Gyfrifol am y Bil Assembly Member, Plaid Cymru, the Member in Charge of the Bill
Jocelle Lovell	Rheolwr Prosiect, Canolfan Cydweithredol Cymru Project Manager, Wales Co-operative Centre
Matthew Richards	Uwch-gynghorydd Cyfreithiol, Comisiwn y Cynulliad Senior Legal Adviser, Assembly Commission

**Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol
National Assembly for Wales officials in attendance**

Sarah Bartlett	Dirprwy Glerc Deputy Clerk
Jonathan Baxter	Y Gwasanaeth Ymchwil Research Service

Stephen Davies	Cynghorydd Cyfreithiol Legal Adviser
Gareth Rogers	Clerc Clerk
Sian Thomas	Y Gwasanaeth Ymchwil Research Service

*Dechreuodd y cyfarfod am 09:30.
The meeting began at 09:30.*

Cyflwyniad, Ymddiheuriadau a Dirprwyon Introductions, Apologies and Substitutions

[1] **Ann Jones:** Good morning, everybody. Welcome to the Children, Young People and Education Committee. I welcome you back after the summer break. Let us hope that we can have a good and productive term. The usual housekeeping rules apply. If the fire alarm operates, it will be for real; it will not be a test. Therefore, we will take our instructions from the ushers or make our way out, if it is possible to do so, to the assembly point at the Pierhead building. We operate bilingually. Channel 0 on the headsets is for amplification and channel 1 is for translation from Welsh to English, should you need it. We have apologies from Angela Burns. Angela is still not well enough to come back to work, so Paul Davies is substituting for Angela, probably until the Christmas term. You are very welcome. Substituting for Rebecca today we have John Griffiths. John, you are very welcome as well.

[2] This is just for you to note: Bethan Jenkins is taking the next item on the agenda through as part of her Member-proposed Bill, the Financial Education and Inclusion (Wales) Bill. Bethan was a member of this committee, but obviously now cannot take part as a member of the committee for discussion of those areas. However, Bethan will join us to discuss the other areas of work that we do throughout the progress of this Bill.

[3] Finally, I remind you to turn off mobile phones and pagers. Apparently, it does not affect the broadcasting, but it is disruptive. So, if you have them switched on, can you make sure that they are either on 'silent' or that they are switched off?

09:32

Y Bil Addysg a Chynhwysiant Ariannol (Cymru)—Sesiwn Dystiolaeth 1 Financial Education and Inclusion (Wales) Bill—Evidence Session 1

[4] **Ann Jones:** We start our inquiry into Bethan Jenkins's Member-proposed Bill on financial education and inclusion. I welcome, Bethan, who is sitting at the other end of the table. Bethan is joined by the team that is supporting her, which is made up of members of the legal team and researchers. Thank you, Bethan, for the Bill and for the explanatory memorandum. You know the drill: we have a set of questions. So, if you are happy to go straight into questions, we will do that. I see that you are. The first one is from Simon.

[5] Simon Thomas: Croeso, Bethan, i'r pwyllgor. Hoffwn ofyn ichi, yn y lle cyntaf, i fod yn glir. Gan fod addysg ariannol eisoes yn rhan o addysg bersonol a chymdeithasol, mae nifer o bobl wrth ymateb i'r Bil wedi dweud, er ei fod yn faes sydd angen ei drin, eu bod yn teimlo ei fod eisoes yn rhan o'r cwricwlwm mewn rhyw ffordd. Pa	Simon Thomas: Welcome, Bethan, to the committee. I would like you, in the first instance, to be clear. As financial education is already part of personal and social education, a number of people who have responded to the Bill have said, even though the area is one that needs to be addressed, that they feel that is it already part of the curriculum in some
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dystiolaeth sydd gennych fod angen Bil sy'n ychwanegol at yr hyn sy'n digwydd eisoes? way. What evidence do you have that there is a need for a Bill in addition to what is already happening?

[6] **Bethan Jenkins:** Forgive me, because I have done the research in English, I will answer in English. In terms of the need for the Bill—and I have quoted this before, but I think it is useful to quote it again—the Centre for Economics and Business Research, in the report to MoneySavingExpert, has estimated that the total benefits of implementing financial education could benefit the UK by £3.4 billion per year, and that would correlate to a benefit of £162 million per year for Wales. The Scottish Government has said that having financial education through childhood means that people between the ages of 35 and 49 would be £32,000 better off as adults, as a result of having that strong financial education at a young age. You will know that Martin Lewis did a one-off experiment for a television show with young people. Those children went home and accrued £6,000 in benefit for the family after just one session. So, while I recognise that there are schemes such as the literacy and numeracy framework and the new numeracy GCSE, what I am trying to do is to make sure that, in the basic curriculum, we have that core element of financial education, so that it cannot be changed at the whim of a Government, but is enshrined in law.

[7] When we met Adele Atkinson from the Organisation for Economic Co-operation and Development in Paris—and I have had an additional e-mail from her—she said that Wales would be at the forefront of this field by ensuring that every child in Wales received that education because, at the moment, it is very patchy. You will know from the research that I have done that some schools receive 270 hours, while another school down the road receives only six hours. We cannot put up with that in the future if we want our young people to have the skills that they need for future generations.

[8] **Simon Thomas:** Roedd yn eithaf amlwg pan wnaethoch chi gyflwyno'r Bil—y pishyn arbennig yna—fod anghysondeb dros Gymru i gyd. Wedi dweud hynny, mae gan y Gweinidog yr hawl i newid y cwricwlwm neu fynnu bod rhywbeth yn digwydd yn fwy cyson. Os ydych chi o'r farn a bod eich tystiolaeth yn dangos bod addysg fel hyn yn dod ag elw i'r plentyn a'i deulu fel y mae'n tyfu i fyny, nid yw hynny o reidrwydd yn golygu Bil; gallai olygu bod pethau eraill yn cael eu gwneud gan y Llywodraeth. A ydych chi wedi ystyried, er enghraifft, adolygiad Donaldson o'r cwricwlwm fel ffordd amgen o wneud hyn?

Simon Thomas: It was very clear when you introduced the Bill—that particular piece—that there is inconsistency across Wales. Having said that, the Minister has the right to change the curriculum or to ensure that something is happening more consistently. If you are of the opinion and your evidence shows that education such as this is of benefit to the child and the family as he or she grows up, that does not necessarily mean a Bill; it could mean other things being done by Government. Have you considered, for example, the Donaldson review of the curriculum as an alternative way of doing this?

[9] **Bethan Jenkins:** I think what we are trying to say is that it does not conflict with anything that is happening at the moment, because we would not be prescribing content or how it is delivered. It would be about giving it legislative backbone and locking in financial education for the future. I would take a hands-off approach, in the sense that we want to put it in the basic curriculum and give it the same strength as sex education and workplace learning, so that we have that overarching aim that it is there in the system. For example, if there is secondary legislation, as with the current situation, the Ministers can change and amend it, and may take it out entirely. I do not say that they would do that, but to make sure that young people throughout the years have it sustained throughout their education, and that it is not randomised and taken out of the system, that is why I believe a law is necessary in that sense. I do not think it would be enough just to have guidance. If it was enough, we would not have the patchiness that we have at the moment. We would not have the situation where some

schoolchildren are not receiving it as an education. I am sorry to quote the OECD again, but I would see it as being an essential core life skill as opposed to being a subject in itself. I put that importance on it, because having talked to social landlords and Citizens Advice, for example, they know that if you have a strong financial education at a young age, you can stop people getting into arrears and you can stop people from accessing pay-day lenders, for example. So, we are already making sure that we have the base legislation there for future generations. That is how I see it, not as, 'You've got Donaldson happening and you've got the national literacy and numeracy framework'. We would sit as a foundation to that, as opposed to seeing it as anything that causes potential conflict.

[10] **Simon Thomas:** Mae'n iawn i ddyfynnu'r OECD, achos rwy'n mynd i wneud nawr hefyd. Roedd hwn yn elfen o'r canlyniadau PISA diwethaf, gan eu bod yn edrych ar yr hyn roeddent yn ei alw yn 'llythrennedd ariannol'. Roedd yr adolygiad o'r canlyniadau yn dweud ei fod yn bwysig, ond roedd hefyd yn dweud nad oedd ganddo'r dystiolaeth i ddangos pa strategaeth yn arbennig oedd yn gweithio orau. Fel rydych chi'n gwybod, aeth y pwyllgor draw yr wythnos diwethaf i gwrdd â'r OECD i drafod hyn. Er ei fod yn dweud pa mor bwysig oedd yr elfen hon, roedd hefyd yn dweud nad oes dystiolaeth eto o'r ffordd orau o gyflawni hyn, a'i fod yn amrywio o wlad i wlad. Rydych chi eisoes wedi sôn am ba mor bwysig ydyw, ond a oes unrhyw dystiolaeth gennych chi sy'n dangos mai cynnwys y Bil hwn yw'r strategaeth orau? A ydych chi wedi canfod lleoedd eraill lle mae Biliau tebyg, neu a oes gwledydd eraill y gallwn gael dystiolaeth amdanynt? Ym mha ffordd rydych chi wedi llunio'r Bil hwn i ymateb i'r angen arbennig?

Simon Thomas: It is right to quote the OECD, because I am going to do so now as well. This was an element of the last PISA results, because they were looking at what they called 'financial literacy'. The review of the results said that it was important, but it also said that it did not have the evidence to show what strategy in particular worked best. As you know, the committee went to meet the OECD last week and discussed this with it. Even though it said how important this element was, it also said that there is no evidence as yet of the best means of achieving this, and that it varied from country to country. You have already mentioned how important this is, but do you have any evidence that shows that the content of the Bill is the best strategy? Have you found other places with similar Bills, or are there other countries that we could have evidence on? In what way have you formed this Bill to respond to this particular need?

[11] **Bethan Jenkins:** I think it is about how we see the outcomes being more effective from having it enshrined in the basic curriculum. We know that there is not enough data to show that certain systems work better than others because it is all very young. The OECD also said that we would be a world first in this regard, so if we enshrined it in this element of the legislation, we would have it locked in so that it would never be an issue that we would have to go back to. For example, as I have suggested, the Welsh Government may want to ask Estyn to do a report and it would always be looking back at how we have progressed. At the moment, there is no obligation to do that. That is why I think a law is necessary, because I would not see a law as being necessary if it was working as it is at the moment. If we are serious about upskilling our young people—. For example, the Welsh Affairs Committee has said that businesses in Wales struggle to find young people with the skills to take on certain positions. We need to make sure for the future that they do have those skills. By the time that they reach 16, they will not need that financial education because they would have had it at an early age because it is enshrined in legislation. I do not think that we can leave it up—. We all know around this table that we cannot just leave things up to the goodwill of Ministers. We need to make sure that there is accountability in the system, and I think that having it done this way will make sure that there is strong accountability, as opposed to leaving it to subordinate legislation, where the Minister can decide through a negative procedure what happens in this particularly important area.

[12] **Ann Jones:** I have Suzy and Aled on this one point.

[13] **Simon Thomas:** May I just ask one final question, if that is okay?

[14] **Roeddech yn sôn am y Gweinidog ac, wrth gwrs, byddem ni fel pwyllgor yn gofyn i'r Gweinidog am ei dystiolaeth yntau. A ydych chi wedi cael unrhyw adborth hyd yma bod y Llywodraeth yn edrych naill ai ar y Bil yma neu ffordd arall o wella'r holl broses yma? Oes unrhyw adborth wedi bod hyd yma?** You mentioned the Minister and, of course, as a committee we would ask the Minister for his evidence. Have you had any feedback so far that the Government is looking at either this Bill or any alternative means of improving this process? Has there been any feedback so far?

[15] **Bethan Jenkins:** What it is saying to me is that it is already going in this direction. All I would say back is, 'Yes, great'. I have no problem with the direction of travel; I would never say that the LNF and the numeracy GCSE are not the way forward. What I am saying is that this is a basis to build on for the future, so that, for example, if a future Minister came in and said, 'Well, we don't want to do a numeracy GCSE', there would not be a choice. They could decide not to have a numeracy GCSE, but financial education, somewhere in the curriculum, in a cross-curricular way, would have to be delivered. So, I am trying to make sure that there is security in the system and that there is a backbone there for financial education. I do not see it as a conflict. I do not see what is happening with Donaldson, as you mentioned earlier—. I have met with Donaldson and, actually, it was not stipulated in his review to look at financial education. I did raise that with Huw Lewis in our meeting, and he seemed to suggest that he might come back to me on that, although perhaps that is something that you can ask Huw Lewis about. I do not anticipate that Donaldson would totally throw out financial education, but so too we cannot rely on Donaldson on his own to come up with the panacea for financial education. However, if Members have ideas on how to improve it, then of course, I would welcome your ideas.

[16] **Ann Jones:** Suzy is next and then Aled.

[17] **Suzy Davies:** I just wanted to go back to the comments about the OECD because it was quite right to say that the different ways in which financial education could be introduced into the curriculum have not been tested across the area yet. Obviously, I was at that meeting as well. There did not seem to be any doubt at all that having it in the curriculum was something to be welcomed. My understanding of this Bill is that it does not prescribe how the curriculum is to look; it is just that some sort of financial education must be included and that it must comply with the very broad description of financial education in section 2 of the Bill. Am I understanding that correctly, or is your plan to have something more prescriptive?

[18] **Bethan Jenkins:** No, that is exactly the intention. For example, we have talked about whether we would have a national curriculum subject, and that is where I would say that your future evidence session would be—. Perhaps the trade union sectors would say, 'Oh, watch now', but we are not saying that there has to be a standalone timetabled element. We are saying that through it being in the basic curriculum, it could be delivered in any manner of ways, but through the monitoring and through the Estyn inspections, there would have to be accountability and outcomes in the system. So, it would be the choice of the education sector whether they delivered it through, potentially, GCSE or to enhance the LNF, but they could do it through other means too. However, as long as it would be done, that would be the main thing.

[19] **Suzy Davies:** So, the OECD's concern about the methodology not being tested is not actually that relevant to this Bill really.

[20] **Bethan Jenkins:** All I would say back to that is that when I have talked to the OECD separately, it has said, 'Well, you've seen from the evidence that you've had from the freedom of information requests that the current system is not working to the best of its ability, so anything that you can do to improve that is surely then of benefit'. What I wanted to do, as I have said, is to put that base down, to lock it into the system, so that we do not have different trends of different Ministers' priorities. However, to be honest, I think that it does come within the Minister's priorities in terms of how he has promoted people in deprived areas and wanted to empower them. When I have talked to people and young people in Swansea, it is all about people accessing the wrong type of loans and the wrong type of money advice services and wanting to give them the tools so that they do not fall into those traps in the future. So, I do see that it complements the Government's agenda as opposed to conflicting with it.

09:45

[21] **Mr Dauncey:** On your point about content and the level of prescription that there would be, the Bill anticipates that the Government would publish non-statutory guidance setting out how schools could deliver financial education, which is the same for other parts of the basic curriculum, such as personal and social education and work-related education. So, the Bill anticipates that schools would have flexibility in how it is delivered, but that the Government would issue guidance to schools.

[22] **Suzy Davies:** Would that be non-statutory guidance?

[23] **Mr Dauncey:** Yes.

[24] **Simon Thomas:** Does that mean that there is no guidance at the moment for this field?

[25] **Mr Dauncey:** On financial education, there is guidance; I think that it was published in 2011.

[26] **Aled Roberts:** Mae Simon wedi sôn am y diffyg tystiolaeth o ran strategaethau a pha strategaeth sy'n fwyaf llwyddiannus yn y maes hwn. Un o'r pethau yr oeddem yn sôn amdanynt gyda'r Sefydliad ar gyfer Cydweithrediad a Datblygiad Economaidd oedd y ffaith bod cyfrifoldeb dros addysg wedi'i ddatganoli, ond bod cyfrifoldeb dros arian yn dal efo'r Trysorlys yn Llundain.

Aled Roberts: Simon has already mentioned the lack of evidence on the various strategies and which strategy is most successful in this area. One of the things that we discussed in our meeting with the Organisation for Economic Co-operation and Development was the fact that responsibility for education was devolved, but fiscal responsibility remained with the Treasury in London.

[27] Yn ystod eich gwaith paratoi ar y Bil hwn, a ydych wedi cael unrhyw fath o drafodaethau efo Llywodraeth Prydain neu'r Money Advice Service i weld a oes ganddynt unrhyw gynlluniau? Fel yr wyf yn siŵr eich bod yn cofio o'r cyfarfod, roeddent yn dweud, mewn rhai gwledydd, mai naill ai'r Llywodraeth ganolog neu rhyw elusen, fel y Money Advice Service, oedd yn derbyn y cyfrifoldeb hwnnw ac yn gwneud y gwaith hwn y tu allan i addysg ffurfiol.

In your preparatory work for this Bill, have you had any sort of discussions or negotiations with the UK Government or with the Money Advice Service to see whether they had any plans in place? As you will recall from that meeting, they said that, in certain nations, it was either central Government or some charity, such as the Money Advice Service, that took on that responsibility and did that work outside formal education.

[28] **Bethan Jenkins:** We have talked to the Money Advice Service, and, obviously, it is a key player in this particular agenda. However, when we were drafting the Bill, it was very difficult to look at non-devolved areas, because I was looking at what we could do within the confines of the powers that we had. Hence why I said what I did—I know that you will come onto this—in relation to the financial inclusion strategy element, when I talked about encouraging individuals to understand the effects of street trading, gambling and cold calling. That was the limit of where I could go in those non-devolved areas.

[29] On the flipside, I would say, ‘Look, we know what is happening in Scotland, and we can park that’. However, we have power over education, and we know that if we have a strong education system and that people have the skills for life, it would make them very valuable individuals to the Welsh economy to keep those skills in Wales. I would say, ‘Let us look at what we can do in the realms of the education system first’. Potentially, down the line, if we have more powers in certain areas, we can look at the banking sector and so forth.

[30] I do not think that there is anything stopping us, if that is an idea that you would like to see happen—looking at potentially asking the Welsh Government whether it would set up some sort of group that would include the banking sector or a UK Government adviser voluntarily. I do not see anything wrong with looking at that if you wanted to expand the Bill. However, in terms of the powers that we have, I could not look further than we did. I do not know whether you want to say anything else on that, Mathew.

[31] **Mr Richards:** I think that that is right. Clearly, as far as financial education is concerned, it falls under the heading of education, which is a devolved area. We will probably come on to talk a bit more about the financial inclusion strategies. As Bethan has already said, the Assembly cannot make laws around areas like consumer protection.

[32] **Aled Roberts:** Rwy'n derbyn nad ydym ond yn delio efo materion sydd o fewn ein cyfrifoldebau ni. Fodd bynnag, y cwestiwn oedd a oeddech yn ymwybodol o unrhyw waith ar ran Banc Lloegr neu'r Money Advice Service a oedd yn edrych ar gael rhyw fath o raglen ar lefel Brydeinig. Dyna beth oedd yr OECD yn ei ddweud—bod rhai gwledydd wedi mynd i'r afael â'r mater hwn o ochr y byd addysg, ond bod rhai gwledydd wedi rhoi'r cyfrifoldeb ar y banc canolog.

Aled Roberts: I accept that we are only dealing with powers that are devolved to us, but the question was whether you were aware of any work that had been done on behalf of the Bank of England or the Money Advice Service that was seeking some sort of UK-wide programme. That is what the OECD was saying—that certain nations have approached this from an educational perspective and that others had placed responsibility on the central bank to do so.

[33] **Bethan Jenkins:** Rwy'n credu bod hynny'n rhywbeth y gallwn drafod ymhellach, achos dim ond yn ddiweddar y cawsom y trafodaethau hynny gyda'r OECD. Nid yw hynny'n tynnu i ffwrdd o'r ffaith fy mod wedi siarad â nifer o bobl yn y sector hwnnw, fel y Money Advice Service, ond rwy'n credu, o ran cymhwysedd, beth yr oeddwn eisiau ei wneud oedd yr hyn y maen nhw wedi'i wneud yn Abertawe, er enghraifft, lle maen nhw wedi ceisio stopio rhai siopau sy'n creu problemau rhag agor—nid wyf eisiau eu henwi, ond siopau ydynt sy'n annog pobl i gael *high-interest loans*. Fodd bynnag, nid ydynt yn gallu gwneud

Bethan Jenkins: I think that that is something that we could discuss further, because we had those discussions with the OECD only recently. That does not detract from the fact that I have spoken to a number of people in that sector, such as the Money Advice Service, but I believe that, in terms of competence, what we wanted to do was what they have done in Swansea, for example, where they have tried to prevent certain shops being opened that create problems—I do not want to name names here, of course, but there are particular outlets that encourage people to take high-interest loans. However, they are unable to restrict that development

hynny oherwydd y cyfyngiadau ar eu pŵer. Ni fyddwn, felly, yn erbyn cael trafodaeth mwy eang am hyn, ond nid yw'r Bil wedi gallu gwneud hynny ar hyn o bryd.

because of limitations on powers. So, I would not be against having a broader discussion on this issue; it is just that the Bill cannot currently cover this issue.

[34] **Ann Jones:** We move on to timings, and I turn to Keith.

[35] **Keith Davies:** Mae'r Money Advice Service, Estyn ac yn y blaen, fel yr ydych wedi sôn, yn dweud efallai ein bod yn edrych ar gymwysterau cyn ein bod yn edrych ar y cwricwlwm. Rydym yn newid mathemateg; mae mathemateg yn cael ei rannu'n ddau. Mae'r fframwaith *literacy a numeracy* yn dod drwyddo. Nid ydym yn gwybod beth yw cynnwys y rheini. A yw hi'n saffach i ni aros i weld beth fydd yn digwydd ac wedyn penderfynu a oes eisiau Bil? Dyma a ddywedodd OECD ym mis Gorffennaf ar y canlyniadau PISA—rwy'n edrych ar un ochr o'r ddogfen lle mae'r golofn yn dweud:

Keith Davies: The Money Advice Service, Estyn and so on, as you have mentioned, say that we might be looking at qualifications before looking at the curriculum. We are changing mathematics; that is going to be separated into two. The literacy and numeracy framework is coming on board. We do not know what will be included in those. Is it safer to wait and see what happens and then decide if there is a need for a Bill? This is what came out from the OECD in July on the PISA results—I am looking at one side of the document where the column says:

[36] 'Financial education taught as a cross-curricular subject'.

[37] Ar yr ochr dde, mae'n dweud:

On the right side, it says:

[38] 'Financial literacy taught as a separate subject'.

[39] Fodd bynnag, mae hynny'n digwydd ym mhob gwlad. Mae'r ddogfen yn dangos Seland Newydd, er enghraifft; mae pobl dros y byd, mewn 18 neu 20 o'r gwledydd hyn, yn cynnig y pwnc naill ai ar wahân neu fel rhan o addysg bersonol a chymdeithasol neu rywbeth. Onid yw'n saffach i ni aros i weld beth fydd Donaldson yn ei ddweud ac edrych ar y fframwaith a'r cymwysterau newydd sy'n dod cyn i ni benderfynu bod eisiau symud i Fil?

However, this is happening in every country. The document shows, for example, New Zealand; people all over the world, in 18 or 20 of these countries, offer the subject either separately or as part of PSE or something. Would it not be safer for us to wait and see what Donaldson is going to say and look at the new framework and qualifications before we decide whether we need to move to a Bill?

[40] **Bethan Jenkins:** I think that we see it in a slightly different way. Like I have tried to say, it would be setting a duty in law and it would be a legislative backbone. So, it is not about me sitting here today saying that A, B and C needs to be taught, and then, in a separate column, saying that something else needs to be taught. That is what Donaldson will be looking at: how it will be taught and delivered, potentially. So, I see that as something that would come on top of what I am suggesting. It does not have any bearing on that. Also, we cannot wait for that to happen; we have to carry on and make sure that this is strong in legislation, I believe.

[41] On your comment on the LNF, in the LNF financial education does not currently exist as a legal term. So, while you have money matters and situations in the LNF, in the current system you do not have financial education stipulated there. So, again, that could change as and when. I have looked at the numeracy GCSE—I know it is only a draft and we saw it the day before I had the debate—but there is only one column that looks at these issues. With content, that can develop with time; this provides that backbone that we need, as

opposed to it being in conflict with what is happening. I do not know if you think I should say that in a better way, Michael.

[42] **Mr Dauncey:** I think that that is fine.

[43] **Keith Davies:** Onid yw hi'n wir y bydd y cymhwyster newydd yn cael ei orffen y tymor hwn oherwydd bod eisiau creu cyfleoedd i athrawon edrych ar y cymhwyster newydd, achos byddant yn dechrau addysgu'r pwnc fis Medi nesaf? Onid yw'n wir fod adroddiad Donaldson yn dod mas diwedd y tymor hwn hefyd? Nid yw'n amser hir i aros, os ydym ni'n sôn am dri mis.

Keith Davies: Is it not true that the new qualification will be completed this term because there is a need to create opportunities for teachers to look at the new qualification, because they will be starting to teach it next September? Is it not true that the Donaldson report comes out at the end of this term? It is not long time to wait, if we are talking about three months.

[44] **Bethan Jenkins:** I am saying, 'Let us not wait' because we are in the process of this Member-proposed Bill; I would not want to say, 'Let us not do this because there are other reviews happening'. However, my point is that this does not take away from that at all—this just adds to that. If I thought for a minute that it would conflict with what Donaldson is doing in the numeracy GCSE, I would not be sitting here today, because I would not be convinced. In looking at what we need in terms of outcomes, we need to be able to monitor progress, and that could change without needing any sort of Assembly approval if we allow for Ministers to do it. That is why I am saying that we need to do it through primary legislation, so that it is locked in forever. That is what I am trying to say—that I do not see that there is any issue with the current situation.

[45] **Ann Jones:** David, you had a small point.

[46] **David Rees:** I have a small point to make on this. You said in an earlier answer to Simon Thomas that there is variability in the provision at the moment. You have indicated that you do not believe that there should be detail as to what should be put in the content on the face of the Bill. You have indicated that you have seen the numeracy GCSE, which has a column related to financial education. What does this Bill include to indicate that those are not appropriate at this point in time? What is this Bill adding? For example, is it going to ensure that variability does not exist? It is just saying that financial education should exist; it does not say that there will be certain type of requirements. You could put in non-statutory requirement guidelines on the Government to do that. So, what is this Bill actually going to do to change all of that?

[47] **Bethan Jenkins:** As I tried to touch on earlier, when we say in the Bill that we need to have Estyn reports—I am flexible about whether that would be a yearly or three yearly thematic review—we would always be coming back to monitoring the situation. Also, I think that, by having it as it stands, without deliberating on content, you have the flexibility in the system so that people can deliver as they see fit in certain areas. For example, in deprived areas, you might want to discuss different elements of the education system to the elements you might want to discuss in another area of Wales. So, I would not want to prescribe that in terms of the Bill. I think that it is all about going back to the point of having it there, so that it is there for ever, as opposed to something that the Minister may want to change as and when he or she sees fit in future.

[48] **David Rees:** I would challenge that: in a deprived area, you may want to actually approach it in a different way, but the content and the emphasis should be similar throughout. To ensure consistency, the emphasis must be the same and, at the moment, I think that the Bill is not providing the emphasis as such for what actually should be taught across Wales.

[49] **Bethan Jenkins:** I think that there is a chicken-and-egg situation there. I can see what you are saying, but then you would have people who would say that it is very difficult for you to prescribe exactly on the face of the Bill because, as with other elements of the basic curriculum such as sex education and workplace learning, you would not have a list of things that you would encourage people to do on the face of a Bill. That would come in other ways. That is what I would say back to that. If you want more detail, perhaps we can consider that. However, I am not sure whether I would be thinking that more detail in terms of how it is taught would be necessary as part of the Bill.

[50] **David Rees:** I want to know why the Bill should exist in that case; that is what I am trying to find out.

[51] **Bethan Jenkins:** Do you want to come in there?

[52] **Mr Richards:** Chair, would it be helpful just add a few words to that? What Bethan's Bill will do in terms of financial education is add the wording to the basic curriculum, in exactly the same way as it currently refers to sex education and personal and social education et cetera. This Bill is entirely consistent with the existing legislation that sets out the basic curriculum.

[53] **Ann Jones:** Okay, thanks very much for that. John is next.

[54] **John Griffiths:** Just going back to the need to legislate, Bethan, which is obviously one of the very important first principles that we need to consider in terms of any particular proposals—Simon touched on that—and tying that in with timing, as Keith has just mentioned, I know that Estyn, in responding to the proposals, felt very strongly that they need to be considered in the context of Donaldson's work on the wider review of the curriculum and assessment, so that you take a general overview of what needs to be statutory in terms of provision and what does not. That has to be done in a holistic way, looking across the piece. So, tying up the two things, being clear that there is a need for legislation on these matters and timing in terms of other very important work that is going on, it would seem that there is quite a lot of strength in the view that the work of Donaldson should be looked at right across the piece in terms of what needs to be statutory and what does not before any particular aspect is placed in that category of requiring legislation.

[55] **Bethan Jenkins:** I think that I have answered the point, but, as I said, Donaldson did not have any specification to look at this particular area. So, we could, potentially, if we want to play devil's advocate, wait for Donaldson's review and it may not suggest anything in this area. What I would want to do is to make sure that financial education is there as a standalone in law, so that it could not be ignored for future generations. If we are serious about taking our young people, and people of any age, out of debt—we have had Age Cymru very concerned about how older people are made vulnerable by certain industries—I believe that legislation is necessary. To use another Bill as an example, the Gender-based Violence, Domestic Abuse and Sexual Violence (Wales) Bill, people say that we need to make it statutory so that local authorities will have strategies to tackle domestic violence. Some people have said back to the Minister, 'Well, why do you need that in law?' It is because we need to make sure that local authorities do it. We cannot just assume that they will do it.

10:00

[56] I think that the same applies to this. If we are serious about upskilling our young people with a core life skill—and it is not a subject, but a core life skill—then I believe that we should be showing the way to the rest of the world by having that enshrined in legislation. We cannot leave it up to one Government and one colour to say that this is a priority for now, regardless of PISA—and, incidentally, the Welsh Government will not be taking part in the

PISA financial literacy testing next time, so perhaps you would like to ask the Minister why. So, it is regardless of that. It is about how we look at this in a broader, more strategic way so that we can compete with other countries on an economic and educational level.

[57] **John Griffiths:** We could get into a circular argument on this, Chair.

[58] **Ann Jones:** Yes, well, we are not going to. [*Laughter.*]

[59] **John Griffiths:** In terms of the strategic, broader context, I think that that is the point that Estyn makes in terms of timing on the Donaldson review.

[60] **Ann Jones:** We are going to have to make some progress. We are halfway through the session, and I am sure that Bethan is very pleased to hear that, but we are only on the second set of questions and we have got quite a few. So, could we please bear that in mind? That was not directed at you, Simon, but your questions are next.

[61] **Simon Thomas:** Mae hynny'n iawn, Gadeirydd, oherwydd mae'r cwricwlwm ei hun wedi cael ei gyfeirio ato sawl gwaith gan sawl person, felly dim ond un cwestiwn penodol sydd ar ôl gennyf. Rhaid imi ofyn y cwestiwn hwn fel llefarydd Plaid Cymru ar addysg. Yr adborth yr wyf yn ei gael gan y proffesiwn yn aml iawn, sef gan athrawon a phobl sy'n ymwneud ag addysg, yw bod y cwricwlwm eisoes yn orlawn. Mae gennym y cwricwlwm cenedlaethol ac ar ben hynny, mae'r Cwricwlwm Cymreig, ac mae sawl goblygiad ar ysgolion i wneud hyn a'r llall, ac mae pobl yn conan nad oes dim amser yn y cwricwlwm i fod yn greadigol ac yn ddychmygus. Mae sawl un yn meddwl ac yn disgwyl i adolygiad Donaldson agor y cwricwlwm allan i ganiatáu ychydig mwy o greadigrwydd yn ein hysgolion. Felly, rhaid imi ofyn i chi, yn gyntaf, a ydych yn cytuno â hynny? Os ydych yn cytuno, a ydych yn pryderu y bydd cynnwys gofyniad statudol arall yn y cwricwlwm yn cyfyngu ar allu ysgolion i fod yn fwy hyblyg wrth ymateb i anghenion lleol ac addysgu plant ar sail fwy unigol? Fel y clywsom yr wythnos diwethaf gan y Sefydliad ar gyfer Cydweithrediad a Datblygiad Economaidd, y systemau addysg gorau oedd y rhai a oedd yn gallu addasu eu technegau dysgu ar draws yr ystafell ddosbarth ar gyfer pob math o blentyn.

Simon Thomas: That is fine, Chair, because the curriculum itself has been referred to several times by many people, and so there is only one specific question that I have remaining to ask. I have to ask this question as the Plaid Cymru spokesperson on education. The feedback that I often get from the profession, namely from teachers and others involved in education, is that the curriculum is already overloaded. We have the national curriculum and on top of that we have the Cwricwlwm Cymreig, and schools have many obligations to do this and that, and people are complaining that there is simply not enough time in the curriculum to be creative and imaginative. Many people think and expect the Donaldson review to open the curriculum up to allowing a little more creativity in our schools. So, I have to ask you, first, whether you agree with that point. If you do agree, are you concerned that placing another statutory requirement in the curriculum will restrict schools' ability to be more flexible in responding to local needs and teaching children on a more individual basis? As we heard last week from the Organisation for Economic Co-operation and Development, the best education systems are those that are able to adapt teaching techniques across the classroom to suit all types of children.

[62] **Bethan Jenkins:** Dyna pam y dewisais y ffordd hon ymlaen drwy fynd trwy'r cwricwlwm sylfaenol yn hytrach na dewis cwricwlwm cenedlaethol, oherwydd dyna pan fyddwn i'n dechrau poeni. Os oes angen ffeindio mwy o amser yn yr amserlenni, yna gallai hynny greu mwy o

Bethan Jenkins: That is why I have chosen this way forward by going through the basic curriculum rather than opting for a national curriculum, because that is when I would start get concerned. If we need to find more time in the scheduling, then that could create more of a problem. With this way forward,

problem. Drwy'r ffordd hyn ymlaen, gallwch ei ddysgu'n effeithiol drwy chwaraeon a thrwy nifer fawr o bynciau gwahanol a chael yr hyblygrwydd a'r dychymyg sydd gan nifer o athrawon.

you can teach it effectively through sport and through a large number of different subjects and have that flexibility and imagination that a number of teachers have.

[63] Hefyd, fel y byddwch yn gwybod, yn y Bil, mae gofyniad i ymgynghori ag arbenigwyr yn y maes. Daeth hynny ar ôl i ni fel tîm fynd i'r Alban—a gwn fod y pwyllgor wedi bod yno hefyd—i drafod y ffaith eu bod yn siarad gydag arbenigwyr yn aml iawn er mwyn ffurfio'r cwricwlwm ac er mwyn edrych ar y cynnwys. Dyna pam rwyf wedi ceisio rhoi sylfaen gadarn i hyn mewn deddfwriaeth, ond hefyd i geisio cael yr hyblygrwydd ynghylch sut y caiff ei ddelifro ac i ddod yn ôl at sut y caiff ei fonitro'n effeithiol. Rwyf wedi siarad â lot o athrawon, ac maent wedi ymateb i'r ymgynghoriad hefyd. Ar ôl imi esbonio'n iawn iddynt, maent yn deall na fydd yn broblem. Byddwn hefyd yn disgwyl i Lywodraeth Cymru drafod hyfforddiant gydag athrawon ac efallai edrych i mewn i'r *initial teacher training* i gael mwy o hyblygrwydd yno yng nghyd-destun addysg ariannol.

Also, as you will know, in the Bill, there is a requirement to consult with experts in the field. That came after we as a team travelled to Scotland—and I know that the committee went there too—to discuss the fact that they often engage with experts when formulating the curriculum and in order to look at the content. That is why I have tried to provide a strong basis for this in legislation, but also to try to include that flexibility on how it is delivered, and to come back to how it will be monitored effectively. I have spoken to many teachers, and many have responded to the consultation, too. After I have properly explained it to them, they understand that there will not be a problem. I would also expect the Welsh Government to discuss the training with teachers and maybe to look into initial teacher training to allow greater flexibility there in the context of financial education.

[64] **Ann Jones:** Aled, you have a question on key stage 2.

[65] **Aled Roberts:** Rwy'n derbyn bod y Bil wedi'i anelu at blant rhwng saith ac 16 oed, ac mae'r memorandwm esboniadol yn dweud y gellid dadlau bod addysg ariannol i ddysgwyr o dan saith oed yn ddiangen achos ei fod wedi'i gynnwys yn y fframwaith llythrennedd a rhifedd. Wrth gwrs, mae'r fframwaith yn cael ei ddysgu hyd at flwyddyn 9, felly beth yw'r gwahaniaeth rhwng dweud ei fod yn ddiangen i'r rhai sydd o dan saith ac eto fod rhaid cael y cyfrifoldebau ychwanegol hyn o dan y Bil ar gyfer y rhai sy'n derbyn y fframwaith hyd at flwyddyn 9?

Aled Roberts: I accept that the Bill is aimed at children between seven and 16 years of age, and the explanatory memorandum states that it could be argued that including financial education for children under seven is unnecessary because it is included in the literacy and numeracy framework. Of course, the framework is taught up to year 9, so what is the difference between saying that it is unnecessary for those under seven, and saying that these additional responsibilities under the Bill are still required for those who are taught the framework up to year 9?

[66] **Bethan Jenkins:** I think that I was trying to strike a balance, because when we had the consultation responses, some people said that it would be going too far to have it too early, and that it was too extreme to start it at an earlier age, but then you had other people like the Money Charity saying that people's views are formed at such an early stage that you need to have that built into the system. I was trying to draw the logical conclusion that key stage 2 starts at that age. The Government's own document goes from age seven to 19 and so it was to try to complement that activity while acknowledging that the literacy and numeracy framework would then, through the foundation phase, be able to teach those initial money skills that you require at that age. So, it was about trying to strike that balance, really, because I did not have a clear consensus on when that particular statutory requirement would start. Do

you want to add anything to that?

[67] **Mr Dauncey:** I think there was an acceptance that the LNF does provide some opportunities for financial education to be taught. So, starting at age seven would not necessarily mean that children would have no opportunities at all below that age. However, the argument made in the explanatory memorandum is that having elements of financial education in the LNF is a good thing, but it needs to be deeper than that, and financial education needs to be given a status in its own right. As Bethan said, it was about striking a balance and doing something that was moderate. The argument is there that it could be extended to cover those below the age of seven.

[68] **Bethan Jenkins:** Yes, if that is something that the committee feels strongly about. It is just whether it would be possible to do it at an earlier stage, because you would have to think about how the foundation phase would adapt to that and, obviously, like I said, without being too prescriptive in terms of how it would be delivered. You would need to look at that as a committee. I personally am not going to die in a ditch about it, but it was included just because we had had that variation from those who had given evidence. It was nothing more than that, really. Some would say that you have missed them by that age, but then again, because there are elements in the LNF, you will not have missed them entirely because they will have had something.

[69] **Aled Roberts:** Rwy'n derbyn bod gwahaniaeth barn, ond mae'r Money Advice Service wedi ymateb i'ch ymgynghoriad drwy ddweud ei fod wedi gwneud ymchwil yn 2012 a'i fod yn bendant bod angen ystyried addysg rhwng pump a 12. Mater o gydbwysedd ydyw, ac nid ydych chi'n gadarn eich barn ynglŷn â dechrau yn saith oed.

Aled Roberts: I accept that there is a difference of opinion on this, but the Money Advice Service responded to your consultation by saying that it had carried out research in 2012 and that it was conclusive that there is a need to consider financial education between five and 12. It is a matter of balance, and you are not set in your opinion about starting at the age of seven.

[70] **Bethan Jenkins:** Wel, rwy'n ddigon cadarn fy marn o ran dechrau yn y cyfnod sylfaen, gan y byddai'n od dechrau yn bump oed os oedd hynny ar ganol cyfnod arall o waith a datblygiad plentyn. Dyna i gyd yr wyf yn ei ddweud—byddai'n od. Rwy'n agored i unrhyw fath o newid y byddech chi eisiau i mi ei ystyried yn hynny o beth.

Bethan Jenkins: Well, I am quite firm in my opinion about starting during the foundation phase, because it would be strange to start at age five if it were in the middle of another phase of work and development for a child. That is all that I am saying—it would be odd. I am open to any sort of change that you would want me to consider in that regard.

[71] **Aled Roberts:** Hwyrach bod barn y Money Advice Service yn adlewyrchiad o'r ffaith ei fod wedi'i sefydlu yn Lloegr a bod pump oed yn addysg—

Aled Roberts: Perhaps the view of the Money Advice Service reflects the fact that it was established in England and that five years of age is—

[72] **Bethan Jenkins:** Ie, efallai.

Bethan Jenkins: Yes, perhaps.

[73] **Keith Davies:** Hoffwn ddilyn hynny a dod ati o'r ochr arall, achos mae hyn yn rhywbeth personol i mi. Rydych wedi sôn am hyn. Pan fydd plant rhwng 16 a 18 oed, dyna'r tro cyntaf y byddant yn cael cyfrifoldeb am eu harian eu hunain. Mae'n bwysig iawn wedyn fod rhywun yn rhoi tamaid bach o dystiolaeth iddynt o beth allai

Keith Davies: I would like to follow that and come at it from the other side, because I have personal experience. You have talked about this. When children are aged between 16 and 18, that is the first time that they will get responsibility for their own money. It is then very important that someone can give them a little taster of what could happen. You are

ddigwydd. Rydych yn sôn mai'r awdurdodau lleol ddylai fod yn sicrhau bod plant rhwng 16 a 18 yn cael y gefnogaeth honno.

saying that it is local authorities that should ensure that pupils between 16 and 18 are given that support.

[74] **Bethan Jenkins:** Fel yr ydych yn gwybod, rydym wedi cael Bil ynghylch pwerau addysg bellach, felly mae hwnnw'n tynnu oddi wrthym y gallu. Rwyf wedi cael cyngor cyfreithiol ac mae'n mynd i fod yn amhosibl rhoi unrhyw fath o *duty* ar golegau mewn deddfwriaeth, ond byddwn i'n tybio y byddai'n bosibl i awdurdodau lleol gydweithredu gyda phartneriaid mewn colegau ac mewn sefydliadau addysg uwch.

Bethan Jenkins: As you know, we have had a Bill in relation to further education powers, and that takes the ability away from us. I have had legal advice and it is going to be impossible to place any sort of duty on colleges in legislation, but I would presume that it would be possible for local authorities to collaborate with partners in colleges and in higher education institutions.

[75] Nid oeddwn eisiau peidio â rhoi dim byd i mewn, achos mae'n bwysig bod rhywbeth yno. Rwy'n gwybod o brofiad bod awdurdodau lleol yn cydweithio'n agos. Rydym yn gwybod nawr bod y Student Loans Company yn mynd i fod yn gyfrifol am y rhelyw o'r gwaith yng nghyd-destun sut mae pobl ifanc yn derbyn eu cyllidebau drwy'r systemau, ac felly byddwn yn tybio y bydd Llywodraeth Cymru yn gorfod trafod gyda hwnnw nawr o ran anfon ffurflenni allan gyda gwybodaeth benodol am sut y bydd pobl ifanc yn gallu rheoli eu dyledion a'u harian pan fyddant yn gadael y tŷ neu'n gadael yr ysgol.

I did not want to not put anything in, because it is important that there is something in there. I know from experience that local authorities do collaborate closely. We now know that the Student Loans Company is going to be responsible for most of the work in the context of how young people receive their funding through the systems, and therefore I would assume that the Welsh Government will have to discuss with it now in terms of how to send out forms with specific information on how young people will be able to manage their debts and their finances when they leave home or leave school.

[76] **Ann Jones:** David has a question on teacher training.

[77] **David Rees:** I will try to be quick, as I am conscious of the time. In an earlier answer to Simon Thomas, you actually said again that you expect the Welsh Government to ensure that initial teacher training and continuous professional development will be undertaken. Clearly, the issue of initial teacher training is important because as the institutions have to validate programmes, the curricula have to be changed or minor amendments have to be put in place. What are the responses from those institutions to the changes in the curriculum that they will be looking to put into place? With CPD, what are the responses from the professions and the GTCW in relation to the provision of CPD in this area? Do they actually believe that they are currently doing it?

[78] **Bethan Jenkins:** Obviously, we have had responses from the teaching profession and from those in the sector. Again, I think that it is important that we look at what is happening already. I think that the Government would say that we are moving in the right direction, and if so I would anticipate that the new national model of professional development, announced on 10 June this year, would look to address those issues. Currently, we understand that that has not come with any additional resource. So, I want to be assured that it would come with additional resource so that, anticipating this Bill going forward, there would be enough room for manoeuvre in the system for those teachers to receive the appropriate training. I think that it would be for the Welsh Government then, through its discussion on the content of the curriculum, of the LNF, and the numeracy GCSE, for example, to make sure that there was that guidance in the system, so that we could ensure that teachers were receiving the appropriate training. They do receive additional training, from when the LNF was announced,

and so that has been welcomed. However, again, as I said, I would not be prescriptive as to what that would be until the detail would come out through the systems that will be put in place in the future.

[79] **David Rees:** What about the ITT side? What responses have you had from institutions providing ITT in relation to this?

[80] **Mr Dauncey:** We did not actually receive any consultation responses from ITT providers, I do not think.

[81] **David Rees:** Were there any discussions?

[82] **Mr Dauncey:** I am not aware of any.

[83] **Bethan Jenkins:** Obviously, I put out the consultation, and I have met with as many people as I possibly can, but we have not had anything directly from them, have we?

[84] **Mr Dauncey:** No.

[85] **Bethan Jenkins:** That is not to say that we cannot try.

[86] **Ann Jones:** We will now move onto financial inclusion strategies.

[87] **Bethan Jenkins:** Sorry, can we have two seconds for the researchers to exchange places?

[88] **Ann Jones:** Oh, yes. Sorry. It is all right. There are swaps taking place at both ends of the table. There you go.

[89] **Paul Davies:** Yn eich Bil, rydych yn dweud y dylai awdurdodau lleol baratoi a chyhoeddi strategaeth cynhwysiant ariannol. Pa dystiolaeth sydd gennych i brofi y byddai strategaethau o'r fath yn gweithio ac yn effeithiol, oherwydd mae rhai cynghorau lleol wedi'i gwneud yn eithaf clir, wrth gwrs, fod strategaethau felly eisoes yn eu lle? Credaf fod cyngor Caerffili, er enghraifft, wedi dweud—ac yr wyf yn dyfynnu o'r ymgynghoriad—

Paul Davies: In your Bill, you state that local authorities should prepare and publish financial inclusion strategies. What evidence do you have to prove that such strategies would work and would be effective, because some local councils have made it quite clear, of course, that such strategies are already in place? I think that Caerphilly council, for example, has stated—and I quote from the consultation response—

[90] 'The need for a specific strategy would not be considered as a requirement as financial inclusion and literacy already underpin wider local authority strategies and priorities within the Single Integrated Plan.'

[91] Sut ydych yn ymateb i hynny? How do you respond to that?

[92] **Bethan Jenkins:** With regard to the single integrated plan, at the moment, community plans can form part of a single integrated plan. I would be flexible, if that is how the Welsh Government wanted to discuss with local authorities how they did that. I quote someone on the committee, Aled Roberts, in the discussions that we had on this previously, when he asked whether that gives it enough focus. If you have a wide plan, will financial education and inclusion have the focus that it needs? That is a question that I am happy to throw out there and not answer, because I think that that is to be discussed. We have to look at the current situation: the Welsh Government does have a financial inclusion strategy, but that

was only updated in 2010. We were promised in the Welsh Government's update on its governmental plans that it would tell us what was happening, but we have not had anything additional to that. We know from our evidence that only one council has a specific strategy although we know that some councils have an anti-poverty project and a financial inclusion project. However, that is only the few councils that we have had evidence from. From the picture that we have looked at, as a research team across the board, it appears to be very patchy indeed.

10:15

[93] If we leave the situation as it is at the moment, without having a strategy and without having some sort of accountability in the system, it will just carry on as it is. I think that is why we are seeing social landlords setting up their own advice services, because they have to pick up the slack where that is not being provided. We know that, where councils, such as Swansea, are doing good work, they are seeing that people go into arrears less often and that they are utilising resources more efficiently and that is helpful for everybody then. For example, in Leeds, for every £1 spent on financial inclusion, £8.40 is taken back into the local economy. That is a very strong statistic for why local authorities should be taking this agenda seriously.

[94] **Paul Davies:** Felly, rydych chi'n credu y byddai cyhoeddi a datblygu strategaethau fel hyn yn ffocysu awdurdodau lleol. A fyddai'n creu mwy o fiwrocratiaeth yn eich tyb chi?

Paul Davies: Therefore, you think that publishing and developing strategies such as these would focus local authorities. Would it not create more bureaucracy, in your view?

[95] **Bethan Jenkins:** Nid wyf yn credu y byddai'n creu mwy o fiwrocratiaeth o gwbl, oherwydd, os edrychwch chi arno mewn ffordd *logical*, o'r hyn y mae Llywodraeth Cymru'n ei ddweud, dylai fod gwaith yn cael ei wneud yn barod ac mae'n eithaf amlwg fod Llywodraeth Cymru wedi dweud yn 2009

Bethan Jenkins: I do not think that it would create more bureaucracy at all, because if you look at it in a logical way in terms of what the Welsh Government is saying, then work should already be ongoing in this area and it is quite clear that the Welsh Government itself said in 2009 that

[96] financial inclusion activity is varied and is very inconsistent. The Welsh Government 2010 annual report states that there is difficulty relating financial inclusion benefits to departmental objectives. The Communities and Culture Committee itself said that it was dependent on goodwill in the system, as it currently stands. So, yes, we have to build in checks and balances, otherwise we might find that councils will not do it. You will see from the explanatory memorandum the costings that I have put in terms of how much it would cost for a community officer to be put in place and to get the strategies up and running. In the grand scheme of things, it is very small fry compared to the benefits accrued for local people in terms of their own finances and what they can then spend in the local economy if we get this right for the people of Wales.

[97] **Ann Jones:** Suzy has a point on this, before you move on, Paul, sorry.

[98] **Suzy Davies:** A short answer will be fine on it.

[99] **Bethan Jenkins:** Sorry.

[100] **Suzy Davies:** No, no. It is because of time. [*Laughter.*]

[101] **Ann Jones:** I will decide whether the answer will be fine or not, thank you, vice chair. [*Laughter.*]

[102] **Suzy Davies:** I am more than happy to accept your advice. [*Laughter.*]

[103] **Ann Jones:** You carry on, Bethan.

[104] **Suzy Davies:** If you are asking a local authority to prepare a strategy, in the Bill already you have the minimum requirements of what you expect from it, and I can see why it is targeted and focused in a particular way at people who have been struggling in the community with particular financial issues. However, if you are talking about financial inclusion, how can you satisfy me that this Bill really does include everyone? I have sat in front of people from well-educated backgrounds who are in work and tried to explain their mortgages to them and they just glaze over. So, I want some reassurance that, if you are going to have a local authority strategy, it is not just for particular sectors of society and that it would actually encapsulate everyone. Is that what you mean by promoting

[105] ‘the financial inclusion of individuals who live in the area’?

[106] Do you mean all individuals?

[107] **Bethan Jenkins:** Well, yes. That is why I have said it in quite a wide way, saying ‘promote’, ‘encourage’, ‘facilitate’, because I would not want to say exactly what must be done, but, of course, it would include everybody. Hence I have said about the need, in the Bill, to consult with third sector organisations and to consult widely on it, because, of course, it is not just one sector of society. As you said, there are people in all walks of life who struggle with how they run their finances. So, I would not see it as exclusive to any one group, although, as I have said, on the education side of things, some councils might want to skew it towards one group. However, that would be up to them. If they look at their own data and say, ‘Well, we have more people in debt in this area, so we would want to, perhaps, target our plan to that area and we could revise it in a year, anyway, because we have to report on it and so, we would then be able to see what is working and what is not working’.

[108] **Suzy Davies:** Okay, thank you.

[109] **Paul Davies:** Rwy'n sylwi yn y Bil mai dim ond pŵer i gyhoeddi canllawiau sydd gan Weinidogion Cymru yn hytrach na dyletswydd. Pam hynny? **Paul Davies:** I notice in the Bill that there is only power to issue guidance given to Welsh Ministers rather than a duty. Why is that?

[110] **Bethan Jenkins:** It is funny, is it not, when we say that we want to be prescriptive and then we are not? For me, it is to have flexibility in the system, because some councils might be well-equipped to be able to do it without any guidance from the Welsh Government and others might want that guidance. I would not want to place it as an obligation on the Welsh Government to do that. That is why I have tried to build that flexibility into the system, but, if you think that it needs to be more prescriptive, I am open to that. However, that is where I came from in terms of saying, ‘Well, guidance could be there, if necessary’. However, if it is not necessary, then it does not need to be utilised.

[111] **Paul Davies:** A oes gennych chi hefyd unrhyw farn ar sut bydd y Bil hwn yn rhyngweithio gyda'r Bil Llesiant Cenedlaethau'r Dyfodol (Cymru), oherwydd mae'r Gweinidog wedi dweud y bydd cynhwysiant ariannol yn rhan o'r Bil hwnnw? **Paul Davies:** Do you also have any views on how this Bill will interact with the Well-Being of Future Generations (Wales) Bill, because the Minister has said that financial inclusion will be part of that Bill?

[112] **Bethan Jenkins:** It is interesting that you should mention that, because the

Minister—well, the previous Minister by now—said that he would expect public bodies to consider financial inclusion under that Bill, and that Ministers may emphasise it in guidance, but it would not be, as far as I understand it currently, part of the main Bill. So, I cannot currently be assured that it would be strong enough if it were in guidance and emphasised in guidance; it would need to be firmed up, in my opinion. To be fair, Jeff Cuthbert did write to me asking for us to have an additional meeting on this particular Bill, but things have changed, so I have asked Lesley Griffiths for a meeting on this particular area, because, if they want to strengthen it, then I am open to that discussion, but, obviously, things have changed on the Government side, although I would not want to pre-empt whether it has any views as to whether that would become stronger. However, at the moment, I am not convinced that it would be strong enough in that particular area for me to take this Bill back and say that it is not necessary.

[113] **Paul Davies:** Mae gennyf un cwestiwn olaf, os caf i, Gadeirydd. I ddod nôl at y strategaeth yr ydych chi eisiau i awdurdodau lleol ei chyhoeddi, pam ydych chi'n teimlo y dylai strategaethau gael eu hadolygu bob pum mlynedd ac nid yn fwy aml? Pam pum mlynedd? Sut ydych chi wedi dod i'r penderfyniad hwnnw?

Paul Davies: I have one final question, if I may, Chair. To come back to the strategy that you want local authorities to publish, why do you think that strategy should be reviewed every five years rather than more often? Why five years? How have you come to that decision?

[114] **Bethan Jenkins:** I think that what I have tried to say, again, is that it should be at least once in every five years, so, in the Bill, that option is given, but at least it is there that they have to do it within that five years. However, again, in terms of timings and when things are done, I am flexible to change if the committee feels that there is too long a time between things, but I think that it strikes the right balance in terms of how we need to build outcomes into the system, because, at the moment, we are not seeing the outcomes. If we were, I would not need to be doing this, because local authorities, of their own free will, would be making sure that they had those things in place, and they are not; only some of them are. It is unfortunate that the WLGA did not respond to the consultation to provide more evidence, although some local authorities did.

[115] **Ann Jones:** Okay, thanks. On looked-after children, we turn to Lynne.

[116] **Lynne Neagle:** Thanks, Ann. Your Bill would place a new duty on local authorities to provide more support and advice to looked-after children. Obviously, they already have quite extensive duties in relation to looked-after children. Can you tell us why you think that these new duties are important?

[117] **Bethan Jenkins:** I think that they are important because, obviously, they have responsibility as the corporate parent, and, when I have talked to agencies like SNAP Cymru or those who work in the sector, they have really welcomed the fact that we have stipulated looked-after children where other legislation perhaps has not, because that makes sure that they have that protection, because they may need it more than other vulnerable groups. You could play devil's advocate and ask, 'Why have you chosen this vulnerable group over others?' However, because we are emphasising the importance of that early intervention and early education, we want to make sure that looked-after children are protected. When we talk to groups like Age Cymru and they ask, 'Why aren't older people specified?', I would say that that is where the financial inclusion strategy could come in and stipulate older people. However, for me, through doing the child's rights impact assessment—which has been very effective, we have found—this is a way of making sure that legislation supports those people who need it, arguably, more than others.

[118] **Lynne Neagle:** Okay, thank you. Can you tell us a bit about the consultation that you

might have done with—? Have you consulted looked-after children or groups that represent them?

[119] **Bethan Jenkins:** Yes, as I said, SNAP Cymru has taken part and other children's charities and third sector organisations. Also, the outreach team has gone substantially to consultation and we carried out a SurveyMonkey that has gone to many schools. Within schools, they would probably be caught with other groups of young people, but I think that what is important is that those in the sector, especially—. I had some tweets before coming in today saying how good it is that it has had that looked-after children focus, so I would like to see that continue in other pieces of legislation that Members come up with or the Welsh Government.

[120] **Lynne Neagle:** You referred to the possibility of including other vulnerable groups, and I know that some consultees said that this should be wider. Do you have any comments? You mentioned a particular way in which they could be brought into the net, but do you have anything to add to that?

[121] **Bethan Jenkins:** Well, I would say that we had to take a decision on that, because it is about how you want to do Bills, is it not, and how you want to write them? Do you want to prescribe all the different groups that would be affected or may be affected? I think we could get into a very muddy place if we started listing them all. However, if you have ideas as a committee, I would be open to that. I mentioned the financial inclusion strategies, because in some areas of Wales you may have more elderly people or you may have more groups of other types of people, so the strategies may want to better reflect that. I would want to leave that up to people who work in the sector and, as I said, by consulting with people in the area and experts in the area they will then have that knowledge. I would not want to prescribe something that I did not know fully about, because it is not my area of expertise and I would not want to pretend that I know more than people on the ground.

[122] **Lynne Neagle:** Linked to that, there is the issue of the discretion of local authorities. How confident are you, given that we know that there can be patchy delivery by local authorities, that they would deliver the kind of advice that you want to see being delivered? How confident are you that you can strike the right balance between allowing the discretion and making sure that they deliver what we want to see?

[123] **Bethan Jenkins:** I think that is where we would have to have the accountability with the reporting and revising of the strategies, because at the moment we are not seeing that. Hence why I said earlier that the Welsh Government's financial inclusion strategy has not been updated since 2010. That is worrying in the sense that we cannot build a firm picture as to what the situation is out there. It is then up to councils as to whether they have been proactive or not. Where they have been proactive, they have really seen the benefit of looking at how they can stop people from accessing the Wongas of this world and have them go instead to their credit union or seek information from Citizens' Advice. I am not presuming that they will all get it right initially, but I think that, through building accountability into the system, that is where we will see the changes over a pattern of three, four or five years perhaps.

[124] **Lynne Neagle:** Would you anticipate there being any specific reporting or monitoring of the provisions in relation to looked-after children?

[125] **Bethan Jenkins:** Well, I think that, because they are there as a statutory obligation, that would, of course, be there. If they were not in the Bill, I would say 'no', but they are there for a reason. I do not know whether you want to enhance on that, Michael.

[126] **Mr Dauncey:** There is a reporting requirement in the Bill, and it is envisaged that

that would include all aspects of the duties on financial education within the Bill. So, yes, that would include the specific duties in respect of looked-after children.

[127] **Lynne Neagle:** Thank you.

[128] **Ann Jones:** Suzy is next.

[129] **Suzy Davies:** I am looking at section 12 in particular regarding the information about sources of advice and the obligation on local authorities to keep information on their websites about from where financial management advice can be obtained. What exactly do you have in mind with this? Is it just a straightforward directory of independent financial advisers from the third sector or the private sector, or do you have something in mind that involves an element of judgment and discretion on the part of the local authority? This is a sector that is heavily regulated outside our competence, and I wondered whether you had given any consideration to whether you might inadvertently be wandering into problems with competition law or the law on referrals of any kind?

[130] **Bethan Jenkins:** We certainly have not had any legal advice as to whether that would be an issue. What I envisaged was—. Shelter Cymru, for example, has said that there is a proliferation of bad advice out there, which can lead to people seeking out the wrong type of support. So, having that area where there would be reliable advice is what I envisaged, not—

[131] **Suzy Davies:** Well, that is my question. How is a local authority, which is not a regulatory authority, able to discern what would constitute a good adviser?

[132] **Bethan Jenkins:** I would think that, in consulting on their strategies, they would be consulting with experts and consulting with organisations that would be, and that that would formulate what they would go on to do in their area. When I spoke to the Money Advice Service, it said that, from the financial inclusion unit—well, it has been scrapped now—. There is a wealth of online information that already exists, and that was reiterated, I think, in our OECD visit.

10:30

[133] So, you would not necessarily have to start again. There is already reliable Government-sponsored information out there that could be taken and put on—. In fact, some local authorities already do that; they just take that information and put it on their own websites. That is what I would envisage the discussion being about, as opposed to having non-reliable information on there.

[134] **Suzy Davies:** I am curious about how you would avoid the likes of Wonga appearing on any inclusive lists, because it does give advice. Who is a local authority to say that it is not up to them to give advice?

[135] **Bethan Jenkins:** Yes, that is a good question in terms of whether they would then be potentially included in any of these search engines—

[136] **Suzy Davies:** I know that you have a view on it, but how do you prevent it, legally?

[137] **Bethan Jenkins:** Yes, we can look into that more, if you want. We can provide a note. [*Laughter.*]

[138] **Suzy Davies:** If you have time. [*Laughter.*] It is an issue that needs to be addressed.

[139] **Bethan Jenkins:** What I would say is that it is an issue, because some councils have

banned certain companies from their search engines and they have to go through them all. They sometimes have to revise it, because they do pop up again. So, you need to make sure that there is enough in the system to make sure that they are not there. I think that we can look at that further.

[140] **Suzy Davies:** I will leave the question with you.

[141] **Lynne Neagle:** Would that not be relatively easy to deal with, because you could just exclude organisations that had a financial interest themselves in offering advice, such as Wonga—

[142] **Suzy Davies:** The same with Barclays—

[143] **Lynne Neagle:** —but you would keep the credit unions in, because, obviously, they are not-for-profit organisations and there is also the element of independent advice agencies as well. It is quite easy to identify those that would have a conflict of interest.

[144] **Bethan Jenkins:** Yes, we can look into it further.

[145] **Suzy Davies:** Maybe the word ‘independent’, which is missing at the moment, is an important element.

[146] **Bethan Jenkins:** We can consider it.

[147] **Ann Jones:** I think that that is something that we can consider as well when we talk to others. We are out of time but the last bit is around further and higher education. David, you have a couple of questions on that.

[148] **David Rees:** Thank you, Chair. Universities and further education institutions, as we know in this committee because of the various Bills that have come through here, are autonomous bodies. However, they also all undertake the provision of advice to students coming into the institutions on the financial advice and help they can receive. Your explanatory memorandum talks an awful lot about advice going to people who apply to go to higher education through the student loans funding approach, which is not what this section actually says. I just wonder whether you are going to get rid of section 13, because I cannot see how a local authority can have a duty to ensure that autonomous bodies in its area—so it is only some of them—provide advice on financial management to students. It is not for an authority to tell an institution what to do in one sense. I can understand your argument on advice to people who apply through the local authority, but I cannot understand how you expect a local authority to tell an autonomous institution that it must provide advice on financial management.

[149] **Bethan Jenkins:** It does not say that in the Bill. It says,

[150] ‘reasonable steps to ensure that universities...in its area provide advice’.

[151] That is why we took the decision to use that wording. Of course, we could not tell higher education institutions to do that.

[152] **David Rees:** So, what is it there for? If they say, ‘Look, we can’t do it’, have they taken reasonable steps?

[153] **Bethan Jenkins:** When we have taken evidence, people have been saying that, for now, until the system is perfect, we cannot allow for that age group—as Keith Davies mentioned earlier—to fall down. I think that I would have been criticised for not including

something that includes that age group. At the moment, they are not leaving school with all the skills they need, so just building it into the system so that they have that element of support where it would be appropriate—. That is what we were thinking, because of the piece of legislation that we have, which went through the committee that I sat on, in terms of the accountability of those institutions. So, when they are there, they have the welfare officers and so forth. It is about the fact that, if they cannot seek information—. I do not want to reference my own experience, but I suppose that the welfare officers in certain universities are overrun with people seeking advice. So, that cannot be the only answer. I think that the local authority, as a body that would involve the community at large, has that responsibility on a certain level. However, if you argue against it, that is for you to argue.

[154] **David Rees:** The overall body that would be responsible should be the institution. This is not putting that responsibility upon the institution.

[155] **Bethan Jenkins:** We cannot put the responsibility on the institution. So, it was about putting something in there that would be reasonable so that people would be able to seek advice.

[156] **Ann Jones:** I will take the risk of asking: does everybody feel that we have asked the questions that we wanted to ask? Please do not come out with a flood of questions now. I see that we are happy with that.

[157] Thank you very much, Bethan, and your team. There is one note that you said you will provide; if you want to come back with more information about that, it would be helpful to the committee. You know that you will get a copy of the transcript to check for accuracy. You also know that, when we have concluded the evidence sessions, we will have you back at the end, when there will be a set of questions so that we can tease out some more information from you. So, we will see you when it is almost the last session. Thank you ever so much for today.

[158] **Bethan Jenkins:** That is fine. Diolch.

[159] **Ann Jones:** We will now have a five-minute break.

*Gohiriwyd y cyfarfod rhwng 10:36 a 10:46.
The meeting adjourned between 10:36 and 10:46.*

Y Bil Addysg a Chynhwysiant Ariannol (Cymru)—Sesiwn Dystiolaeth 2 Financial Education and Inclusion (Wales) Bill—Evidence Session 2

[160] **Ann Jones:** We will reconvene. I remind you that if you switched your mobile phone on during that short break, could you switch it off again, please?

[161] We now have the second session of scrutiny and evidence-gathering on the Financial Education and Inclusion (Wales) Bill. We have with us members of the Association of Directors of Education in Wales. Given that it is a piece of legislation, would you introduce yourselves for the record?

[162] **Mr Evans:** Eifion Evans ydw i, cyfarwyddwr addysg Ceredigion. Rwyf hefyd yn gadeirydd ADEW, sef Cymdeithas Cyfarwyddwyr Addysg Cymru. **Mr Evans:** I am Eifion Evans, director of education in Ceredigion. I am also chair of ADEW, namely the Association of Directors of Education in Wales.

[163] **Mr Bernhard-Grout:** I am Pierre Bernhard-Grout, executive officer for the

Association of Directors of Education in Wales.

[164] **Ann Jones:** Thank you very much for your paper. We have a set of questions and you will know by this time that we are not very good at keeping to the allocated time. So, if it is okay with you, we will go straight to questions. The first set of questions is from Simon.

[165] **Simon Thomas:** Rydym eisoes wedi cael rhywfaint o dystiolaeth ynghylch beth fydd y ddarpariaeth ar gyfer addysg ariannol, er enghraifft, o fewn addysg bersonol a chymdeithasol, ac rydym yn gwybod bod fframwaith llythrennedd a rhifedd newydd yn cael ei gyflwyno. O'ch safbwynt chi, fel cymdeithas cyfarwyddwyr addysg, sut mae'r ddarpariaeth bresennol yn ei wneud yn y maes hwn?

Simon Thomas: We have already had some evidence on what provision will be made for financial education, for example, as part of personal and social education, and we know that a new literacy and numeracy framework is being introduced. From your point of view, as the association of directors of education, how is current provision doing in this area?

[166] **Mr Evans:** Yn gyntaf, rhoddaf drosolwg i chi o le mae'n sefyll yn y system yn ei chyfanrwydd, oherwydd ei fod yn rhywbeth sydd wrth wraidd y system addysg o'r cyfnod sylfaen yr holl ffordd drwyddo. Rydym yn addysgu plant i adnabod arian yn gynnar iawn yn eu gyrfaoedd ysgol, ac erbyn cyfnod allweddol 2, rydym yn defnyddio arian fel ffordd o ddatblygu cysyniadau o amgylch adio, tynnu, lluosio a rhannu. Mae hynny i gyd yn cael ei gynnwys ac wedyn yn cael ei ymgorffori yn ddyfnach yng nghyfnod allweddol 3.

Mr Evans: First, I will give you an overview of where it sits in the system as a whole, because it is something that is at the heart of the education system from the foundation phase all the way through. We teach children to identify money very early on in their school careers, and by key stage 2, we use money as a way of developing concepts around adding, subtraction, multiplication and division. That is all included and is then embedded even further in key stage 3.

[167] Mae elfennau eraill yn y cwricwlwm sydd hefyd yn hybu rheolaeth ariannol, sef y pwyslais ar ddatblygu entrepreneuriaeth o fewn ysgolion. Os bydd cynghorau ysgol, er enghraifft, yn sefydlu siop ysgol—mae rhychwant o opsiynau eraill o ran entrepreneuriaeth—mae'r plant yn dysgu sut y mae trin a thrafod arian, sut i reoli eu harian a bod yn atebol am wariant yr arian o fewn y cyfundrefnau presennol. Felly, mae'r cwestiwn rydych yn ei ofyn yn mynd yn ddyfnach—rydych yn gofyn pa mor hapus yr ydym gyda'r ddarpariaeth ar draws Cymru gyfan. Yr hyn a welwn yw ei fod yn dibynnu ar sefyllfaoedd unigol awdurdodau unigol. Mewn rhai ardaloedd, lle mae amddifadedd sylweddol, mae angen inni roi tipyn mwy o ffocws ar yr elfen honno fel bod plant sy'n dod drwy'r system yn ymwybodol o bwysigrwydd rheolaeth dynn ar arian. Mae wedyn yn rhan o waith athro effeithiol i deilwra'r cwricwlwm a chael yr hyblygrwydd o fewn y cwricwlwm hwnnw i allu darparu ar gyfer y diben hwnnw, ac, fel rwy'n dweud,

There are other elements in the curriculum that also promote financial management, namely the emphasis on developing entrepreneurship within schools. If school councils, for example, establish a school shop—there is a range of other options in terms of entrepreneurship—the children learn how to deal with money, how to control their money and how to be accountable for spending the money within the current systems. Therefore, the question that you ask goes deeper—you are asking how content we are with the provision across the whole of Wales. What we see is that it depends on the individual circumstances of individual authorities. In certain areas, where there is significant deprivation, we need to focus much more on that element so that children coming through the system are aware of the importance of good financial management. It is then part of the work of an effective teacher to tailor the curriculum and to have the flexibility within that curriculum to be able to provide for that, and, as I say, it is

mae'n bodoli'n barod.

[168] Wedyn, os edrychwch ar y grwpiau mwy bregus yn ein hysgolion, mae nifer o'r rheini yn cael cynlluniau addysg unigol wedi eu darparu ar eu cyfer nhw. Yn rheini, mae nifer o'r plant sydd yn teilyngu cynllun addysg unigol yn gorfod cael ffocws ar sgiliau bywyd, ac un o'r sgiliau bywyd pwysicaf sydd gennym ni yw rheolaeth ariannol. Felly, mae hynny o fewn y system yn ogystal.

[169] **Simon Thomas:** A ydych chi'n dweud, felly, fod y dystiolaeth rydym ni wedi ei derbyn drwy'r Aelod sy'n gyfrifol am y Bil, Bethan Jenkins, o ran bod cymaint o amrywiaeth dros Gymru yn yr oriau sy'n cael eu darparu ar gyfer y maes hwn, yn deillio o'r ffaith mai ymateb lleol i'r— Rydych chi'n sôn am y difreintiedig a phethau felly. I fi, mae'r amrywiaeth yn awgrymu bod yna anghysondeb hefyd rhywle yn y system.

[170] **Mr Evans:** Mae'r amrywiaeth yn dibynnu ar le mae gofynion y plentyn a dyma le mae'r grefft o fod yn addysgwr da ac effeithiol yn dod i mewn i'r hafaliad. Mae'r athrawon sydd gennym o fewn y gyfundrefn yn asesu ar gyfer dysgu yn gyson drwy gydol eu gyrfaeoddedd ac maen nhw'n gallu gweld beth yw'r angen ar gyfer datblygu'r plentyn yn ei gyfanrwydd. Nid ydynt yn edrych ar un elfen fach o ddatblygiad y plentyn a dweud, 'Reit, mae'n rhaid i ni ffocysu ar reolaeth ariannol fel prif elfen addysg y plentyn'; maent yn edrych ar beth mae'r plentyn cyfan angen o fewn y system. Mae'r hyblygrwydd hwnnw yn bwysig yn fy marn i, a bod athrawon yn medru defnyddio eu barn broffesiynol i benderfynu faint o amser a sylw sydd angen eu rhoi i un elfen yn unig o'r gyfundrefn addysg.

[171] **Simon Thomas:** Mae'r Bil yn gosod yr elfen hon o addysg ariannol yn y cwricwlwm craidd, ond nid yw'n dweud pa ffordd i'w ddysgu. Felly, mae hynny'n cael ei adael i ganllawiau anstatudol sef, yn ôl yr hyn rwy'n deall, yr hyn sy'n digwydd eisoes beth bynnag. O safbwynt ymateb i grefft athro o addysgu a'r hyn yw'r sefyllfa bresennol o amrediad neu amrywiaeth, os liciwch chi, yn yr hyn sy'n cael ei wneud, a ydych chi'n meddwl y bydd ychwanegu hwn

already in place.

Then, if you look at the more vulnerable groups in our schools, many of those have individual education plans put in place for them. In those, many of the children who qualify for these plans will have to have a focus on life skills, and one of the most important life skills that we have is financial management. Therefore, that is also contained within the system.

Simon Thomas: Are you saying, therefore, that the evidence that we have received from the Member in charge of the Bill, Bethan Jenkins, about there being so much variation across Wales in terms of the hours provided in this area, stems from the fact that this is a local response to— You are talking about deprivation and so on. To me, the variation suggests that there is also inconsistency somewhere in the system.

Mr Evans: The variation depends upon the requirements of the child and this is where the craft of being a good and effective teacher comes into the equation. The teachers who are in the system constantly assess learning needs throughout their careers and they can identify needs for the development of the child in a holistic manner. They are not looking at one small element of a child's development and saying, 'Right, we have to focus on financial management as the main element of that child's education'; they are looking holistically at what the child needs within the system. That flexibility is important in my view, namely that teachers can use their professional judgment to decide how much time and attention needs to be given to what is only one element of the education system.

Simon Thomas: The Bill places this element of financial education in the core curriculum, but it does not say in which way it should be taught. So, that is left to non-statutory guidance, which, from what I understand, is what is happening already. From the point of view of responding to the craft of teaching and the current situation of a range or variation, if you like, in what is being done, do you think that adding this as a statutory element within the core curriculum will be a

fel rhywbeth statudol tu fewn i'r cwricwlwm craidd yn rhwystro datblygiad y maes hwn neu yn gymorth i ddatblygiad yn y maes hwn?

[172] **Mr Evans:** Rwy'n cymeradwyo'r ffaith bod cynnig y Bil hwn yn tynnu sylw at bwysigrwydd y peth. Nid wyf yn trio, ar unrhyw gyfrif, tynnu i ffwrdd o hynny. Fodd bynnag, rwy'n teimlo hefyd fod cyfleoedd tu allan i hwn, gydag ymchwiliad Donaldson, er enghraifft, i mewn i'r cwricwlwm yn ei gyfanrwydd. Mae sgôp yn y fan honno i ychwanegu, mewn unrhyw gwricwlwm i'r dyfodol, ffocws ychwanegol heb orfod gosod mewn deddfwriaeth, 'Mae'n rhaid bod hyn yn statudol a dyma beth rydym ni'n disgwyl gan bawb'. Mae'n clymu i mewn i rywbeth sydd yn sylweddol ehangach yn y pen draw.

[173] **Simon Thomas:** Faint mae'r hyn rydych chi newydd ei ddweud yn cael ei yrru gan y cwricwlwm fel y mae, achos yn sicr mae athrawon yn dweud wrthyf fod y cwricwlwm yn orlawn, bod gormod tu fewn i'r cwricwlwm a dim digon o le ar gyfer creadigrwydd a'r grefft, os liciwch chi? Faint o'ch agwedd sy'n cael ei gyrru gan y ffaith bod y Bil efallai'n gwneud rhywbeth angenrheidiol, ond gan fod datblygiad arall, sef Donaldson yn bennaf oll, fod yr amseru yn anghywir? Rwyf eisiau deall ai amseru'r Bil yw'r pryder yn y fan hon neu'r egwyddor o osod hwn gyfwerth ag addysg rhyw, er enghraifft, yn y cwricwlwm craidd, achos dyna mae'r Bil yn ei wneud.

[174] **Mr Evans:** Mae'n gyfuniad o'r ddau beth. Rwy'n gobeithio y daw ffocws clir ar sgiliau allan o adolygiad Donaldson. Er mwyn ffocysu ar sgiliau, byddai hynny'n golygu bod yn rhaid ychwanegu rhywfaint o hyblygrwydd pellach at y cwricwlwm. Fel y mae ar y foment, mae'r cwricwlwm yn llyncu amser yr athrawon i ddysgu cynnwys, yn hytrach na datblygu sgiliau'r plant ac—

[175] **Simon Thomas:** Dyna wers PISA, hefyd, onid e?

[176] **Mr Evans:** Yn union. Dyna roedd adroddiad yr OECD yn dweud wrthym, sef fod angen i ni gael cyfundrefn yma yng Nghymru sydd yn caniatáu plant i ddysgu rhychwant eang o sgiliau, fel eu bod nhw'n

barrier to development in this field or will it be of assistance to development in this field?

Mr Evans: I applaud the fact this Bill highlights the importance of the issue. Not at any stage have I tried to detract from that important point. However, I also feel that there are opportunities outwith this Bill, with the Donaldson review, for example, into the curriculum as a whole. There is scope there to add additional focus to any future curriculum without having to put in legislation, 'This has to be statutory and this is what we are expecting across the board'. It ties into a much bigger picture at the end of the day.

Simon Thomas: How much of what you have just said is led by the curriculum as it is, because certainly teachers tell me that the curriculum is overcrowded, that there is too much within the curriculum and not enough room for creativity and the craft, if you like? How much of your attitude is led by the fact that the Bill perhaps does something necessary, but because there is another development, in particular the Donaldson review, the timing is wrong? I want to understand whether the timing of the Bill is the concern here or the principle of assigning this the same value in the core curriculum as sex education, for example, because that is what the Bill is doing.

Mr Evans: It is a combination of both. I hope that a clear focus on skills will emerge from the Donaldson review. In order to focus on skills, that means that we have to provide some further flexibility within the curriculum. As things stand at present, the curriculum takes up the teachers' time in teaching content rather than developing children's skills and—

Simon Thomas: That is the lesson of PISA too, is it not?

Mr Evans: Exactly, and that is what the OECD report told us, namely that we need a regime here in Wales that allows children to learn a broad range of skills, so that they are able to play a full role in society once they

gallu chwarae rôl gyflawn yn y gymdeithas pan maen nhw'n gorffen yn y gyfundrefn addysg statudol a'u bod yn gallu cyfrannu at yr economi leol. O ran gosod deddfwriaeth ar gyfer un maes bach fel hwn yn unig, y cwestiwn byddwn i'n ei ofyn yw: ble fyddwch yn gorffen? Os byddwch yn torri'r cwricwlwm lan yn fân ac yn gosod deddfwriaeth ar gyfer pob un elfen ohono, fe eith y cwricwlwm i'r fath raddau na fydd athrawon yn gallu symud oherwydd eu bod yn gorfod cyflawni popeth.

[177] Y gobaith yw, a dyna pam rwy'n dweud bod y cyfuniad o'r ddau beth mor allweddol bwysig, ein bod ni yma yng Nghymru yn mynd i weld cynigion gan Donaldson sy'n mynd i'n caniatáu i ni fynd fwyfwy tuag at gwricwlwm sy'n hyrwyddo a datblygu sgiliau. Un o'r sgiliau fydd rheolaeth ariannol, yn naturiol, o fewn hynny. Wedyn, bydd yno heb fod angen deddfwriaeth ar gyfer yr elfen benodol honno.

[178] **Simon Thomas:** Rwy'n deall y pwynt rydych yn ei wneud, ond, wedi dweud hynny, bu'r pwyllgor ym Mharis yr wythnos diwethaf yn ymweld â'r OECD ac yn trafod nifer o bynciau. Un o'r pethau oedd ymweliad â'r uned yn yr OECD sy'n ymwneud ag addysg ariannol. Rhaid imi ddweud, cyn trefnu'r ymweliad, nid oeddwn yn ymwybodol bod uned benodol ganddo. Ond, mae'n edrych ar y materion hyn ar draws nifer o wledydd. Mae'n dweud, yn fras, bod datblygiad yn y maes hwn a bod gwledydd y gorllewin, a'r OECD felly, angen hyn yn eu systemau addysg achos dyma'r byd rydym yn byw ynddo—dyma'r byd cyfalafol ac ati rydym yn byw ynddo. Ond, nid oes tystiolaeth eto am y dulliau gorau neu'r strategaeth orau o wneud hynny, achos dim ond ers pum mlynedd y mae wedi bod yn ymchwilio i'r maes. Felly, a ydym mewn perygl o gollu rhywbeth fan hyn os nad ydym yn gwneud rhywbeth yn y maes hwn? A fyddwn yn colli rhywbeth sy'n mynd i fod, a dweud y gwir, yn allweddol i'n plant wrth iddynt ymwneud â bywyd sydd hyd yn oed yn fwy cymhleth na phan oeddwn i yn yr ysgol yn trio deall y pethau hyn?

[179] **Mr Evans:** Pe byddai'n cwmpo rhwng dwy stôl—pe na fyddem yn gosod Bil

have concluded their involvement in statutory education and can contribute to the local economy. On legislating on one narrow area such as this, the question I would ask is: where does that end? If you chop the curriculum into smaller and smaller pieces and have legislation for each and every one, then the curriculum will grow to such a scale that teachers will not be able to move because they have to do all of these different things within it.

That is why I say that the combination of the two things is so crucially important; I truly hope that we in Wales will see proposals emerging from Donaldson that will allow us to move more and more towards a curriculum that promotes and develops skills. One of those skills, naturally, will be financial management. Then, that will be in place without the need for legislation.

Simon Thomas: I understand the point that you are making, but, having said that, this committee went to Paris last week to visit the OECD and we discussed a number of subjects. One of the things that we did was visit the unit at the OECD that deals with financial education. I have to say that, before arranging the visit, I was not aware that there was a specific unit. But, it is looking at these matters across a number of countries. It says, broadly, that there is development in this field and that western countries and, therefore, the OECD, need this in their education systems because that is the world that we live in—that is the capitalist world that we live in. However, there is no evidence so far about the best strategies or approaches, because it has been looking at this only for the last five years. Therefore, are we in danger of losing something here if we do not do something in this area? Will we lose something that, really, will be key to our children as they relate to this world that is even more complex than when we were at school?

Mr Evans: If it were to fall between two stools, that we did not have a Bill and that the

a phe na fyddai adolygiad Donaldson yn cyfeirio ato—yna byddwn yn cytuno bod risg wedyn. Byddai gennyf bryder. Ond, rwy'n wirioneddol hyderus—oherwydd y cyfeiriad mae Donaldson i'w weld yn mynd iddo ar hyn o bryd, yr adborth rwyf wedi ei gael gan gyfarwyddwyr ledled Cymru, a'r negeseuon maen nhw wedi cyfleu iddo yn ystod y cyfnod hwn o gasglu tystiolaeth y mae ynddo ar hyn o bryd—y bydd yr elfen hon yn elfen bwysig o unrhyw gynigion am welliannau i'r cwricwlwm i'r dyfodol. Fel y dywedoch, mae'r OECD yng nghanol casglu tystiolaeth am beth yw'r ffyrdd orau o addysgu. Mae ysgolion yn dal yn atebol gan fod Estyn, fel ein rheoleiddiwr o fewn y system addysg, yn barod yn rhoi sylw penodol i ddatblygu entrepreneuriaeth o fewn ysgolion, am ei fod yn elfen sy'n cael ei fesur o fewn y pwnc mathemateg yn barod. Mae'n rhywbeth y mae Estyn yn chwilio amdano o dan ymbarél rhifedd cyson ar draws yr ysgol. Mae'r risg o golli rhywbeth yn gyfan gwbl drwy beidio â chael y Bil hwn drwyddo yn fach o gymharu â gosod y Bil ac yna newid y cwricwlwm trwy Donaldson a chyfuno popeth arall drwy hynny.

[180] **Simon Thomas:** A yw'n deg i ddweud, pe na bai Donaldson yn bodoli, pe na baem yn adolygu'r cwricwlwm o safbwynt sgiliau fel hyn, efallai y byddech yn edrych ar y Bil hwn gyda bach mwy o gydymdeimlad?

[181] **Mr Evans:** Mae'n bosib y byddwn i. Ond, gyda'r datblygiad hwnnw ar y gorwel, nid wyf yn gweld bod hwn yn angenrheidiol.

[182] **Keith Davies:** Un o'r pethau mae pobl yn sôn amdano yw faint o amser sydd ar gael. A oes digon o amser gennym i ddilyn hwn? Y ffaith yw bod y Llywodraeth yn edrych ar ddau bwnc mathemateg, nid un. Os cawn ddau bwnc mathemateg, gobeithio y byddwn yn dyblu'r amser iddo yn yr ysgolion uwchradd. Onid yw'n gwneud synnwyr cyffredin i wybod yn sicr a fyddwn yn cael hyn drwy un o'r ddau bwnc mathemateg sy'n mynd i ddechrau yn 2015, rwy'n credu?

[183] **Mr Evans:** Mae'n elfen ohono. Ni fyddwn am weld rheolaeth ariannol yn gorwedd yn gyfan gwbl o fewn un pwnc

Donaldson review failed to refer to it, then I would agree with you that there would be a risk. I would have some concern about that. But, I am genuinely confident—because of the direction Donaldson seems to be taking at present, and the feedback I have had from directors the length and breadth of Wales, and the messages they have conveyed to Donaldson during this evidence gathering phase—that this element is going to be an important element within any proposed enhancements to the curriculum for the future. As you mentioned, the OECD is currently in the process of gathering this evidence as to what are the best ways of teaching in this area. Schools are still accountable as Estyn, our regulator within the education system, is already giving specific attention to the development of entrepreneurship within schools, as it is an element that is taken into account within mathematics as a subject already. It is something that Estyn is looking at under the umbrella of numeracy more broadly. The risk of it being entirely lost by not having this Bill is very small compared to the risk of having a Bill and then making changes through Donaldson and all the rest of it.

Simon Thomas: Is it fair to say that if Donaldson did not exist, if we were not reviewing the curriculum in terms of skills, that you might be looking at this Bill with a little bit more sympathy?

Mr Evans: That is possible, yes. But, given that these developments are on the horizon, I do not see that this is necessary at this point.

Keith Davies: One of the issues that people are talking about is how much time is available. Is there sufficient time to follow this through? The fact is that the Government is looking at two mathematics subjects, not one. If we have two mathematics, hopefully we will double the time allocated to the subject in secondary schools. Is it not common sense that we should be certain that we have this in place in one of the two mathematics that will be introduced in 2015, I think?

Mr Evans: It is an element of it. I would not want financial education to lie within one specific curriculum subject. It is related to the

penodol o fewn y cwricwlwm. Mae'n gorwedd o dan sgiliau ehangach y plentyn ac addysg gyflawn. Dyna'r rheswm pam y mae'r elfen hon yn bodoli mewn cymaint o elfennau gwahanol o'r cwricwlwm ac nid mathemateg yn unig ar hyn o bryd.

11:00

[184] **Keith Davies:** Roedd Simon yn dweud nawr beth mae'r OECD wedi—. Wel, nid yw'r OECD wedi ei ddarganfod e achos mae wedi bod yn cymharu'r ddau beth ar draws y byd ac nid yw wedi dweud bod un yn well na'r llall.

[185] **Mr Evans:** Na, ac nid ydym yn gwybod hynny, ychwaith. Fodd bynnag, mae'r pwynt rwyf yn ei wneud yn ymwneud â datblygu'r sgiliau hyn fel rhan o ddatblygiad y plentyn o ddydd i ddydd. Pe byddech yn ei dynnu i lawr o dan ymbarél mathemateg yn unig, y gofid a fyddai gennyf wedyn yw na fyddem ond yn trafod beth i'w wneud â'r plant lefel A nad ydynt yn gwneud lefel A mathemateg. Byddai problem gennych wedyn, oherwydd y byddech wedi gosod hwn ar fachyn—yr unig fachyn o dan ddeddfwriaeth—mewn mathemateg. Pan fydd plant yn gorffen eu haddysg statudol yn 16 oed, mae'n ddigon posibl y byddant yn mynd ymlaen i wneud cyrsiau lefel A, ond os ydynt yn mynd ymlaen i wneud cyrsiau lefel A ac yn penderfynu peidio â gwneud mathemateg, byddai eu haddysg ariannol yn gorffen yn y fan honno.

[186] Yr hyn rydym ni'n ei ddweud yw, wrth ein bod yn datblygu'r plentyn cyflawn a'n bod yn sicrhau ei fod, fel y mae yn barod, yn rhywbeth sy'n greiddiol mewn nifer o ddatblygiadau ym meysydd rhifedd, entrepreneuriaeth, ac yn y blaen—ac mae'n elfen bwysig o fewn y fagloriaeth Gymreig—rydym yn gweld na fydd yn diflannu. Wrth ei osod mewn un pwnc yn benodol, mae'n bosibl y bydd criw o blant yn mynd trwy'r system ac y bydd eu haddysg ariannol yn gorffen pan fyddant yn 16 oed. Yn yr un modd, mae'n rhaid ystyried bod rhai plant yn trosglwyddo i golegau addysg bellach yn hytrach na gwneud lefel A. Os yw'n rhywbeth sy'n gyffredin, mewn egwyddor, drwyddi draw, yna bydd y plant yn parhau i gael yr elfen hon wedi ei hyrwyddo iddynt.

broader skills of the child and a comprehensive education. That is the reason why this element exists in so many different parts of the curriculum at present and not only in mathematics.

Keith Davies: Simon was saying now what the OECD has—. Well, the OECD has not discovered it because it has been comparing both matters across the world and it has not said that one is better than the other.

Mr Evans: No, and we do not know that, either. However, the point that I am making relates to the development of these skills as part of the day-to-day development of the pupil. If you were to confine it to mathematics alone, the concern that I would have with that is that we would only be discussing what to do with those children studying for A-levels who were not studying mathematics at A-level. You would then have a problem, because you would have placed this on a hook—the only legislative hook you have—within the sphere of mathematics. When children conclude their statutory education at 16, they may go on to do A-level courses, but if they decide to go on to do A-level courses and decide not to do A-level mathematics, then their financial education would conclude there.

What we are saying is that, as we develop the pupil holistically and ensure that this is, as it is at present, something that is fundamental to a number of developments in different areas, such as numeracy, entrepreneurship, and so on—and it is an important element within the Welsh baccalaureate—we see that it will not disappear. By including it only within the scope of one subject, it is possible that there could be a cohort of pupils going through the system for whom that financial education would cease at 16. Likewise, we must consider that some children transfer to further education colleges rather than going on to study A-levels. If it is something that is common in principle, across the board, then those children will continue to have this element promoted to them. That could

Gall hynny ddod allan o adolygiad o'r cwricwlwm. Dyna pam rwy'n rhoi gymaint o ffydd yn yr adolygiad y mae'r Athro Donaldson yn ei wneud ac rwyf felly o'r farn nad oes angen deddfwriaeth ar gyfer hwn.

emerge from the curriculum review. That is why I am placing so much faith in the review being undertaken by Professor Donaldson and I am therefore of the opinion that we do not currently need legislation in this area.

[187] **Ann Jones:** Are we happy with that? I see that we are. Shall we move on to key stage 2, then, Aled?

[188] **Aled Roberts:** Cyn i ni fynd ymlaen i drafod cyfnod allweddol 2, a ydych yn glir eich barn fod addysg ariannol yn cael ei gynnwys o fewn adolygiad Donaldson? Dywedodd Bethan Jenkins yn gynharach nad yw'r pwnc o dan ystyriaeth gan nad yw'n rhan o ganllawiau'r Llywodraeth a gafodd eu cyflwyno i'r Athro Donaldson.

Aled Roberts: Before we move on to discuss key stage 2, are you clear in your view that financial education is included in the Donaldson review? Bethan Jenkins said earlier that the subject was not under consideration as it was not a part of the Government's guidelines that were presented to Professor Donaldson.

[189] **Mr Evans:** Fel pwnc, byddem yn cytuno â'r datganiad hwnnw, oherwydd ni fyddem yn disgwyl y byddai'n—

Mr Evans: As a subject, I would agree with that statement, because I would not expect it to be—

[190] **Aled Roberts:** Nid ydych yn ei weld fel pwnc.

Aled Roberts: You do not see it as a subject.

[191] **Mr Evans:** Nid ydym yn ei weld fel pwnc; rydym yn ei weld fel sgil bywyd. Mae nifer o gyfarwyddwyr ledled Cymru wedi bod yn siarad am y gwir angen i ryddhau rhywfaint o amser o fewn y cwricwlwm i hyrwyddo sgiliau. Mae'n sgil bywyd sydd ei angen arnom o fewn unrhyw gwricwlwm i'r dyfodol, yn hytrach na phwnc yn benodol. Felly, byddwn yn ei ddiffinio'n glir a dweud ein bod yn ei weld fel sgil yn hytrach na phwnc.

Mr Evans: We do not see it as a subject; we see it as a life skill. Many directors the length and breadth of Wales have been talking about the real need to provide time within the curriculum to promote skills. This is a life skill that we need within any future curriculum, rather than a specific subject. So, we would define it clearly and state that we see it as a skill rather than a subject.

[192] **Aled Roberts:** Hoffwn symud ymlaen i drafod yr oedran sy'n cael ei dargedu o dan y Bil hwn. Dywedodd Bethan Jenkins yn gynharach fod gwahaniaeth barn ynglŷn ag ar ba oedran y dylid dechrau cyflwyno'r sgil—yn hytrach na phwnc—hwn. Mae hi wedi setlo ar gyfnod allweddol 2, sef rhwng saith ac 11 oed. Fodd bynnag, mae'r dystiolaeth rydym wedi ei dderbyn gan The Money Charity a'r Money Advice Service yn dweud, i ryw raddau, y dylid dechrau cyn gynted â phosibl. Mae'r Money Advice Service yn sôn am ddechrau pan fydd plant yn bump oed. Gofynnais a oedd hynny'n adlewyrchiad o'i gefndir Seisnigaidd, lle hwyrach nid ydynt yn derbyn ein bod yn addysgu plant o dair oed ymlaen. Beth yw eich barn chi ynglŷn â dechrau yn

Aled Roberts: I want to move on to discuss the age that is being targeted under this Bill. Bethan Jenkins said earlier that there is a difference of opinion regarding the age at which this skill—rather than a subject—should be introduced. She has settled on key stage 2, which is between the ages of seven and 11. However, the evidence that we have received from The Money Charity and the Money Advice Service states that, to some extent, it should start as soon as possible. The Money Advice Service talks about starting when children are five years of age. I asked whether this was a reflection of its English background and the fact that it might not accept that we teach children from the age of three onwards. What is your view on starting in key stage 2?

ystod cyfnod allweddol 2?

[193] **Mr Evans:** Rwy'n fachgen sydd wedi cael ei fabwysiadu fel Cardi erbyn hyn ac mae trin a thrafod arian yn bwysig i bob Cardi. [*Chwerthin.*]

Mr Evans: I am an adopted Cardi by now, and dealing with money is important for every Cardi. [*Laughter.*]

[194] **Simon Thomas:** Mae dau ohonom ni. [*Chwerthin.*]

Simon Thomas: There are two of us. [*Laughter.*]

[195] **Mr Evans:** Oes, mae dau ohonom ni yn yr ystafell.

Mr Evans: Yes, there are two of us in the room.

[196] Rwyf o'r farn nad yw'n gallu dechrau'n ddigon cynnar. Mae plant yn gorfod dysgu trin a thrafod arian yn gynnar iawn er mwyn gwerthfawrogi gwerth arian. Rhannaf stori gyda chi. Mae fy mhleintyn ifancaf wedi gweld y plant hyn yn helpu eu hunain i arian allan o'm waled yn gyson ar gyfer gwahanol bethau. Mae'r un lleiaf yn awr yn dair oed, ac roedd fy arian wedi diflannu'n gyfan gwbl y diwrnod o'r blaen—roedd hi wedi mynd ag ef a'i roi yn ei chadwmi-gei ei hunan. Felly, yn dair oed, mae wedi dysgu'n barod ei bod hi'n bwysig cynilo arian.

I am of the view that it cannot start soon enough. Children need to learn to handle money at a very early stage in order to appreciate the value of money. I will share a story with you. My youngest child has seen the older children going into my wallet and helping themselves regularly to money for various things. The youngest is now three years old, and she cleaned me out completely the other day—she had taken it all and put it in her piggy bank. So, at three years of age, she has already learned the importance of saving money.

[197] **Ann Jones:** She is going to go far, then.

[198] **Mr Evans:** Yes, hopefully. I may be bankrupt but she will go far. [*Laughter.*]

[199] **Ann Jones:** That is all that matters, really.

[200] **Mr Bernhard-Grout:** We have included an element of financial literacy that is delivered within the foundation phase, and because we have an integrated approach to financial literacy across school life and across the curriculum, it is actually a lot easier for the foundations for that—in the foundation phase—to be there, ready for a more structured approach as children get older.

[201] **Mr Evans:** Rwy'n cytuno'n llwyr. Byddwn i'n dweud bod yn rhaid iddo ddechrau ynghynt na chyfnod allweddol 2. Mae ymwybyddiaeth o bwysigrwydd arian yn bwysig i bob plentyn wrth iddo fynd drwy ei fywyd.

Mr Evans: I agree entirely. I would say that it needs to start earlier than key stage 2. An awareness of the importance of money is important to all children as they go through life.

[202] **Ann Jones:** Okay, would you like to ask about teacher training, David?

[203] **David Rees:** Thank you, Chair. I have just a quick point. You have already identified that you have various elements within the curriculum—in the foundation phase, for example, and in other areas—so I assume that there is already a basis of expertise within the teaching profession for certain aspects. I appreciate that without our knowing the curriculum, which is information the Bill does not give us, it is more difficult to assess what skills and requirements will be needed. What are the expectations for training and CPD for staff in both

the local authority areas and in the consortia, in a sense? Is the expertise there? Are you expecting to put in a lot more CPD as a consequence of this?

[204] **Mr Evans:** As part of the review that Donaldson is doing, I hope that there will be a reference to the need to review initial teacher training programmes, as a consequence of that. If we are giving greater flexibility within the curriculum in the future, you need the people who are coming out to have a skill set. The craft of teaching that I mentioned earlier is essential. It is essential that teachers recognise that children can learn in different ways on different days, and that there are different ways to introduce different concepts regularly. In order for that to occur, I would not suggest that there is a need to invest greater moneys into the thing, but we need to make better use of the current resources, and refine the current training programmes, so that they do accommodate a new way of thinking for the future around developing a skills-based curriculum rather than a content-based curriculum.

[205] **David Rees:** You talked about ITT there, but should it also be across CPD?

[206] **Mr Evans:** Yes, across CPD and everything.

[207] **Ann Jones:** Okay, do you have a question about looked-after children, Lynne?

[208] **Lynne Neagle:** Thanks, Ann. Your paper is very clear in that you do not think that the Bill is needed in relation to its provisions for looked-after children. Could you expand on that a bit?

[209] **Mr Evans:** I mentioned in the general overview at the beginning that vulnerable groups of children all have individual education plans. These are in place for children with SEN, or for any vulnerable group whatsoever, but especially for looked-after children. As a local authority, we are the corporate parent of that child. So, preparing that child for the challenges of life ahead is a component part of what we need to develop. As a parent, we need to do that for the child. In the case of looked-after children, we would have individual education plans tailored, and that would be a component part of the life skills that we need to develop for that child, at that point. I do not see how legislating for it would change what we currently do.

[210] **Lynne Neagle:** But in your paper, you say that you think that looked-after children should be treated in the same way as other children, which kind of misses the point, really, about the need to target support at children who need it the most. It certainly contradicts what you have just said about the plans.

[211] **Mr Evans:** With looked-after children, the majority of them are very capable and able individuals, and you will not need an individual plan for them; it will be a part of the general curriculum. However, if we have children who are coming from very difficult and challenging circumstances and are finding it particularly difficult to adapt to school-based life, it is our responsibility to make sure that we tailor the curriculum so that every child already matters in the system. I could quite easily generalise and say that looked-after children will be treated the same as everybody else and that there is no need to worry about it. However, I am giving you an example of where there are extremes. In every small cohort, there are extremes where children, for whatever reason, have not been dealt a fair hand in life, and it is our responsibility, as a corporate body, to ensure that we give every child the same opportunity. So, if, for any reason, we need to tailor the specific programme for them, we do; the ability for us to do that is already in-house. However, the majority will come through the system the same as every other child.

[212] **Mr Bernhard-Grout:** In terms of not treating looked-after children any differently to other groups, that was in reference to other groups of disadvantaged young people.

[213] **David Rees:** Is it your view, therefore, that there are no children slipping through the net. Do all looked-after children receive that financial education at this point in time and is no-one slipping through the net now?

[214] **Mr Evans:** I would not want to be so bold as to make that statement. [*Laughter.*] Inevitably, the minute I walked out of that door, you would probably find an example immediately. The kind of discussions that we are having at director level now show that our aspiration, moving forward with the education system in future, is to be far more astute in our analysis of, and performance on, individual pupil-level data at all levels. In the past, when we have talked about performance data, you have generally seen evidence about a broad-brush approach, or 'This particular school's performance is this' and 'That particular authority's performance is that'. What we are trying to focus on now is drilling down to individual pupil-level data to avoid an individual falling through the net. So, am I confident in being able to say to you that, at this point in time, I am sure that nobody is falling through the net? I cannot say that, but that is what we are aspiring to achieve.

[215] **Aled Roberts:** What are the reporting arrangements in authorities as far as looked-after children are concerned, on financial education? I sat on a corporate parenting panel for 12 years, and, thinking back, I was never aware of any understanding of this level of training.

[216] **Mr Evans:** Ni fyddech yn cael y lefel honno o adroddiad ar hyn o bryd. **Mr Evans:** You would not have that level of reporting at the moment.

[217] **Aled Roberts:** A fyddai'r swyddogion ar y panel yn cael hynny? **Aled Roberts:** Would officers on the panel have that?

[218] **Mr Evans:** Byddai'r swyddogion yn gwybod, ond yr hyn y byddai'r adroddiadau yn bennaf yn ei wneud yw siarad am a ydynt wedi cael mynediad at y cwricwlwm yn ei gyfanrwydd fel y mae'n sefyll heddiw. Fodd bynnag, oherwydd bod y cwricwlwm heddiw yn ffocysu cymaint ar gynnwys yn hytrach na sgiliau, ni fyddai'r adroddiadau hyd yn hyn yn ffocysu ar ba un a ydym wedi paratoi'r plentyn hwn i fedru ymdopi mewn bywyd. Y gobaith fydd y daw hynny yn y dyfodol. **Mr Evans:** Officers would know, but what the reports would mainly do would be to speak about whether they have access to the curriculum as a whole as it stands today. However, because the curriculum today focuses so much on content rather than skills, the reports up to now would not focus on whether we have prepared this child to cope with life. The hope is that that will come in future.

[219] **Simon Thomas:** Dyna'r cwestiwn sylfaenol onid e? **Simon Thomas:** That is the fundamental question, is it not?

[220] **Mr Evans:** Yn union. Dyna'r cwestiwn sylfaenol. **Mr Evans:** Indeed. That is the fundamental question.

[221] **Suzy Davies:** I just wanted to ask a question about reporting. In answers to earlier questions, Bethan Jenkins mentioned that one of the strengths of having a Bill on this issue is that it tied in, in this case Estyn, with reporting duties. I wonder whether you thought that that was asking Estyn to do too much. Do you have any views on the frequency with which Estyn would have to report? What level of burden does it place on school leaders to provide the information that is necessary for that?

[222] **Mr Evans:** There is an element of Estyn's current inspection framework that already covers this in an indirect way. As I mentioned earlier, it reports on entrepreneurship and how effectively schools develop entrepreneurship in schools, and the financial management of that

is a key component part. It makes reference to mathematics, where money is a component part of that particular subject area; it reports on numeracy, where financial skills and many other numeric skills are component parts. So, Estyn already reports, but it would not specifically have a line in a report that says 'A school is doing x, y and z in financial literacy'. It would not be as explicit as that, but, in the body of the report, if you look for the threads, you would be able to extract whether a school is already meeting the expectations of those component parts.

11:15

[223] As for whether or not you then want Estyn to focus on that as a single priority area, I would argue that, in the future, hopefully, what Estyn will review is how effectively we have developed the raft of skills necessary for our learners to make a significant contribution as citizens of the future to the local economy, to the national economy and wider. That will come only by not being specific and narrowly focusing on an individual skill, but by opening it up to all the skills necessary. IT is a massive skill that children are going to have to learn. The technological area is moving so quickly at the moment. What we have today on the table will change tomorrow. It is not about being able to keep up with the new gadget all the time, but about understanding the concept of how technology is changing and how children can utilise those skills. What I would ask then is, do we go back and say that we need Estyn to focus on IT skills, as well as another standalone Bill? If you take it there, where will it stop? Rather, should we not expand it to saying that we need Estyn to judge the life skills of the children in their totality? Financial literacy skills are a component part of that, rather than a standalone or stand-out element on their own.

[224] **Suzy Davies:** Would there be merit, though, in asking Estyn to bring together all the myriad threads that you refer to? I am not saying that they are not reported, but it may not be the most accessible information to find for the reader.

[225] **Mr Evans:** It could, if that was the desire. There would be no reason why it could not do it. As I have said, I think that we need to look at developing the whole child. To develop the whole child, you need a raft of skills.

[226] **Suzy Davies:** I would not necessarily consider those to be incompatible.

[227] **Ann Jones:** Does anyone else have any more questions, or are we content?

[228] **Aled Roberts:** A gaf fi ofyn cwestiwn am gostau? Mae costau wedi'u cynnwys yn y memorandwm esboniadol. A ydych chi'n gyfforddus efo'r baich ariannol sy'n cael ei roi ar awdurdodau, wrth ystyried, hwyrach, y llythyr gan y Gweinidog ryw ddeufis yn ôl?

Aled Roberts: May I ask a question on costs? Costs have been included in the explanatory memorandum. Are you comfortable with the financial burden that is being placed on authorities, considering perhaps the letter from the Minister some two months ago?

[229] **Mr Evans:** Yr hyn a ddywedwn i yw bod y ffigurau hynny'n rhoi rhyw fath o argraff o'r costau sydd ynghlwm â'r Bil. Fel yr esboniais eisoes, mae llawer iawn o waith yn mynd rhagddi eisoes, felly a oes yna elfen o gyfrif dwywaith yr un math o ffigurau? Nid wyf yn gwybod. Mae'n anodd iawn i edrych ar y ffigur noeth hwnnw heb ddeall yr hyn sydd y tu ôl i'r holl beth.

Mr Evans: What I would say is that those figures give some idea of the costs involved with the Bill. As I have already explained, there is a great deal of work currently under way, so is there an element of double counting of the same kinds of figures? I do not know. It is very difficult to look at that single figure without understanding what lies behind it all.

[230] **Ann Jones:** Thank you both very much. You will know that you will get a copy of the transcript to check it for accuracy. Thank you very much for your paper. We have other people that we will be seeing in evidence sessions for us to make our report, which I am sure will be available to you. Thank you very much for your paper and for coming to give us oral evidence.

[231] **Mr Evans:** Lovely. Thank you very much indeed. Diolch.

[232] **Ann Jones:** We will move straight in. We will just have a couple of minutes to change the name plates, and then we will move straight in.

11:18

Y Bil Addysg a Chynhwysiant Ariannol (Cymru)—Sesiwn Dystiolaeth 3 Financial Education and Inclusion (Wales) Bill—Evidence Session 3

[233] **Ann Jones:** Joining us at the table now for our third evidence session on the Financial Educational and Inclusion (Wales) Bill are witnesses from the Wales Co-operative Centre. As it is legislation, will you introduce yourselves for the Record, please?

[234] **Ms Lovell:** I am Jocelle Lovell, financial inclusion project manager.

[235] **Mr Brown:** I am Dave Brown. I am director of strategic development.

[236] **Ann Jones:** Thanks very much for coming to give us some oral evidence and for sharing with us some of your views. We have had your paper. Thank you very much. If it is all right, we have some sets of questions for you, which we will move straight into. Not surprisingly, the first question is on financial education. Simon will start.

[237] **Simon Thomas:** Diolch. Byddaf yn gofyn fy nghwestiynau yn Gymraeg. **Simon Thomas:** Thank you. I will ask my questions in Welsh.

[238] Rwy'n deall, wrth gwrs, nad ydych yn ymwneud ag addysg yn uniongyrchol, ond rydych yn ymwneud â phobl sydd wedi mynd drwy'r system addysg ac yn gweld eu sgiliau ariannol, a'r trafferthion a'r problemau sy'n gallu deillio o hynny. Yn fras, beth yw'ch barn chi am y ffordd y mae ysgolion yn darparu'r sgiliau hyn o fewn y cwricwlwm fel ag y mae ar hyn o bryd? I understand that you are not directly involved in education, but you are working with people who have gone through the education system and you see their financial skills at work, and the difficulties and problems that can emerge. Broadly speaking, what is your view of the way that schools deal with and provide for these skills within the curriculum as it currently stands?

[239] **Ms Lovell:** Thank you for recognising that we are not educational experts, because I would not want anyone to think that we were. I think that all the evidence shows that there is some really good work going on in schools at the moment, but that it is quite sporadic in terms of the approach and its consistency across Wales. Where there are good examples, it is really good—I can speak for my daughter's school; she has had a great experience of going through primary school, and even now in her first year of secondary school. However, we do not have that consistency throughout all the schools. It is more about how we embed it across the curriculum as opposed to it being maybe an isolated subject in its own right.

[240] **Simon Thomas:** Dyna pam roeddwn yn gofyn y cwestiwn, mewn ffordd. Mae tystiolaeth gan Bethan Jenkins, yr Aelod sydd **Simon Thomas:** That is why I asked the question, in a way. Bethan Jenkins, the Member in charge of the Bill, has evidence

yn gyfrifol am y Bil, yn dweud ei fod yn anghyson ar draws Cymru. Fodd bynnag, os wyf yn deall eich tystiolaeth chi yn gywir, nid ydych chi yn siŵr a ddylid gwneud hyn fel Bil chwaith; rydych chi'n sôn am ei wneud fel rhan o'r cwricwlwm—mae adolygiad Donaldson o'r cwricwlwm yn digwydd, wrth gwrs—ac rydych chi'n sôn am sgiliau ar draws y cwricwlwm hefyd. Felly, ble fydddech chi'n gweld yr effaith fwyaf effeithiol i unrhyw Fil neu benderfyniad o'r fath? Ai rhywbeth statudol fyddai hynny neu wella ar draws y cwricwlwm i bob ysgol yng Nghymru?

saying that it is inconsistent across Wales. However, if I have understood your evidence correctly, you are not sure whether this should be done by means of a Bill either; you talk about including it as part of the curriculum—the Donaldson review is ongoing, of course—and you talk about skills across the curriculum as well. Therefore, where would you see the most effective impact for any such Bill or decision? Would it be something statutory or would it be to make improvements across the curriculum in all schools in Wales?

[241] **Ms Lovell:** It would be to make improvements across all schools in Wales. In our area of work, financial education is only one strand when we think about financial inclusion, and there is a danger sometimes that if you only look at one element of the problem, people feel that it is getting dealt with or being addressed. You have to think about access to financial product services information, but also about people's capability to use the information and making those choices. I think that the danger can be, by having it separated out, that you isolate it and people feel that it is dealt with and then you do not address some of those wider issues, which relates back to the first part of your question. That is what we see when people are leaving schools, that it is about those kind of learned behaviours that they have picked up as well; it is the community around them and it is not just how and what they develop through the education system that makes their informed choices.

[242] **Mr Brown:** It is about supporting the family and supporting the community as much as it is about supporting the child, and while we would welcome any initiative that improved the quality of financial education in schools, the question is how do we do that in a more holistic way that does not see something as a particular thrust based on statutory school provision, but is integrated into other activities and the other support that local authorities and other agencies in the area provide.

[243] **Simon Thomas:** Of course, the Bill does deal with financial inclusion as a wider topic; other Members will come on to that. Finally, on the educational side, do you as an organisation or the networks that you are interlinked with, have any evidence as to how this should be delivered, from what age, or on the way it is being done at the moment?

[244] **Ms Lovell:** My personal opinion would be that you start as early as possible. If you start right from the beginning from reception in schools—. However, it is also thinking about before that, so it is about those early intervention programmes, whether that is Communities First, Families First programmes—

[245] **Simon Thomas:** Flying Start, for example.

[246] **Ms Lovell:** Yes, Flying Start and all of those programmes. Evidence from the Money Advice Service—I cannot remember the name of the report, but I can send it to you—shows that behaviours towards money in children tend to be developed by the age of seven. A lot of that is what they see at home and in the communities around them, so if you only start it say at the age of five, you have missed those early years where they have already started to form some of their behaviours towards money.

[247] **Simon Thomas:** The Bill suggests, particularly in the explanatory memorandum, that the formal education should start at seven years of age. So, in a sense, what you are saying is

that, even if you were to support the Bill, it does not necessarily address the really important issues that you see on the ground.

[248] **Mr Brown:** I think that that is why we need to look at this as a skill rather than as a subject in the curriculum, which is embedded in everything that schools do, and try to engage schools in creative ways of including financial inclusion skills in the work that children do in a way that is relevant to the school and its local community.

[249] **Ann Jones:** Paul is next on financial inclusion strategies, and then anybody else who wants to come in.

[250] **Paul Davies:** One of the proposals in the Bill is that local authorities should prepare and publish a financial inclusion strategy. In your paper, you made it absolutely clear that you feel that there are already existing frameworks that deliver that. Can you tell us what evidence you have to support that?

[251] **Ms Lovell:** Certainly. An example of that is the single integrated planning process, which I believe was introduced in about 2012. It is about looking across all services and how you plan and deliver your services holistically and consistently.

[252] Although we have worked with lots of local authorities, I will just pick one example of how we have helped with the single integrated plan of Blaenau Gwent County Borough Council; we have worked with it over quite a few years on financial inclusion. Rather than develop a separate strategy, one of the themes that it has developed in a single integrated plan is thriving communities and underneath that sits the theme of co-ordinating financial inclusion for people. Again, it is not just about looking at one element of financial inclusion; it is about thinking about it holistically alongside that. As well as sitting within that single integrated plan, it is thought about in every service that it delivers. We have also gone in and delivered training awareness sessions for all staff, regardless of their job titles—not just to people who might be working and giving money advice, but for everybody—to try to raise awareness about financial inclusion and the related issues.

[253] We have also helped it to map out its provision of advice and support services and it is in the process of developing a directory so that people can try to access that information themselves. As a first point of contact to try to maximise and use resources better, if somebody phones a call centre they might be able to say, from the information that they are given, ‘You might need to speak to x, y and z agency’ and they would have that information. As part of that, we have also worked with it closely under the local support services framework. The Department for Work and Pensions put out testings of those frameworks and Blaenau Gwent was chosen as one, and it will test the directory that has been developed. So, there are some really good examples of where there is already good work going on and where it is not isolated to one area or one directorate of a local authority.

[254] **Paul Davies:** I think that the purpose of ensuring that local authorities publish a strategy is that it would focus their attention. It is quite clear from some of the evidence that we have received that delivering this subject is quite patchy across Wales. Do you not think that making sure that local government actually publishes a strategy would address those issues?

[255] **Mr Brown:** I do not think that it is as much a question of compliance with a particular piece of legislation as it is to do with the culture of a local authority. We have found from the people who we have worked with, given the imminent introduction of universal credit, that it is apparent that financial inclusion issues are whole-council issues, to do with not only benefits being paid out or rent not being received, but the potential impact of universal credit, which means that the council as a whole needs to get to grips with the

problem.

[256] What can tend to happen with particular legislation requiring particular plans is that it becomes the responsibility of one person or one department of the council, and whatever the best intentions, it is not necessarily grasped at a strategic level and grasped corporately. We therefore see that, by using the single integrated planning process to do this, there is a greater chance of the councils taking this seriously and coming up with more practical and far-reaching plans to improve the situation.

[257] **Ms Lovell:** We are also acutely aware of the pressure that local authorities are under at the moment in terms of cuts and having to make very difficult choices about the services that they can and cannot provide. We just wonder whether bringing in more legislation will burden them even further and might, therefore, take the focus away from other areas, whereas, by integrating it into systems that already exist, it could be more effective.

[258] **Ann Jones:** Simon has a point and then John, and then we will come back to your question, Paul.

[259] **Simon Thomas:** I want to press you a little about this integrated planning, because I can give an example from my region. I will name the council—I do not expect you to respond at all, but I will name it; it is Powys County Council. Faced with cuts this year, its integrated planning suggested that it cuts almost completely the budget for Citizens Advice bureaux in the county. We fought hard against that and reversed that decision. When you examined how that decision was made, you saw that there had been no analysis whatsoever of the benefit that Citizens Advice gives—for every £1 spent, about £25 comes back to Powys in terms of benefits, money advice and debt reduction as well. So, I would challenge that the systems are actually working properly at the moment in all local authorities in Wales, and whether this is the answer or not, I wonder whether we have enough of a focus on the economic benefits for the local area of addressing financial inclusion as well as the direct benefits for citizens of that local authority area. So, without going into any particular examples, do you feel confident in saying that this is the right approach and that local authorities really are addressing this?

[260] **Mr Brown:** Nobody is saying that there is no room for improvement in some areas. The example you gave seems to be about a structural decision-making process, and that decision-making process could have been the same even if the legislation had been different. The approach that we have taken—and we speak as a provider of advice to local authorities and other agencies—is to identify those areas where there is good practice, where things are working well and work with others to try to bring them up to the same level. However, we try to work co-operatively and consensually. So, the first solution that we would reach for would not be legislation but, ‘Let’s look at what exists at the moment and judge whether it has the potential to be effective’. Based on the examples we have of good practice, we believe that it does have the potential to be effective.

[261] **Simon Thomas:** To be positive then, you mentioned Blaenau Gwent but are there any other authorities that you think have got this about right?

[262] **Ms Lovell:** A lot of work is being done in north Wales. I work on a different project, so I have not been involved in this one for years, but an example would be Denbighshire and Conwy county councils coming together and putting in a funding bid to a European social fund pot, I think it was. They have developed together across the local authorities a Financial Inclusion Together project, which is about embedding financial inclusion across all public sector workers. It is a kind of e-learning package that has been introduced, and hopefully will be used in inductions for new employees. While that might not necessarily have come out of the single integrated planning, there are examples of where local authorities are thinking across borders, working together more collaboratively and putting it higher up on the agenda.

[263] **Mr Brown:** I think that Caerphilly, Rhondda Cynon Taf and Neath Port Talbot are doing a lot of extremely good work in integrating their financial and digital inclusion support. One of the features of financial inclusion is that our target group tends not to be particularly numerate, therefore it needs the kind of online resources—budget planners, online banking systems and things like that—that can simplify the process a great deal. I think that the financial digital inclusion link is an example of how some councils are looking at their different responsibilities in a more integrated way, and both policy aims benefit as a result.

[264] **John Griffiths:** In terms of getting the sort of progress that we need to see with local authorities in Wales, you mentioned, both in your written evidence and today, the local support services framework that the DWP is taking forward. To what extent is that on the same grounds as this proposed legislation? Could you just give us a little bit more detail—briefly, because I know that we do not have much time, Chair? In your view, to what extent is it doing what this legislation would do, were it to be introduced?

[265] **Ms Lovell:** One of the provisions of the Bill is for local authorities to be able to signpost people to advice and support. The main aim of the local support services framework, while it focuses on benefits claimants, is to develop a support services framework to understand what advice and support is available across that particular area, whether it is a local authority area or not, to map that out and have a consistent referral approach, depending on somebody's needs into that service. Once that has been developed, it would be owned by the local authority and its partners; it is not necessarily a Department for Work and Pensions product. Therefore, once you have that developed, anybody living in that locality could access it. So, that mapping process would already be done and will have to be done for the introduction of universal credit.

[266] **Ann Jones:** Lynne has a question about looked-after children, and Suzy is afterwards.

[267] **Lynne Neagle:** The Bill makes new provisions for looked-after children. Do you have any observations on those?

[268] **Ms Lovell:** We are not experts in social care or social workers. The provisions in the Bill are to make sure that there is adequate provision for the financial education of care leavers or looked-after children. Having looked at the Social Services and Well-being (Wales) Act 2014, there is already provision in that to ensure that, depending on which category a child is classed as and depending on their circumstances, they are given the advice and support within their pathway and development plan. You already have the Act and the legislation, so as part of that we would like to see guidance so that financial education or financial inclusion is part of that.

[269] **Lynne Neagle:** So, you feel that this is duplication.

[270] **Ms Lovell:** To some degree, because it is already written into that Act, which has been passed.

[271] **Suzy Davies:** I wanted to ask you a question about section 12 and the obligation on local authorities to maintain websites with information. What are your views about that, bearing in mind that this is a heavily regulated sector and that it is not clear from the Bill whether we are talking here about just a simple directory or whether local authorities will have some form of discretion about the organisations they might want to include on their websites?

[272] **Ms Lovell:** Sorry; when we are talking about this we are not talking about support

services, but we are talking about the likes of—. I do not know if I am allowed to say ‘Wonga’ and things like that.

[273] **Suzy Davies:** The Bill says, in section 12, that local authorities must put on their websites information about access to financial management. What do you think might be some of the pitfalls of that?

[274] **Ms Lovell:** One of the biggest challenges that we come up against when developing a service directory of any type is how you maintain it, how you keep it up to date, the consistency of the services that are delivered and that you are advertising or promoting, their quality, and how qualified people are to deliver those services. It might not totally answer your question, but it comes back to mapping of services. Once you have mapped the provision of the services that you have, you then need to look at their consistency and quality. If they give debt advice, are they proper debt advisers or is somebody just saying that they can give debt advice?

[275] **Mr Brown:** It is about looking at referral systems in the round, and given—

[276] **Suzy Davies:** May I butt in there? If you are talking about referral systems with financial services, we are wandering into territory on which this Assembly does not have competence. Is that a concern to you?

[277] **Mr Brown:** We have talked about the ways in which local support services frameworks, through their need to respond to the implications of universal credit, are essentially providing a map of available support as a result of a non-devolved issue. However, with regard to the particular Bill, I am not sure that a listing on a website is the most appropriate way of deciding what support individuals in an area need. There is an argument that if the support is more integrated into the council’s mainstream activities, it may be that a referral or measured advice from a tenant liaison officer, for example, could be a more effective way of signposting an individual to whatever support they need, rather than a listing on a website, when there is a strong correlation between people who need access to this type of support and digital exclusion—many people would not be able to look at the website anyway.

[278] **Suzy Davies:** The way that you have answered that question suggests that you are talking about individuals who are already getting some type of intervention from a local authority, probably through social services, I am guessing. However, the whole point of financial inclusion is that it includes everybody, and a considerable number of people might need advice and have no other engagement with the local authority at all, beyond paying their council tax. How would they be dealt with?

[279] **Mr Brown:** I am not convinced, as I say, that having a list of other available resources on the local authority website does the job in terms of financially including people in an area. In fact, there are a large number of people who come into contact with local authorities and local authority advice services just through the act of paying their council tax, for example. I think that there is an opportunity for the local authority. Yes, it would be targeted support but it would be targeted support for those people who are most likely to be in need.

[280] **Ms Lovell:** If I may, I would add that I think it is really important to look at training across all staff. I gave the example that we did awareness-raising sessions in Blaenau Gwent, which might address some of the issues that you are talking about. Some people might not already be engaged with support but they might phone in to the council or they might go somewhere and ask a question. If the person they are speaking to has a basic understanding, that might set off some triggers and they know where they can signpost people for support;

that could be a way of starting to deal with that. However, how detailed the training you give them is might depend on their roles. Going back to your earlier point, I think that there is danger if you are going to advertise financial advice in terms of financial advisers and things like that, because, like you say, that is straying into a completely different territory, is it not? What we do is only advise people to go to support and advice services like the Money Advice Service and the National Debtline—free debt charity support that people can access. However, if you are looking at advertising all financial services, then, yes, there is a danger in that, I would suggest.

[281] **Suzy Davies:** May I just finish that off? Bearing in mind that you have expressed some concerns—and I am summarising this slightly—about local authorities' ability to act as independent financial advisers, for want of a better way of putting it, are you a little bit concerned about the second part of this section, which says:

[282] 'A local authority may provide advice about financial management where it thinks the advice is not reasonably available otherwise'?

[283] Is that not setting up the local authority to do something that, at the moment, it does not do?

[284] **Ms Lovell:** They would have to be qualified. When you talk about advice, in terms of financial debt, there are different levels of advice. The skills and qualifications you would need depend on the level, so, yes, I certainly would not sit down and give someone financial advice because I have not been trained and I am not qualified to give it. So, you would not expect the local authority to do that.

[285] **Suzy Davies:** Just to clarify why I have asked you these questions, one of the reasons that we were given in evidence for this being included at all is that people receive an awful lot of bad advice as it is—

[286] **Ms Lovell:** That is true.

[287] **Suzy Davies:** I was not sure whether that section goes any way at all to remedying that. That was my question.

[288] **Mr Brown:** A lot of people are exposed to a great deal of bad practice through, for example, pay-day loan adverts on television. I think that we have to ask questions as well about whether it would be the right thing to do to set up, essentially, 22 independent providers of advice. At the moment, as Jo says, the suggestion that we make is that people who need a higher level of support are referred on to existing national charitable concerns that have behind them training and professional considerations that ensure that the advice they give is, in fact, sound and that it is kept up to date. Doing that on a national or a Wales-wide scale means that we benefit from economies of scale, which individual councils would not if we were to try to do this 22 times.

[289] **Ms Lovell:** I would imagine that you would have to be insured and have indemnities if you were going to start giving people financial planning advice, which might be another obstacle if local authorities were to be delivering it.

[290] **Suzy Davies:** I am wondering about the competence issue as well. Thank you, I have nothing else.

[291] **Ann Jones:** I have Simon next and then David; that will probably be it.

[292] **Simon Thomas:** I do not want to labour the point too much, but the reason that the

Bill is worded as it is, of course, is because of competence. I think that the Bill is trying to address what we all, certainly as Assembly Members, recognise is happening in our areas, which is that people are getting downright misleading advice, not just bad advice, and that a hard sell is being directed at very vulnerable people who really do not feel that they have any options. They do have options, of course, but they do not feel that they have those options. Also, there are other issues that we have terrible problems with, such as gambling and the proliferation of gambling outlets on our high streets. So, the Bill cannot do that, because we do not have the competency. So, it is about trying to skirt around that, which leads to some conflicts.

11:45

[293] I really wanted to ask whether those advice services, the national things you talk about, such as the Money Advice Service, for example, are providing enough of a reach in Wales. Although I am aware of it, I do not think that many of my constituents who pop into a place on Stepney Street in Llanelli to try to get a bit of cash for something are particularly aware of it or of the advice that they can give. So, there is a need still, even if this Bill is not responding to that, to get these services to the people who need them.

[294] **Ms Lovell:** Definitely. The Money Advice Service has two roles: it is about money advice and how to signpost people so that they think about the different options that are there before they make choices, but it also commissions work on debt advice. I think that Citizens Advice runs the contracts for that in Wales. However, like you say, people might not necessarily be aware of that. There are other charities, such as StepChange Debt Charity and National Debtline, which are all free debt charities. More could be done in terms of raising that awareness. Working in this sector, I am aware of them, but getting out and reaching into those communities is quite difficult. That is why we need to integrate it into the thinking and the basic planning, coming back to that local authority level, about what they are doing and how they are pushing that information out there, through Communities First, Families First, Sure Start and all these existing programmes.

[295] **Simon Thomas:** However, it is also about ease of access, is it not? You can go online and, within 12 minutes, you have £100 in your bank account. You cannot get debt advice in 12 minutes. That is why websites are talked about here. Maybe it is not the right answer, but that is why it is there.

[296] **Mr Brown:** We also need to look at the stage before people get into debt, and I think that there is a role for the credit union movement in Wales to do more to promote, first of all, saving habits, and, secondly, where it is necessary, access to affordable and appropriate credit. There is a lot of evidence to suggest that people who get into savings habits through a credit union do not have to have recourse to pay-day lenders and doorstep lenders.

[297] **David Rees:** You have talked about digital exclusion, and Simon has mentioned going online for borrowing, loans and so on. Are there sufficient digital inclusion strategies within local authorities to support this Bill, to ensure that it can deliver these aspects?

[298] **Mr Brown:** The Government's Communities 2.0 digital inclusion programme provides local funding, not always for the local authority, but for local support, for digital inclusion. One of the things that is encouraged is for the local authority to take a strategic view of digital inclusion. There are lots of examples of good practice of councils training up front-line staff to provide basic digital inclusion, funding training sessions and drop-ins in public libraries and in some Communities First facilities. I will not pretend that that works perfectly in every local authority, but, again, there are examples of good practice that can be picked up. We need, as well, to look at ways in which we can integrate digital inclusion support and financial inclusion support. An example of that is the work that Communities 2.0

does with job seekers. It is not just about how to have an e-mail address and how to do online job searches; it also introduces them to a range of financial inclusion tools to make sure that they are financially competent to survive the transition from benefits to work, which a lot of people do not, because they have a month without pay, and they have expenses such as childcare and travel that they did not have before. So, it is not only about getting people into work; it is about supporting the security of that employment.

[299] **Ann Jones:** Are Members content with that? I see that you are and that there are no more questions. Therefore, I thank you both for sharing your experiences with us today. You will get a copy of the transcript to check for accuracy. I do not think that we asked for any additional information, so that is fine. Thank you both very much.

11:50

**Papurau i'w Nodi
Papers to Note**

[300] **Ann Jones:** There are a number of papers to note. In fact, there are four in total. We will note those.

**Cynnig o dan Reol Sefydlog 17.42 i Benderfynu Gwahardd y Cyhoedd o'r
Cyfarfod
Motion under Standing Order 17.42 to Resolve to Exclude the Public from the
Meeting**

[301] **Ann Jones:** I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order 17.42(vi).

[302] I see that the committee is in agreement.

*Derbyniwyd y cynnig.
Motion agreed.*

*Daeth rhan gyhoeddus y cyfarfod i ben am 11:50.
The public part of the meeting ended at 11:50.*