

## Written Evidence Submitted by CISI

### Introduction

The CISI is a charity, operating as a global membership body, under a Royal Charter and we welcome the opportunity to contribute to this call for evidence. We along with other notable chartered bodies such as the Chartered Banker Institute and the Chartered Insurance Institute are a founding member of the [Chartered Body Alliance](#).

Our 50,000-strong membership reflects those in capital markets, wealth management and financial planning. In addition to developing cutting-edge qualifications and world-class continuing professional development (CPD) CISI works with the CISI Educational Trust. The Trust's focus is on developing transferable career skills for students at schools, colleges and further education parts of the financial services sector, as well as working with young adults at apprenticeship and university levels.

As an education provider, working in the financial services space across the UK, we are acutely aware of the importance of financial literacy for the young. The stark statistics over the years and more recently highlight how much still needs to be done, throughout the country, in this critical area of personal finance knowledge and confidence. March 2023 research undertaken [by Santander](#) showed that 75% of UK adults said they received inadequate or non-existent education at school. Their research also showed there are strong links between financial literacy and poverty, with 46% who said they were suffering from financial difficulties citing poor money management skills as a contributing factor.

Part of CISI's remit as a charity is to promote for public benefit the advancement and dissemination of knowledge in the field of securities and investments. In 2022 the CISI set up the [Future Foundation](#) to make a difference through partnering with inspirational organisations to improve financial literacy skills around the world. Since its formation, the CISI Future Foundation has made grants [totalling over £465,000](#) to seven deserving organisations across the United Kingdom working in this crucial area of financial literacy.

This funding will allow each of the recipients to undertake planned project work of varying type and scale, but with the common purpose of improving financial literacy in diverse communities across the United Kingdom which have, in various ways, found themselves challenged in acquiring these critical life skills.

Additionally, the correlation between confidence in financial literacy and positive mental health has been well-researched. The CISI is the provider of the Certified Financial Planning (CFP™) certification in the UK, a global designation managed by the Financial Planning Standards Board in the USA. Annually the CISI promotes [Financial Planning Week](#) to highlight the importance of money management skills. World Financial Planning Day this year focused on the fact that improved [financial well-being](#) positively impacts mental and physical health and family life, playing a key role in helping to alleviate stress across generations.

By improving access to financial education we believe that young people will be better equipped to not only manage their own affairs but also to understand more about potential careers available in finance. [UCL's 2022 research](#) evidenced the issue of socio-economic inequality in young people's

financial capabilities. Improving financial education and demystifying finance for young people will ultimately help encourage more of them to consider a career within financial services, improving diversity within the finance sector.

TRACY VEGRO OBE

CEO

CHARTERED INSTITUTE FOR SECURITIES & INVESTMENT

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Notes for evidence regarding financial literacy

- What should we be teaching young people about money? What should financial education include and are there any aspects missing from the current provision?

Young people should be taught the basics on managing money from a young age to ensure they are not only equipped for life but are also able to make sound decisions about their future careers. The CISI partners with schools and colleges to engage with under 18s and support their knowledge of the financial services sector. Around 300 under 18s per year take a foundation level finance qualification to support them in their career path. This is a very small percentage of students nationally.

We believe that greater access to financial education would also change their perception of what a career in finance may entail and ultimately encourage more diversity within the financial services sector itself.

More schools could utilise mentors from the financial services sector for teachers – to ensure that teachers themselves also understand how fast the sector is developing with the advent of AI.

- What steps should be taken to support teachers and schools in their delivery of financial education?

As a professional body we support around 30 teachers to deliver a foundation finance qualification to schools and colleges. Many of CISI's members speak with schools on an annual basis to provide career insights to students. This is very well received by schools who often feel they lack the internal expertise to guide students.

We believe that it is essential to engage the finance sector and financial practitioners to help support teachers and schools in the delivery of financial education. This can also be aligned with guidance about pursuing careers in finance where relevant. Professional bodies can support in this area, offering access to a pool of qualified professionals who are often keen to 'give something back'.

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