



**Bae Caerdydd / Cardiff Bay
Caerdydd / Cardiff
CF99 1NA**

July 2014

Dear Madam/Sir

Consultation on the Financial Education and Inclusion (Wales) Bill

The Children, Young People and Education Committee is calling for evidence on the general principles of the Financial Education and Inclusion (Wales) Bill. To assist with its consideration, the Committee would welcome your views on this subject.

What is a Bill?

A Bill is a proposed law. Once a Bill has been considered and passed by the Assembly and given Royal Assent by the Queen, it becomes an “Act of the Assembly”.

There is a four stage process for the consideration of a Bill. Stage 1 involves consideration of the general principles of the Bill by a committee (which includes taking of written and oral evidence from interested parties and stakeholders), and the agreement of those general principles by the Assembly.

What does this Bill seek to achieve?

The primary policy objective of the Bill is to equip people in Wales with the necessary financial knowledge and capability they need to manage their financial circumstances effectively. In doing so, the proposals will help to increase prosperity in Wales by improving the financial education and capability of its citizens.

The Bill's proposals fall into three broad categories:

- **The Bill will improve financial capability amongst school-age (age 8-16) children and young people by making it a legal requirement that financial education is included in the school curriculum (sections 4 to 7 in the Bill).**
- **The Bill will strengthen the role of local authorities in helping people avoid falling into financial difficulty, by requiring local authorities to adopt a financial inclusion strategy (sections 8 to 10 in the Bill).**
- **The Bill will give local authorities duties in respect of providing advice and arranging for advice about financial management, both generally and specifically to looked after children aged 16 or 17, to former looked after children and to students (sections 11 to 13 in the Bill).**

The Bill and the Explanatory Memorandum can be found on the Assembly's website at the following address:

<http://www.senedd.assemblywales.org/mgIssueHistoryHome.aspx?IId=9333>

What is the committee's role?

The role of the committee is to consider and report on the general principles of the Bill. In doing so, the Committee has agreed terms of reference, which are:

To consider:

- **the general principles of the Financial Education and Inclusion (Wales) Bill and whether there is a need for legislation to deliver the Bill's stated policy objectives;**
- **the key provisions set out in the Bill and whether they are appropriate to deliver its stated purposes;**
- **the potential barriers to the implementation of the key provisions and whether the Bill takes account of them;**
- **the financial implications of the Bill (as set out in Part 2 of the Explanatory Memorandum (the Regulatory Impact Assessment, which estimates the costs and benefits of implementation of the Bill); and**
- **the appropriateness of the powers in the Bill for Welsh Ministers to make subordinate legislation (as set out in Page 47 to 48 of the Explanatory Memorandum).**

Invitation to contribute to the inquiry

The Committee would like to invite you to submit written evidence to assist in its scrutiny of the Bill. In particular, we would welcome your views on the questions listed in Annex 1.

If you wish to submit evidence, please send an electronic copy of your submission to CYPCommittee@wales.gov.uk and entitle the e-mail “Consultation – Financial Education and Inclusion (Wales) Bill.”

Alternatively, you can write to:

**Sarah Bartlett, Deputy Clerk
Children, Young People and Education Committee
National Assembly for Wales
Cardiff Bay, CF99 1NA.**

Submissions should arrive by 3 October 2014. It may not be possible to take into account responses received after this date.

When preparing your submission, please keep the following in mind:

- your response should address the issues before the Committee, and should be brief (no more than 4 or 5 pages). Please reference your response using the title applied above;**
- the National Assembly normally makes responses to public consultation available for public scrutiny and they may also be seen and discussed by Assembly Members at Committee meetings. If you do not want your response or name published, it is important that you clearly specify this in your submission;**
- please indicate whether you are responding on behalf of an organisation, or as an individual; and**
- please indicate whether or not you would be prepared to give oral evidence to the Committee. (For your information, the Committee is likely to be taking oral evidence during September and October 2014).**

The Committee welcomes evidence from those with an interest in this subject. If you are responding on behalf of an organisation, please provide a brief description of the role of your organisation. The Committee welcomes contributions in English and Welsh and we ask organisations with Welsh Language policies/schemes to provide bilingual submissions, in line with their public information policies.

The Committee will consider responses to the written consultation and hold oral evidence sessions during the above dates.

For your information, the Committee has invited submissions from a wide range of organisations, a list of which is available on request. However, the Committee would be grateful if you could forward a copy of this letter to any individuals or organisations that you believe might wish to contribute to the

inquiry. A copy of this letter has also been placed on the National Assembly's website with an open invitation to submit views.

Disclosure of Information

The Assembly's policy on disclosure of information can be accessed [here](#), please ensure that you have considered these details carefully before submitting information to the Committee. Alternatively a hard copy of this policy can be requested by contacting the Clerk.

If you have any queries, please contact Gareth Rogers, Committee Clerk on 029 2089 8409 or Sarah Bartlett, Deputy Clerk on 029 2089 8429.

Yours Sincerely

A handwritten signature in black ink that reads "Ann Jones". The signature is written in a cursive style with a large initial 'A' and a distinct 'J'.

**Ann Jones AM
Chair**

Consultation Questions

General

1. The Explanatory Memorandum prepared by Bethan Jenkins, AM describes the Bill's primary policy objective of the Bill as being to equip people in Wales with the financial competency they need to manage their financial circumstances effectively. In doing so, the proposals will help to increase prosperity in Wales by improving the financial education and capability of its citizens.

The Bill's proposals fall into three broad categories:

- The Bill will improve financial capability amongst school-age children and young people by making it a legal requirement that financial education is included in the school curriculum (sections 4 to 7 in the Bill).
- The Bill will strengthen the role of local authorities in helping people avoid falling into financial difficulty, by requiring local authorities to adopt a financial inclusion strategy (sections 8 to 10 in the Bill).
- The Bill will give local authorities duties in respect of providing advice about financial management, both generally and specifically to looked after children aged 16 or 17, to former looked after children and to students (sections 11 to 13 in the Bill).

Is there a need for a Bill for these purposes? Please explain your answer.

2. Do you think the Bill, as drafted, delivers the stated objectives as set out in the Explanatory Memorandum? Please explain your answer.

3. Are the sections of the Bill as drafted appropriate to bring about the purposes described above? If not, what changes need to be made to the Bill?

4. How will the Bill change what organisations do currently and what impact will such changes have, if any?

5. What are the potential barriers to implementing the provisions of the Bill (if any) and does the Bill take account of them?

6. Do you have any views on the way in which the Bill falls within the legislative competence of the National Assembly for Wales?

Powers to make subordinate legislation

7. What are your views on powers in the Bill for Welsh Ministers to make subordinate legislation (i.e. statutory instruments, including regulations, orders and directions)?

In answering this question, you may wish to consider pages 47-48 of the Explanatory Memorandum.

Financial Implications

**8. What are your views on the financial implications of the Bill?
In answering this question you may wish to consider Part 2 of the Explanatory Memorandum (the Regulatory Impact Assessment), which estimates the costs and benefits of implementation of the Bill.**

Other comments

9. Are there any other comments you wish to make about specific sections of the Bill?