



Bank of England

‘What does the Bank of England do?’ – suggested activities

Introduction

Thank you for inviting a Bank Ambassador to visit your school/college. We have developed a series of short tasks to support the visit, these have been divided into pre-visit and post-visit activities and we suggest that all students complete at least activity one.

Completion of the activities will help to prepare students for the talk and generate questions that the Bank Ambassador can answer during the session (please email these to your speaker in advance). The post-visit activities will encourage students to explore more about the work of the Bank and careers within the financial services sector.

Pre-visit activities

Activity 1: History of the Bank of England

The Bank of England has a long history dating back over 300 years. Visit our [website](#) to explore our timeline and answer the following questions:

1. In what year was the Bank of England founded and why?
2. What did the Royal Charter say the Bank was founded to do?
3. What happened to banknotes in 1725?
4. During the Restriction Period (1797 to 1831) what could happen to people who forged banknotes?
5. The Bank Charter Act of 1844 restricted banks and companies from doing what?
6. 1894 marked an important first for the Bank of England – why was this?
7. In 1946 the Bank was nationalised – what does this mean?
8. Identify three banknote ‘firsts’ that took place between 1960 and 2016.

Activity 2: Banknotes

One of the key roles of the Bank of England is ensuring that people can pay for things. We produce banknotes and process electronic payments e.g. payments made using a card reader. You can find out more about banknotes via the [Bank of England website](#) where you can look at the data and conduct your own research to answer the following questions:

1. What material are the current Bank of England banknotes made of? Identify three factors that make them more sustainable than older banknotes.
2. How many Bank of England banknotes are currently in circulation? What are these worth?
3. Which banknote denomination (value) has the largest volume of notes in circulation? How much were these worth in 2024?
4. What was the value of destroyed banknotes in 2022/23?
5. According to the data, what is the most common cause of damage to a banknote?

Activity 3: Inflation and monetary policy

The Government have set the Bank of England a target of keeping inflation at 2%. You can find out more about the target from the [Bank of England website](#).

The Bank uses data provided by the Office for National Statistics (ONS) to inform their decisions about monetary policy. Visit the ONS website to learn more about inflation using their [Shopping prices comparison tool](#) and answer the following questions:

1. What does the annual inflation rate measure?
2. What data does the shopping prices comparison tool use?
3. Using the interactive tool, fill your basket with a selection of eight items from across the categories. What do you notice about the cost of
 - a) individual items (annual growth)
 - b) the basket total (basket total).
4. Which items in your basket saw the largest/smallest increase?

Post-visit activities

Activity 1: Financial stability

The Bank of England is responsible for ensuring that the financial system is resilient to risks and shocks. We call this our financial stability objective – ensuring that people can access and use money e.g., making payments, managing savings and borrowing money.

In March 2023 Silicon Valley Bank failed and the Bank of England was responsible for managing the situation to avoid any wider disruption to the financial system. Read the Explainer on the [Bank of England website](#) to find out more about Silicon Valley Bank and the 'resolution' process. Write a short summary of the actions taken by the Bank of England.

Activity 2: Central bank digital currency (CBDC)

The Bank of England is considering the introduction of a central bank digital currency (CBDC), this is digital money that would be used alongside cash. You can read more about central bank digital currency and watch a short video via the [Bank's website](#). Read the article, conduct further research, and consider/discuss the implications of introducing a CBDC as a class. If it were your decision, would you recommend the introduction of a CBDC? Explain your decision using three pieces of evidence.