

**MONEY MATTERS:
FINANCIAL
CAPABILITY FOR
KS3 AND KS4**

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INTRODUCTION

The Pack *Money Matters: Financial Capability for KS3 and KS4* addresses the need for students to become financially capable and to learn about the place and role of money in their social, leisure and working life.

The pack offers activities that address many of the financial situations and decisions students will face in the future. These activities include aspects of home life, social and leisure activities, employment, education and training and unexpected life events. They will also be able to consider their financial responsibilities within relationships, as employees and members of the community.

Student Suitability The pack is suitable for students of average ability at KS3 and KS4. Differentiation activities are given for less able and more able students, where appropriate.

Using The Pack This pack can be used as part of a plan programme, or as a stand-alone financial capability module.

The People Involved Joan and Alan Barton were the consultant authors for this pack. Joan Barton is a freelance consultant and trainer, ex-advisory teacher, careers officer and careers co-ordinator; Alan Barton is an experienced teacher and vocational trainer and assessor. He has worked with young people with learning and behavioural difficulties and as a consultant and trainer with a wide range of people preparing for and returning to the workplace. Mike Hemmings, the editorial mentor, is a full-time teacher. The pack was written and edited by Rebecca Wilby, a freelance editor, and illustrated by Chris Goldhawk. The Chalkface format was created by Susan Quilliam.

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GENERAL GUIDELINES

Guidelines for using this pack

The pack addresses the need for students to become financially capable, and to learn about the place and role of money in their social, leisure and working life.

The worksheets are organised into seven sections, which relate to Budgeting, Consumer Choices, Financial Tools and Services, Pocket Money, Saving, Earning and Review, giving you activities that help students to recognise and record evidence of understanding of financial capability. Each has links with curriculum areas. These can be used as a discrete course, or form part of PSHE, Tutor Programme activities, or as part of other curriculum areas.

The Lesson Plans opposite each page support the use of each specific page. These more general guidelines give advice on using the whole pack. They offer suggestions on preparation, running the lesson and follow-up work, and could form the basis of in-service training prior to using the pack.

Please remember to photocopy both the relevant Lesson Plan and these General Guidelines if you are copying worksheets for a supply teacher to use.

Preparing for the lesson

The activities in the worksheets address financial aspects of life that are constantly changing. The lessons have been designed to cover these in ways that deal with the underlying concepts related to financial capability. Students are helped to recognise that everything has a potential cost, so the activities do not necessarily require specific details of interest rates, benefits, grants or other charges and costs. Where there are suggestions that students look at real costs, it would be useful if you could obtain up-to-date information prior to the lesson from an appropriate source, or include activities for students to undertake this research themselves before or during the lesson. Alternatively, ask a suitably informed member of the business community to join the lesson and work with students.

- Specific preparation requirements are indicated in the 'Preparation required' section of the Lesson Plan. You should always have available copies of the worksheet, pens, pencils and a chalkboard or equivalent.
- Allow approximately an hour's lesson for each page.
- You can link pages to make a double lesson; linked pages are indicated under the heading 'Links to other worksheets'.
- Possible classroom management challenges that may be created by the page and any issues of a sensitive nature are brought to your attention in the Lesson Plan under the heading 'Points to be aware of'. You will probably want to check whether these are relevant to your class.
- The Teacher Planning and Monitoring Grid (Appendix 1) is provided for you to plan for the most effective use of the activities and evidence provided by students to link with your own recording processes and the contribution of the evidence to other curriculum areas and student learning outcomes.
- The Student Portfolio Tracking Sheet (Appendix 2) is provided for you to use with your students. Students should be encouraged to record evidence of learning for worksheets used which could contribute to assessments in relevant curriculum areas.
- The worksheets are organised into seven areas. When students undertake the activities on a worksheet linked to a specific aspect of Financial Capability, they should be encouraged to record evidence of learning.

GENERAL GUIDELINES

The lesson

Each activity aims to encourage students to identify and record evidence of financial capability. It is important that you emphasise both the skills aspects of each activity and ways of wording evidence for the Student Portfolio Evidence Tracking Sheet.

Pages are worded so that you can choose how to manage each in the classroom. However, as a general guideline, we suggest that you move from 'introductory chat' to individual work, through to paired or small group discussion, then to pooling ideas as a class. Where a specific approach is required which differs from this, it is indicated in the Lesson Plan under the heading 'Teacher Strategy'.

Each sheet contains a number of activities. These fall into several basic formats:

- Thought starters
- Reading
- Oral work
- Working in role or 'imagine' exercises
- Written work
- Brainstorming
- Research

Where relevant, you may choose to allow students with poor writing skills to work on the sheet and mark, underline or colour to show understanding. Where extended writing or copying is required, you could modify the task and set a precise target for students who work very slowly, inaccurately or untidily. You may find it useful to mark sections that you expect students to complete with a fluorescent pen. Where a different approach might be more appropriate for less able (or more able) students, this is highlighted in the 'Differentiation' sections of the Lesson Plan.

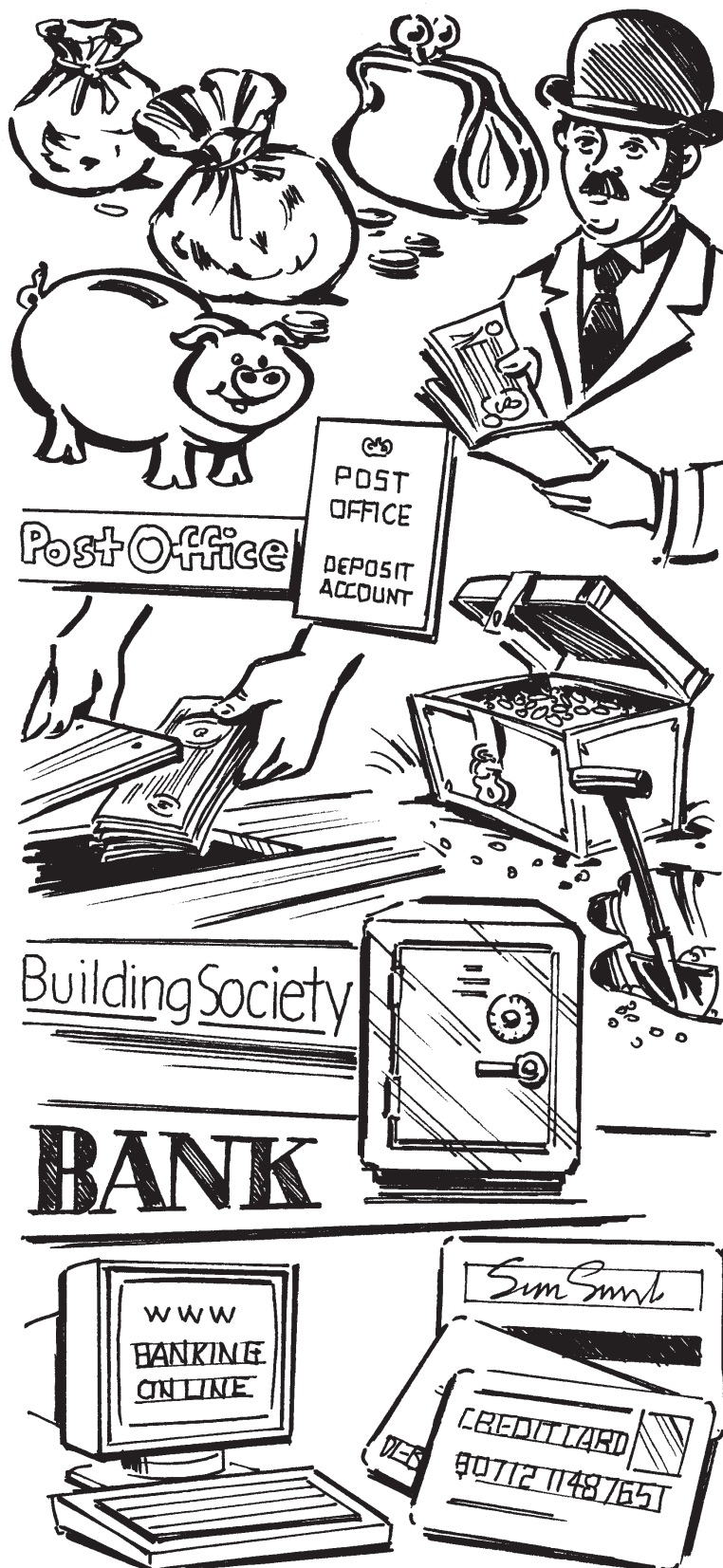
Following up on the lesson

The Lesson Plan may include, where relevant, suggestions for Extension Activities. These are usually designed to carry the topic into a double lesson, or to provide an opportunity for out-of-classroom work, especially to involve parents, PTA events, school competitions, etc.

LESSON PLAN FOR TAKE CARE OF THE PENNIES...

Learning outcome	Successful students will be able to identify the main ways in which people manage their money.
Points to be aware of	Be sensitive to the financial situations in some students' families, particularly in Activity 2, where the discussion should avoid any comparison of means.
ACTIVITY 1	Students should identify ways of taking care of money in the days when people carried what they had with them, hid it in places around their homes and land, started using money boxes, safe boxes and more secure places at home, plus the modern methods of finance and banking. Ask them to consider the advantages and disadvantages of each method – then and now – based on safety and security, convenience of access, and how money might increase or decrease in value.
Timing and grouping	25 minutes. Teacher-led introduction; work in small groups, then whole-class feedback and discussion.
ACTIVITY 2	Introduce the idea of money management by asking students to share ideas about the methods they and their families use to manage money. Do they use cash, or do they tend to rely on cheques and cards? Do they have savings accounts, or other investments? Students should be encouraged to discuss this in a broad and general way and to maintain personal and family confidentiality. Ensure the discussion focuses on the effectiveness and usefulness of methods, not on how much money people have.
Timing and grouping	20 minutes in small groups, followed by teacher-led feedback and discussion.
ACTIVITY 3	Use this quick quiz as a fast finisher. Students will no doubt identify more than one answer for most questions. They are more likely to suggest payment in cash for smaller purchases such as sweets and hair styling. However, some families rely on either cash or non-cash methods for everything, and you could discuss what this may mean in terms of delaying payment, additional cost of interest, if not paid in full at end of month, and getting into a credit card debt situation.
Timing and grouping	15 minutes in small groups, and teacher-led feedback and discussion.
Differentiation strategy for low ability students	Activity 2: list the methods, then move on to Activity 3 and apply these to the questions.
Differentiation strategy for high ability students	Encourage more able students to identify different ways they can use their money to earn more. They could think about the risks involved in high interest accounts, investments and playing the stock market.
Extension activities for low ability students	Produce a poster to show the different ways in which people have taken care of their money over the years.
Extension activities for high ability students	Invite a member of the business community to join a session with students. (NatWest Bank is one company which provides staff for this.) Organise a session about personal money management, in which the adviser helps students consider the options they have now, at 16+ and at 18+. How can they plan to manage their money through continued education and into work?
Homework	Search the Internet for companies that offer on-line banking. What are they offering? List three advantages and three disadvantages from the information they give on their web pages. (Be careful not to register, as you are too young to do this.)
Cross-curricular links	PSHE; Citizenship; English

LEARNING OUTCOME: YOU WILL BE ABLE TO IDENTIFY THE MAIN WAYS IN WHICH PEOPLE MANAGE THEIR MONEY.



1 Money is a part of everyone's lives today, though at other times in history it has not always been so important. Since money was introduced, people have had to decide how to manage it.

List the different ways that people have used to look after their money from the earliest days of its use. The illustration will give you some ideas.

What are the advantages and disadvantages of each method, in the modern world and in the past?

2 Which of the modern methods of managing money do you and your family use? List them and decide why you think they are useful ways to manage money.

3 What method or methods could you or your family use to do the following:

- buy the weekly shopping
- buy sweets from the local shop
- buy petrol for the car
- save for a holiday
- pay for a holiday
- buy a new computer
- collect interest on your money
- have your hair styled
- buy from an Internet shopping site?

Some of these may have involved using a credit card. What effect could this have on the total price?

LESSON PLAN FOR MANAGE YOUR MONEY

Learning outcome	Successful students will be able to identify different ways people take care of their money.
Preparation required	This lesson could involve a business partner from the financial sector. You may have such a contact, or could ask your local Connexions link to help.
ACTIVITY 1	Students are likely to suggest banks, building societies, investments, stocks and shares, etc. The reasons people choose to use these depend on how much money they have, how much security they need, and whether they want their money to increase in value. You could usefully spend some time discussing the ways in which people protected their money in the past. If students are under 16 they may have a savings account. Those who are over 16 may have opened a current account as well, with a cheque book and cash card. You could discuss the differences between the two types of account and their respective pros and cons.
Timing and grouping	20 minutes, in small groups with teacher-led class feedback and discussion.
ACTIVITY 2	Ask students to discuss each person's situation and to work through the options, perhaps as a roleplay, with one student as the person needing advice and the rest of the group as advisers. The answers the students give should include sound reasons for their choices. They may not all give the same answers, in which case the class should debate the points raised and make a joint decision.
Suggested answers	Margie – savings account; Daz – current account with cash card; Helen – current account with cash, debit and cheque guarantee card/s; Ali – savings and current accounts; Leon – current account with cheque book, cheque and cash cards.
Timing and grouping	20 minutes in small groups, then whole-class feedback and discussion.
ACTIVITY 3	Ask students to work in groups to define the investments listed, then consider their response to the questions. If you have involved a member of the financial sector in your lesson, they will be particularly useful here. Buying and selling shares can be little more than gambling, as prices go up and down and firms go out of business. Units trust can be equally risky, as they depend on increasing share prices. Government bonds are guaranteed to pay a set amount, unless the Government is taken over by hostile forces! Insurance is usually a safer bet, as it is covered by its own regulators (though the Lloyds fiasco undermined this somewhat). Premium bonds are guaranteed to pay back what has been paid in, but don't make any interest, only the chance of winning a cash prize – with slightly better odds than the Lotto.
Timing and grouping	20 minutes in small groups, then whole-class feedback and discussion.
Differentiation strategy for low ability students	Activity 3: ask students to brainstorm the names of local banks and building societies, then write a letter to one of the people in the illustration offering advice about where to go for help and information.
Differentiation strategy for high ability students	Expect more detailed information and considered responses from higher ability students, particularly in Activity 3.
Extension activities for low ability students	Arrange a session, possibly with a helper from the financial sector, to simulate using a bank. Students could act as customers and advisers and work through a number of roleplays – these might include opening savings or current accounts, applying for a credit card, asking about earning interest, etc.
Extension activities for high ability students	Look at ways of carrying out financial transactions over the Internet. Which firms offer this? Are there some which are wholly Internet based (such as Egg)? What are the advantages and disadvantages of using this method to manage your money?
Homework	If you were given £1000 when you were 15, how could you use it to make more money for yourself? Which kind of account would you open? If you were given the same amount at 17 and you wanted it to help you get by at college, which kind of account would be best for this? Give reasons for your choices.
Cross-curricular links	English; PSHE; Citizenship; Key Skills

LEARNING OUTCOME: YOU WILL IDENTIFY SOME OF THE WAYS THAT PEOPLE TAKE CARE OF THEIR MONEY.

The illustration shows five individuals with their names and ages, each with a speech bubble expressing a financial need and a label for a financial product:

- Margie, 45:** "I need to make my money work for me." Label: **Debit card**
- Daz, 19:** "I have to be able to get at my money at any time, day or night." Label: **Current account**
- Helen, 21:** "I want to be able to pay by cheque or card whenever I want." Label: **Savings account**
- Ali, 38:** "I want to pay my bills by standing order but want to earn money on my savings too." Label: **Cash card**
- Leon, 25:** "I want my wages paid into an account, but I need to get at cash and pay my bills by post." Label: **Cheque guarantee card**

1 Where do most people keep their money? Why do they do this?

What do you do with your money at the moment? Do you have a bank or building society account? How did you get this?

Could you have a cheque book and cash card if you were 15?

2 The people in the illustration all want to make best use of their money. There are some options given in the boxes. Which of the accounts and/or facilities would you advise each person to choose, and why?

3 Some people decide to look after their money by investing it. What do you think each of the following means:

- buying and selling shares
- unit trusts
- government investment bonds
- short-term insurance policies
- premium bonds?

Which of these do you think is the safest? Which do you think could be most risky? Which could make the most money? Which could lose you everything?

What evidence do you have to support your answers?