



# Lesson Plan

 **4 hours**

This lesson is structured in 4 chapters  
60 minutes x 4

Keep your key terms and FAQs to hand.

## How to look after your money

### Learning Outcome

‘I will learn to think critically about how I spend my money and create a budget that meets my needs and wants.’

### Success criteria

By the end of this session, I will be able to:

#### Chapter 1

- Describe the difference between financial needs and wants and the external influences that could impact them.
- Determine smart choices about managing my money that align with needs, wants and future goals.

#### Chapter 2

- Identify different budgeting systems and how to apply them in different contexts.

#### Chapter 3

- Examine how income from jobs is taxed and calculate how much is left to budget.

#### Chapter 4

- Recognise inflation and understand how it is measured
- Explain how the value of money can change over time and how that impacts budgeting.

## Associated PSHE outcomes

### KS4

- L16 how to effectively budget, including the benefits of saving
- L18 to recognise and manage the range of influences on financial decisions

### KS5

- L14 to understand and manage salary deductions including taxation, National Insurance and pensions

## Chapter 1 - Money mindsets

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slide 1 -4</b></p> <p><b>Slide 5</b> <b>respectful learning environment ground rules</b></p> <p><b>Slide 7</b> <b>Big questions</b></p>	<p>5 minutes</p> <p>5 minutes</p> <p>5 minutes</p>	<p><b>Post-it notes on one wall for needs, one wall for wants</b></p> <p><b>A3 paper</b></p>	<p>Introduction to the module and content developers FLIC.</p> <p>Ensure you establish ground rules with your class before starting these lessons. These ground rules should outline the ways in which the class will engage with each other during discussion and classroom activities.</p> <p>Ground rules should be negotiated with pupils but might include examples such as:</p> <ol style="list-style-type: none"> <li>1. We will listen to each other respectfully</li> <li>2. We will avoid making judgements or assumptions about others</li> <li>3. We will comment on what has been said, not the person who has said it</li> <li>4. We won't put anyone on the spot and we have the right to pass</li> <li>5. We will not share personal stories or ask personal questions.</li> </ol> <p>Mind-mapping - ask these questions and get the class to respond, group similar ideas together on A3 paper. One question per table.</p> <ul style="list-style-type: none"> <li>• "Why is it important to think about how we use our money?"</li> <li>• "What does it mean to be good at managing money?"</li> <li>• "How can money make people feel?"</li> </ul> <p>Teacher to introduce 'anonymous questions'</p> <p>- See 'anonymous questions' in the teacher toolkit for further guidance</p>	<p>Prompt students to think about who their money role models are (if they have them) and why.</p> <p>Debunk the myth that rich people are good at managing money and if they're poor they're not.</p>

## Chapter 1 - Money mindsets

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slide 8</b> <b>Money mindsets</b></p>	<p>5 minutes</p>		<p>Carry out 'money mindsets' exploration task The money mindset activity can be carried out by students moving to the side of the room that reflects their opinion. This can also be done using thumbs up/down</p>	<p>Students may indicate a range of attitudes and opinions about the value of money. Use the classes' responses to help gauge prior knowledge and to help you address misconceptions throughout the session</p>
<p><b>Slide 9</b> <b>Wants vs Needs</b></p>	<p>10 minutes</p>		<p>What things does everyone need? (Talk about things that everyone needs to live) Ask students to come up with a list on Post-it notes that can be stuck up on a wall/window - food, shelter, clothing, tech/internet etc.</p> <p>Be mindful that many students will have different financial backgrounds so this can be depersonalised. What do we need to bring to school: <b>Need:</b> homework, books <b>Want:</b> games, sweets, chocolate <b>Need or want?</b> Expensive trainers</p> <p>Show that knowing the difference between a need or a want can be tricky e.g. trainers are a need, but is the second pair a need?</p>	<p>Stretch: What are non-material needs e.g. friendship and relationships, family, fun, activities, belonging. These are needs too and are important to recognise because a lot of what we buy is actually about meeting these deeper needs. Elect examples.</p>
<p><b>Slide 10</b> <b>Influencer content</b></p>		<p><b>Video: Needs vs Wants</b></p>	<p>Watch the needs vs wants film for an explanation</p>	<p>Stretch: Watch Poku Bank's film about calculating the cost per use of personal items - Video: Cost per use</p>

## Chapter 1 - Money mindsets

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
Slide 11	5 minutes		<p>Class discussion: How might a person's needs change over time?</p> <p>Teacher prompt questions:</p> <ul style="list-style-type: none"> <li>• How might needs change with age?</li> <li>• Are there points in a person's life when they have more or less needs?</li> </ul>	
Slide 12	5 minutes		<p>Introduce the concept of FOMO to budgeting - (Fear Of Missing Out). Ask students how that word makes them feel, what wants are they spending money on?</p> <p>Class discussion: Conscious spending</p> <p>Teacher prompt questions:</p> <ul style="list-style-type: none"> <li>• What sort of items or activities might people feel FOMO about?</li> </ul>	<p>When brand names are specified throughout the lessons, such as Netflix here, you may want to describe them instead of naming them if more appropriate for your class, e.g. "a well known streaming service".</p>
Slide 13			<p>Review learning objectives</p>	


## Chapter 1 - Money mindsets

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slide 14</b> <b>You need a job!</b></p> <p><b>Slide 15</b></p> <p><b>Slide 16</b></p> <p><b>Slide 17</b></p> <p><b>Slide 18</b></p>	<p>10 minutes</p> <p>10 minutes</p>	<p><b>Job handouts</b></p>	<p>Introduce the main activity: we are going to be getting jobs in Manchester and learning how to use our earnings to pay for our needs and hopefully our wants too.</p> <p>Show an example of a job description.</p> <p>Questions to ask:</p> <ul style="list-style-type: none"> <li>• What are the hours?</li> <li>• Is the job full time or part time?</li> <li>• What qualifications or experience is needed?</li> <li>• What other skills are required?</li> <li>• What is the salary?</li> <li>• Stretch: Will this salary cover the costs of needs and wants?</li> </ul> <p>Discuss the differences per job as a class. This can lead to a broader discussion about the importance of checking advertised pay.</p> <p>Literacy: writing activity Students to summarise learning using sentence starters provided.</p> <p>Review learning objectives</p> <p>Invite student questions</p>	<p><b>Teaching tip:</b> Lesson resources include Manchester based jobs. Option to find local job descriptions in your area with a salary of between £20k-£30k per year.</p>

## Chapter 2 - Money mindsets and budgeting in practice

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<b>Slide 20-21</b>	5 minutes		Review learning objectives and respectful learning environment	
<b>Slide 22</b>	5 minutes		Learning recap: students to create a list of needs and wants, using the images as prompts	
<b>Slide 23</b>	5 minutes		Big question: <ul style="list-style-type: none"> <li>• what is a budget?</li> <li>• how do people budget?</li> <li>• how would you split your wages?</li> </ul>	
<b>Slide 24</b>	5 minutes		Teacher to explain traditional wage allocation for budgeting. Talk about how budgeting can fall largely into three categories based on an old-school method of 50-30-20 (Needs, Wants, Future). Mention that '50, 30, 20' is a guideline, not a perfect science.	
<b>Slide 25</b>	10-15 minutes	<b>Budgeting sheet completed working example</b>	<p>Hand out the bills catalogue and budgeting sheet with worked example (over budget).</p> <p>Students need to consider the £1500 income example on side and then create their own budget on the blank side showing how they can stay within budget.</p> <p>Students should add their take-home pay as their monthly budget.</p> <p>They then choose their needs from the catalogue completing the worksheet.</p> <p>There will still be some choices here like house size, internet package, where they shop for food etc.</p>	<p><b>Extension:</b> Students could think of ways that they could reduce the cost of their needs.</p> <p><b>This could include energy-saving measures, house sharing, buying in bulk, walking to work instead of taking the bus.</b></p>

## Chapter 2 - Money mindsets and budgeting in practice

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slide 25</b> <b>Calculating your needs (50%)</b></p>  <p><b>Maths Moments</b> <b>Simple calculations</b></p> <p><b>Calculating percentages</b></p> <p><i>Calculators can be used</i></p>	<p>5 minutes</p>		<p>Remember needs should fit into the monthly amount previously calculated, the 50% of the monthly income (net pay).</p> <p>Students should understand the bottom line, i.e. after a person has spent money on the essentials in the bills catalogue, how much do they have left at the end of the month?</p> <p><b>Reflection question:</b></p> <p>Ask students if the number surprises them.</p> <p>Return to the original salary advertised in their job description.</p> <p>Ask students to compare salary figures with the monthly amount left to live on.</p> <p>For example, did you think with a £22,000 a year salary you would have to live on just £80 a week?</p>	<p><b>Extension:</b></p> <p>After all these deductions, how much is left to live on? Divide this by 4.5 to think about a weekly budget. Divide by 7 for a daily budget. Ask students if it's realistic.</p> <p><b>Extension:</b></p> <p>Return to bills catalogue and think about whether there are savings that could be made. Can you share a house with a friend or walk to work to save money? Can you use someone else's Netflix account?</p>






## Chapter 2 - Money mindsets and budgeting in practice

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slide 30</b></p> <p><b>Slide 31</b></p> <p><b>Slide 32</b></p> <p><b>Slide 33</b></p> <p><b>Slide 34</b></p>	<p>5 minutes</p> <p>5 minutes</p>	<p><b>Credit card life goals</b></p> <p><b>Four ways to get a budget back on track</b></p>	<p>Card size goals: on a credit card-sized piece of paper ask the students to write down their big life goals.</p> <p>Talk about how this should be really motivational. Something that would really encourage them to stick to a budget. They can keep these goals as printouts or suggest that they change the wallpaper on their phones to this goal.</p> <p>Can ask for some students to share theirs but if they are reluctant, then share examples from staff.</p> <p>Revisit learning objectives - supported by plenary questions</p> <p><b>What is meant by the term 'budget'?</b>  <b>What might be included in a person's budget?</b>  <b>Why is it important to have a budget?</b></p> <p>Invite students to ask any questions they have using the anonymous questions if needed</p>	<p><b>Extension:</b>  Ask what tips students have for when a budget goes off track. Use the 'Four ways' @howifundthis handout to help.</p> <p><b>Extension:</b>  Talk about saving for life's surprises, e.g. if a phone gets stolen and there isn't insurance in place, paying off debt, pensions, investments etc.</p> <p><b>Extension:</b>  Ask students how they create good habits in their daily lives e.g. brushing teeth, remembering keys, revision, making sure your phone never runs out of battery. How does this apply to your budget?</p> <p>Automation is a way to create good habits to enable future desires to be made e.g. setting up savings accounts, ISAs and direct debits online.</p> <p>Can mention alternatives such as pensions for retirement or investments to help grow wealth.</p>


## Chapter 3 - Understanding payslips

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slide 36-37</b></p> <p><b>Slide 38-39</b></p> <p><b>Slide 40</b></p> <p><b>Slide 41-46</b></p>	<p>5 minutes</p> <p>5 minutes</p> <p>5 minutes</p> <p>10 minutes</p>		<p>Review learning objectives and respectful learning environment</p> <p>Wordsearch to be completed. Solutions on the following slide.</p> <p>Present example payslip to students. Class discussion: Give students time to explore the features of the payslip. Use targeted questioning for the 'stretch' and 'challenge' questions.</p> <p>Talk through slides 41-46</p> <p>Ask the group:</p> <ul style="list-style-type: none"> <li>• What taxes do people pay?</li> <li>• What are those taxes used for?</li> <li>• What other deductions could there be from a person's pay?</li> </ul> <p>What is the most important number on a payslip for budgeting? (Net pay)</p> <p>Emphasise the importance of regularly checking payslips for inaccuracies. Both in pay and deductions.</p> <p>Mention that issues with pay are normally dealt with by HR. HR can also ask you to speak to HMRC if it is tax-related.</p>	<p><b>Teaching tips: (Slide 40-46)</b> <b>Try Think, Pair, Share</b></p> <ul style="list-style-type: none"> <li>• 30 seconds thinking solo time</li> <li>• 30 seconds in a pair with your neighbour</li> <li>• 30 seconds to share your definitions with the group</li> </ul> <p>Can you make the definition of tax better?</p> <p>Challenge question: <i>How much do you think was collected from income tax during the year 2019-2020?</i></p> <p>Challenge answer: <i>Of the £594.3bn collected by the taxman, over £194bn came from income tax receipts.</i></p> <p><b>Extension:</b> Ask if anyone knows what tax is. Talk about the different types of tax in the UK.</p> <p>This can lead to conversations about</p> <ul style="list-style-type: none"> <li>• paying tax when a person is self-employed</li> <li>• tax brackets for income tax and NI</li> </ul>

## Chapter 3 - Understanding payslips

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slides 47 - 51</b> <b>Tax and other deductions</b></p>  <p><b>Maths Moments</b></p> <p><b>Calculations using BIDMAS (Brackets, Indices, Division, Multiplication, Addition, Subtraction)</b></p> <p><b>Calculating percentages</b></p> <p><b>Converting between decimals and percentages</b></p>	<p>10 minutes</p>	<p>Example payslip on slide.</p>	<p>Introduce the maths moment Using slide 48 and 49 work out the calculations using the class whiteboard, writing out the equations step by step.</p> <p>Worked example with equations: (slide 50) Personal allowance - tease this out with students. What do we mean by personal allowance? Explain that this can vary e.g. if one claims marriage allowance or blind person's allowance.</p> <p>Rate of tax = 20% for those earning £12,571 to £50,270. (i) How do we think it differs for those earning more than £50,270? (ii) Worked example with the teacher. If my income is £20,000 per year, how do I calculate my income tax? [1 min - Think, pair, share.]</p> <p>Draw out the conversion from percentage to decimals i.e. finding 20% of a number is the same as multiplying by 0.20 . - moving the decimal two places (two zeros using 100%) to the left</p>	<p>Teaching tip: Rehearse this explicit direct instruction. It is useful to have your own written model or a copy of the worked example to support teaching.</p> <p>Extension: Use 'worked example 2' (slide 51) for higher ability learners</p>

## Chapter 3 - Understanding payslips

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slides 52</b> <b>Calculating monthly pay</b></p>  <p><b>Maths Moments</b> <b>Calculations using BIDMAS (Brackets, Indices, Division, Multiplication, Addition, Subtraction)</b> <i>Calculators can be used</i></p>	10 minutes	Calculators <b>Budgeting sheet</b>	<p>Students in their table groups or pairs calculate the tax based on the salary provided for their job.</p> <p>Mention that the calculations on the slide are simplifications but accurate for the income from the “jobs” they have been given.</p> <p>Talk through each stage of the calculation:</p> <ul style="list-style-type: none"> <li>• gross pay</li> <li>• tax-free allowance</li> <li>• tax rate</li> <li>• net pay</li> </ul> <p>Slide 53 - Summary and student reflection. Students are invited to share their responses having had a minute of thinking alone time, and a minute to discuss their thinking with their neighbour.</p> <p>Slide 54 - Plenary</p> <p>Slide 55- Revisit learning objectives</p> <p>Slide 56 - Invite students to ask any questions they have using the anonymous questions if needed</p>	<p><b>Extension:</b> Calculate income tax and National Insurance for different higher and lower salaries. Use the different tax bands.</p> <p>Look at how student loan repayments are calculated.</p> <p>Look at pension contributions.</p> <p>Remember when they come to put the net pay into the budgeting sheet - it needs to be divided into 4.5 as most months don't neatly fit into 4 weeks.</p>


## Chapter 4 - Inflation, what does it mean for my budget?

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<b>Slide 58</b>			Review learning objectives and respectful learning environment	
<b>Slide 59</b>	5 minutes		Learning recap task - (can be used as the 'do now') Feedback: Students should be able to differentiate between a need and a want and give examples from the scenario given.	
<b>Slide 60</b>	2 minutes		Learning recap What is FOMO? How does this link to the scenario?  Lead to lesson focus of inflation <i>'Sometimes changes to needs and wants are not due to changes to personal circumstances. Political and Economic changes can determine changes to our spending behaviours.'</i>	
<b>Slide 61</b>			Introduce session learning objectives	
<b>Slide 62</b>	5 minutes		Using example given, ask students why they think the price of the item has changed  Pose the question <i>'but why?'</i>	Note: when you see brand names specified throughout the lessons, such as Nike here, you may want to describe them instead of naming them, e.g. "a well known sports brand".
<b>Slide 63</b> <b>Slide 64</b>	5 minutes		Class reader - Introduce the Bank of England Class reader - What is meant by inflation?	<b>Extension:</b>
<b>Slide 65</b>	2 minutes	<b>Video:</b> <a href="#">the rising cost of Freddos chocolate</a>	Influencer content - Play Ola's film about the rising cost of chocolate.	<ul style="list-style-type: none"> <li>Encourage students to think about the food they eat or the cost of transport changing.</li> <li>Can students work out the price increase as a percentage of the goods/ services they have identified?</li> </ul>

## Chapter 4 - Inflation, what does it mean for my budget?

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
Slide 66	3 minutes		<p>Further guidance on describing inflation - "Inflation is when your parent or guardian complains about the prices they have to pay nowadays compared to what they paid when they were younger, saying "I remember when a Mars bar was 25p" or "I used to buy petrol at that station for 60p a litre."</p> <p>Introduce the concept of "cost of living" so when inflation rises, the cost of living rises as prices of everyday goods increase. We are able to buy less with the same amount of money.</p> <p>Hotter or colder - Teacher asks students to estimate the current rate of inflation with the teacher responding hotter or colder as students make their estimations.</p>	<p>When brand names are specified throughout the lessons, such as Freddos here, you may want to describe them instead of naming them if more appropriate for your class, e.g. "a well known chocolate brand".</p>
Slide 67	5 minutes		<p>Optional resource - The graph shows how high inflation is today compared with the past 30 years (huge increase!) which is concerning as the cost of living has gone up a lot.</p> <p>Teacher guidance - The inflation rate has changed a lot since 2010. It decreased from about 2010 to 2015, then increased from 2015 to 2018, slowly decreasing from 2018 to 2021, and steeply rising from 2021 to 2022.</p>	

## Chapter 4 - Inflation, what does it mean for my budget?

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><a href="#">Slide 68</a></p> <p><a href="#">Slide 70</a></p>  <p><b>Maths Moment</b> Simple calculations <i>Calculators can be used</i></p> <p><a href="#">Slide 71</a></p>	<p>5 minutes</p> <p>10 minutes</p>	<p><b>Worksheet</b> <b>'Check -in, check out'</b></p>	<p>Optional: Click on the link to display the interactive tool to illustrate how prices have changed over time. Bank of England inflation calculator. As a class students can choose dates and estimate how much goods and services costing £10 in X date would cost in Y date. For example, using dates a parent was born compared with the date they were born.</p> <p>Teacher explanation - The basket of goods and services is a way to measure inflation and it is regularly updated to include the most relevant products. It is known as the Consumer Prices Index (CPI). Source link to ONS website.</p> <p>Students told they have a £26.50 budget for a weekly food shop. Task is to purchase goods from the 2015 price list of 24 items, keeping within the budget i.e. spending £26.50 or less.</p> <p>Students are then given a list of prices for the same goods in 2022. Students can calculate the new total price if they were to buy the same items.</p> <p>Students answer the following questions:</p> <ul style="list-style-type: none"> <li>• Is the total cost lower or higher than the original £26.50 total?</li> <li>• Which items have increased or decreased in price and why do you think these changes have taken place?</li> <li>• If the cost of products that I need like food has gone up, what does this mean for the money I have left for my wants or that I want to save or invest?</li> </ul>	<p><b>Extension:</b> Encourage thinking about why the price changes have taken place. For example, increase in fuel/ petrol costs have meant it's more expensive for food to travel.</p> <p>Some items, such as pasta or bread made from wheat, have increased in price due to the Ukraine war as there's less wheat available. Ukraine and Russia supply about a quarter of the world's wheat.</p> <p>Link to budgeting. If inflation is rising, more money will be spent on NEEDS, meaning there will be less money to spend on WANTS or put towards the future.</p>

## Chapter 4 - Inflation, what does it mean for my budget?

<b>Slide 72</b>	3 minutes	<p>Optional activity “Added, remained, removed”. Explanation that the items in the basket of goods and services change depending on popularity i.e. what are the most important things to include to represent price changes. Students consider whether each item displayed on the screen has been added, remained or removed from the previous year’s basket of goods.</p> <p>Instructions: One by one items are displayed on the slide. On mini whiteboards (or in notebooks if whiteboards aren’t accessible) students decide whether each item has been added, removed or remained in the basket of goods and services in 2022 when compared to 2021. Top tip: consider whether the product on the screen is still something people buy a lot of.</p> <p>Context of main changes for teacher knowledge:</p> <ul style="list-style-type: none"><li>• In 2022, 19 items have been added to the Consumer Prices Index and 15 items have been removed.</li><li>• Additions to the baskets for 2022 include meat-free sausages, canned pulses, sports bras, pet collars and antibacterial surface wipes.</li><li>• Removals from the baskets include doughnuts, men’s suits and coal.</li></ul>	<p><b>Notes:</b> Exercise to be annually updated.</p> <p><b>Extension:</b> Why have doughnuts, men’s suits and coal been removed?</p> <ul style="list-style-type: none"><li>• Reflects peoples’ increased awareness of health, more people working from home so wearing more casual clothes, and the increase in green energy as coal is a fossil fuel.</li></ul> <p>Why have veggie sausages, anti-bacterial wipes and pet collars been added?</p> <ul style="list-style-type: none"><li>• Reflects the rising interest in plant-based diets, and hygiene due to Covid and more people buying pets during the pandemic.</li></ul>
<b>Slide 73-74</b>	3 minute	Wellbeing check in and signposting	
<b>Slide 75</b>	10 minutes	<p>Assessment for learning activity.</p> <p>True or false statements displayed one by one on the screen. When each statement is displayed, students write True or False on mini whiteboards or sheets of paper. Where false, students explain why the statement is false and are encouraged to correct the statement on their whiteboards.</p>	



## Chapter 4 - Inflation, what does it mean for my budget?

Activity and Maths Moment	Time allowance	Resources	Instructions	Delivery tips
<p><b>Slide 76</b></p> <p><b>Slide 77-78</b></p> <p><b>Slide 79</b></p> <p><b>Slide 80</b></p>	<p>10 minutes</p>		<p>Review of learning objectives</p> <p>Review of money mindset questions.</p> <ul style="list-style-type: none"> <li>• Encourage students to use knowledge gained from the module when giving reasons for their opinion i.e. "how does this link to..."</li> <li>• Invite students to share whether any of their initial opinions have changed</li> <li>• This can contribute to the final plenary question - <i>What are the three most important messages that you think will help you to manage your money in the future?</i></li> </ul> <p>Invite students to ask any questions they have using the anonymous questions if needed</p> <p>Share links to further learning and access to other resources from the FLIC website</p>	