

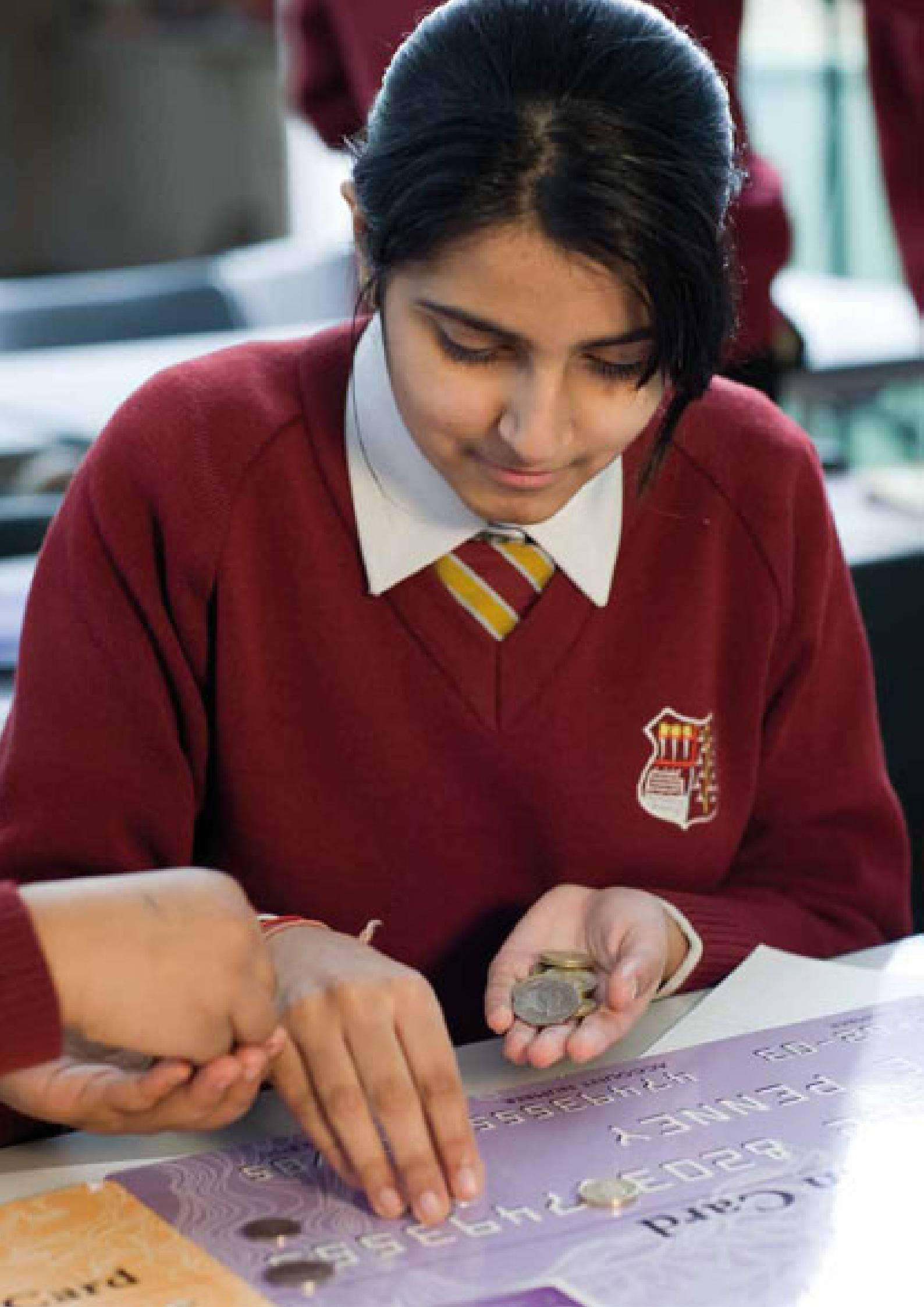


# My Money

## PSHE education Teacher Handbook

Teaching Personal Finance Education  
in PSHE education at key stages 3 and 4





# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

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## Section 1: Introduction

Financial capability is an increasingly important skill in our society. Levels of debt and insolvency in the UK are at an all-time high and there is a growing reluctance among young people in particular to save for the future. At the same time people are faced with a vast array of financial products and services and are required to make complex decisions that will have significant consequences for their future wellbeing.



The aim of this handbook is to give teachers practical help in equipping pupils with a solid understanding of money and all that is associated with it.

A 2008 survey carried out by **pfeg** (the Personal Finance Education Group) found that 97% of 536 secondary teachers thought that teaching personal finance education in schools is important. Providing personal finance education from an early age not only equips pupils with a basic understanding of money but it also helps to address a number of issues which particularly affect young people such as:

- Rising levels of reliance on credit.
- Managing the cost of further and higher education.
- Part-time employment.
- Targeted advertising promoting goods and services.
- Financial initiatives including the Educational Maintenance Allowance and Child Trust Fund.
- The increased variety and availability of payment options.
- E-commerce.

Research by the Financial Services Authority has also shown the existence of a financial divide between different sections of society. People with few formal qualifications along with those not in education, training or employment often have a poor understanding of personal finance. This lack of financial capability among many adults creates a barrier which prevents them benefiting from basic financial services such as bank accounts. Other studies suggest that personal finance education also fosters the development of enterprise skills and has a significant impact on future prosperity.

The aim of this handbook is to give teachers practical help in tackling these imbalances by equipping all pupils with a solid understanding of money and all that is associated with it.

## What is financial capability and what is personal finance education?

**Financial capability** is the ability to manage one's finances and to become a confident, questioning and informed consumer of financial services.

**Personal finance education** is a planned programme of learning opportunities and experiences designed to increase the financial capability of all pupils from every social and cultural background.

The development of financial capability is lifelong – a continuum along which we need to move as we develop not only an awareness and understanding of money matters, but also the skills, critical judgement and resolve to manage them. Personal finance education supports the development of knowledge and understanding, skills and attitudes that help people move along this continuum.

## What is this handbook for?

This handbook is for teachers of PSHE education to help them build personal finance education into schemes of work with key stages 3 and 4 learners.

### It will help them to:

- clarify how aspects of personal finance education can be addressed through the PSHE education curriculum
- work with teachers from different subject areas to find creative and relevant ways to enhance pupils' learning about personal finance
- explore opportunities for cross-curricular learning
- identify good practice in personal finance education through case studies and other examples
- start with pupils' own areas of interest and concern when carrying out personal finance activities
- cater for different ability levels and backgrounds, address sensitive issues and involve parents and carers in personal finance learning.

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## PSHE education at key stages 3 and 4

### Section 2: Curriculum

The 2007 revision of the National Curriculum for England includes revised non-statutory programmes of study for personal, social, health and economic education (PSHE education). For each of key stages 3 and 4 there are two interrelated programmes of study:

#### Personal wellbeing

#### Economic wellbeing and financial capability

The second of these two brings together careers education, work-related learning, enterprise and financial capability. As with the other new subject documents, the programme of study comprises:

- 1 **An importance statement** – why the subject matters and how it can contribute to the aims.
- 2 **Key concepts** – the big ideas that underpin the subject.
- 3 **Key processes** – the essential skills of the subject matter.
- 4 **Range and content** – the breadth of subject-matter from which teachers should draw to develop knowledge, concepts and skills.
- 5 **Curriculum opportunities** – opportunities to enhance and enrich learning, including making links to the wider curriculum.

The importance statement stresses ways that financial capability can help pupils:

- by equipping them with the skills and attributes to make the most of changing opportunities in learning and work
- by enabling them to develop as questioning and informed consumers and learn to manage their money and finances effectively
- by helping them see the relevance of what they learn in school to their future lives
- through learning how to make and act on reasonable risk/reward assessments.

There is considerable overlap between the different elements of this programme of study at both key stages, reflecting the need for financial capability to be taught alongside other PSHE education programmes. The programme of study is designed to encourage cohesive learning that brings together financial, enterprise, careers and work-related themes rather than separating them out.

The Programme of Study for economic wellbeing and financial capability can be found in **Appendix 1** on **page 34**.

#### Cross-curricular dimensions of personal finance education

Personal finance education does not belong exclusively to the realm of PSHE education. A personal finance education programme can be developed through a number of school subjects and cross-curricular dimensions and the best results are often achieved when an integrated approach is taken. Mathematics and citizenship are two other areas of the curriculum through which student financial capability can be developed in particular. Strategies for creating an effective cross-curricular approach to the teaching of personal finance are contained in **Section 6** on **page 28**.

Financial capability is a key part of personal development. These are areas of learning that promote pupils' spiritual, moral, social and cultural development and help prepare them for the opportunities, responsibilities and experiences of adult life. It also has strong links with the following cross-curricular dimensions:

#### Enterprise

Enterprise activities involve taking personal responsibility and understanding risk. This involves managing money, organising resources and solving problems – all of which are relevant to financial capability. Enterprise also involves the same type of monitoring and reviewing processes which are necessary to keeping personal finances in check. These parallels are reflected in the economic wellbeing strands of the new PSHE education



The provision of a programme of personal finance education is also a requirement of the National Healthy Schools Programme.

programmes of study. It is important to ensure that learning is explicitly extended into the personal aspects of finance if a decision has been made that enterprise should contribute to personal finance education provision.

### Healthy lifestyle

Healthy lifestyle is about mental wellbeing as well as physical health and there is no doubt that financial capability has an effect on the former. Getting into debt, for example, not only causes stress but can have serious longer-term consequences including depression. Healthy lifestyle is all about equipping young people to look after themselves and being able to manage personal finance effectively will undoubtedly affect a person's health and therefore the quality of his or her life.

As a component of PSHE education, the provision of a programme of personal finance education is also a requirement of the National Healthy Schools Programme.

### Sustainable development

A person who is financially capable will generally be able to make broader choices than a person who is not. Sustainable development is all about making choices; choosing ways to live that can 'meet the needs of the present without compromising the ability of future generations to meet their own needs' (as defined by the UN). Personal finance education helps pupils to learn the importance of money and helps them to appreciate the central role that economics plays globally and therefore how it affects the environment.

### Financial capability and the Every Child Matters agenda

Every Child Matters is a strategic Government initiative aimed at generating a coordinated approach to the wellbeing of children and young people by improving communication and shared aims between various agencies and public bodies including schools. Every Child Matters has five outcomes, the fifth of which is 'Achieve economic wellbeing' and it is clear that personal finance education is seen as a key feature underpinning this strategy.

This initiative is focussed particularly on narrowing the gap between disadvantaged children and their peers and seeks to improve opportunities for groups such as looked-after children, those with special educational needs and young people with disabilities with the aim of reducing those not in education, employment or training. Being financially capable can empower these groups to break out of cycles of disadvantage, and effective personal finance education in both primary and secondary school is the basis of how this can be achieved.

Teaching personal finance education effectively is therefore one of the most important ways that schools can help meet the fifth Every Child Matters outcome.

## Section 3: Curriculum aims and objectives

The 2007 PSHE education programme of study for economic wellbeing and financial capability at key stages 3 and 4 specifies a number of key concepts and key processes which pupils need to explore. In terms of personal financial education, the most relevant of these are:

### Key concepts

#### Capability:

- 1.2b Learning how to manage money and personal finances.
- 1.2d Becoming critical consumers of goods and services.

#### Risk:

- 1.3b Understanding the need to manage risk in the context of financial and career choices.

#### Economic understanding:

- 1.4a Understanding the economic and business environment.
- 1.4b Understanding the functions and uses of money.

### Key processes

#### Financial capability:

- 2.4a Managing personal money.
- 2.4b Understand financial risk and reward.
- 2.4c Explaining financial terms and products.
- 2.4b Identifying how finance will play an important part in their lives and in achieving their aspirations.

These are broad themes that cover a lot of ground and include some overlap with the more general strand of economic wellbeing. This section is designed to help teachers break down these aims into clearer learning objectives which can form the basis of effective personal finance education classroom activities.

The following tables are based on the Department for Children, Schools and Families' (DCSF) **Guidance on financial capability in the secondary curriculum: key stage 3 and 4** document which links the PSHE programme of study to learning outcomes for financial capability. The aim here is to provide suggestions for learning experiences based on these outcomes which can form the foundation for a personal finance education scheme of work. The full Department for Children, Schools and Families (DCSF) guidance document can be downloaded for free from [publications.teachernet.gov.uk](http://publications.teachernet.gov.uk).

To order or find out more about any of the resources mentioned in the tables overleaf, please visit the pfeg website: [www.pfeg.org](http://www.pfeg.org).

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## PSHE education at key stages 3 and 4

### Key Stage 3

PSHE education	Learning outcomes	Possible learning
<p><b>Programme of study for economic wellbeing and financial capability reference</b></p>		<p><b>Experiences to deliver these outcomes</b></p>
<p><b>Exploring career and personal finance</b></p> <p><b>Career</b> (PSHE-EWBFC 1.1)</p> <ul style="list-style-type: none"> <li>- understand that everyone has a 'career' that will affect personal finance</li> </ul> <p><b>Financial capability</b> (PSHE-EWBFC 2.4)</p> <ul style="list-style-type: none"> <li>- identify how finance will play an important part in their lives and achieving their aspirations</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- how wages/salaries are calculated (hourly, weekly, annually, bonuses, overtime)</li> <li>- about different types of allowances and benefits available to me when I start independent life</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- estimate and calculate take home pay for different occupations and circumstances</li> </ul> <p><b>Have explored attitudes to:</b></p> <ul style="list-style-type: none"> <li>- priorities, needs and wants for the near future and later in life</li> </ul>	<p>Identifying needs and wants from a set of examples and discussing the difference between them using a pfeg-Quality Marked resource such as <b>Colossal Cards</b> or <b>My Money Matters</b>; write a list of personal financial priorities.</p> <p>Research average salaries for different types of jobs and compare these with estimates. Discuss whether these differences are fair and how wages are calculated and paid.</p> <p>Question and answer session with a volunteer from the local Citizens Advice Bureau about allowances and benefits available to school-leavers.</p>
<p><b>Exploring capability and personal finance</b></p> <p><b>Capability</b> (PSHE-EWBFC 1.2)</p> <ul style="list-style-type: none"> <li>- learn how to manage their money and personal finances</li> </ul> <p><b>Financial capability</b> (PSHE-EWBFC 2.4)</p> <ul style="list-style-type: none"> <li>- explain financial terms and products</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- different ways to pay for goods and services and different forms of credit or debit arrangement</li> <li>- how holiday currency is arranged and how to calculate conversion rates</li> <li>- ways of choosing, opening and using different forms of bank account</li> </ul>	<p>Collaborative work to select the best method to pay for various items from a given set of options.</p> <p>In pairs pupils play the CD-ROM game <b>Adding Up to a Lifetime</b> which deals with planning a holiday and dealing with currency conversion.</p>
<p><b>Range and content</b> (PSHE-EWBFC 3g)</p> <ul style="list-style-type: none"> <li>- develop knowledge and understanding of: personal budgeting, money management and knowledge of a range of financial products and services</li> </ul>	<p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- plan budgets for current weekly finances as a consumer</li> <li>- use different ways of recording spending and savings</li> <li>- choose financial products in different circumstances.</li> </ul> <p><b>Have explored attitudes to:</b></p> <ul style="list-style-type: none"> <li>- how ineffective use of money can result in wasted resources.</li> </ul>	<p>Illustrated slide show and talk by a visitor from a local bank who can explain the various types of bank accounts available.</p> <p>Role-play: make financial decisions for fictional families based on different scenarios (see <b>Case studies</b> on page 19 for some examples).</p> <p>Budget problem-solving activities planned in conjunction with the mathematics department.</p> <p>Complete monthly budget sheets following an explanatory video.</p> <p>Use interactive online or offline games and activities which present different budgeting exercises at different levels of complexity, e.g. <b>My Money Matters</b> and <b>Spending Sense</b>.</p> <p>Learn what kind of advice and services are available through pfeg's <b>Learning Money Matters</b> project offered by pfeg education consultants.</p> <p>More information on the above resources and more can be found at <a href="http://www.pfeg.org/resources">www.pfeg.org/resources</a>.</p>





Breaking down curriculum aims into clearer learning objectives can form the basis of effective personal finance education classroom activities.

PSHE education	Learning outcomes	Possible learning
<p><b>Exploring risk and personal finance</b></p> <p><b>Risk</b> (PSHE-EWBFC 1.3)</p> <ul style="list-style-type: none"> <li>- understand risk in both positive and negative terms understand the need to manage risk in the context of financial and career choices</li> </ul> <p><b>Financial capability</b> (PSHE-EWBFC 2.3)</p> <ul style="list-style-type: none"> <li>- assess, undertake and manage risk</li> <li>- understand financial risk and reward</li> </ul> <p><b>Range and content</b> (PSHE-EWBFC 3g)</p> <ul style="list-style-type: none"> <li>- develop knowledge and understanding of: risk and reward and how money can make money through savings, investment and trade</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- how risk can be positive as well as negative and whatn basic financial decisions contain risks</li> <li>- how personal interest rates are calculated and how they vary according to the level of risk and length of commitment</li> <li>- that financial decisions are more about circumstances and personal choices than right answers</li> <li>- when typically insurance might be needed or not needed</li> <li>- how the stock market works, including positive and negative risks associated with it</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- find accurate information about choosing savings accounts and other financial products (minimising risk)</li> <li>- consider the likelihood or otherwise of key national or international events affecting personal money</li> <li>- have explored attitudes towards issues associated with gambling and how to avoid problems with it</li> </ul>	<p>Debate the motion 'the National Lottery is a waste of money for most people'.</p> <p>Team quiz about the stock market to help establish a base level of knowledge.</p> <p>Explore issues of savings using the commercial resources <b>It's Your Life</b> and <b>My Money Matters</b>.</p> <p>Drama: hot seat a person about the financial decisions that got him/her into debt and another about the choices that led to financial security.</p> <p>Play the <b>My Money</b> online game at <b>www.mymoneyonline.org</b> to learn about insurance and find out why it is often desirable and sometimes essential.</p> <p>Groups use the internet to research information about comparing bank savings accounts and create a short PowerPoint presentation to show how they can be useful in helping people to make informed choices.</p> <p>Run a question and answer session with a local person who runs a small business.</p>
<p><b>Exploring economic understanding and personal finance</b></p> <p><b>Economic understanding</b> (PSHE-EWBFC 1.4)</p> <ul style="list-style-type: none"> <li>- understand the economic and business environment</li> <li>- understand the functions and uses of money</li> </ul> <p><b>Enterprise</b> (PSHE-EWBFC 2.3)</p> <ul style="list-style-type: none"> <li>- demonstrate and apply understanding of economic ideas</li> </ul> <p><b>Range and content</b> (PSHE-EWBFC)</p> <ul style="list-style-type: none"> <li>- explore social and moral dilemmas about the use of money (3j)</li> <li>- learn how businesses use finance (3i)</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- the role of business in generating wealth – and what happens to it</li> <li>- how local services are paid for</li> <li>- the main forms of taxation</li> <li>- the role of charities and choices about giving to them</li> <li>- some effects of turbulence in the financial markets</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- find and access advice about money</li> <li>- have explored attitudes to environmental and ethical issues related to consumer choices.</li> </ul>	<p>Use the BBC website to find out facts about the current economic climate then design a webpage to explain it to younger pupils.</p> <p>After trying out the online tax activities at <b>www.taxtalking.com</b>, discuss the question of why we have tax and whether taxation is fair.</p> <p>Pupils working collaboratively in small groups can be given information on sources of advice about money then make a 30 second TV commercial about one of them to show to the class.</p> <p>In pairs, create a display about various charities and the different ways in which people can give to them. Talk about why people donate money to charity.</p> <p>Brainstorm ways in which our money choices affect the environment and ask pupils to write three changes they could make to their finances which would benefit people who live in poverty.</p>

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## PSHE education at key stages 3 and 4

### Key Stage 4

PSHE education	Learning outcomes	Possible learning
<p><b>Programme of study for economic wellbeing and financial capability reference</b></p>		<p><b>Experiences to deliver these outcomes</b></p>
<p><b>Exploring career and personal finance</b></p> <p><b>Career</b> (PSHE-EWBFC 1.1)</p> <ul style="list-style-type: none"> <li>- understand that everyone has a 'career'</li> <li>- understanding the qualities, attitudes and skills needed for employability</li> </ul> <p><b>Financial capability</b> (PSHE-EWBFC 2.4)</p> <ul style="list-style-type: none"> <li>- identify how finance will play an important part in their lives and achieving their aspirations</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- how wages and salaries are calculated</li> <li>- how deductions such as tax, national insurance and pension contributions affect take home pay and what they are used for</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- identify financial qualities, attitudes and skills for employability</li> <li>- calculate young people's earnings and benefits including Education Maintenance Allowance and student finance/loans</li> </ul> <p><b>Have explored attitudes to:</b></p> <ul style="list-style-type: none"> <li>- financial implications of career and other personal life choices/priorities</li> </ul>	<p>Brainstorm a list of qualities, attitudes and skills needs for three different jobs.</p> <p>Estimate the cost of a list of essential and aspirational items including house, car, foreign holiday and expensive electronic equipment, and discuss how these might be paid for in the future by the pupils.</p> <p>In pairs, play the <b>My Money</b> online game at <a href="http://www.mymoneyonline.org">www.mymoneyonline.org</a> to discover how important financial decisions can shape a person's life and career.</p> <p>Carry out a budgeting challenge using <b>pfeg</b> resources: pupils work collaboratively to manage the finances of fictional individuals over a fixed time period, with the aim being to meet the person's basic needs without getting into debt.</p>
<p><b>Exploring career and personal finance</b></p> <p><b>Capability</b> (PSHE-EWBFC 1.2)</p> <ul style="list-style-type: none"> <li>- learn how to manage their money and personal finances in a range of situations, both personal and beyond their control and experience</li> </ul> <p><b>Financial capability</b> (PSHE-EWBFC 2.4)</p> <ul style="list-style-type: none"> <li>- explain financial terms and products</li> </ul> <p><b>Range and content</b> (PSHE-EWBFC)</p> <ul style="list-style-type: none"> <li>- develop knowledge and understanding of personal budgeting, wages, taxes, money management, credit, debt and knowledge of a range of financial products and services (3h)</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- implications of credit and debt (loans, overdrafts, mortgages), how costs accumulate over time</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- compare the advantages and disadvantages of different forms of payment</li> <li>- balance income and expenditure               <ul style="list-style-type: none"> <li>– weekly and longer term budgeting</li> </ul> </li> <li>- interpret bills and personal finance statements, extracting key information</li> <li>- calculate compound interest including the significance of AER and APR</li> <li>- find, use and evaluate financial advice and information from internet, product advertising, financial advisors, Citizens Advice Bureau</li> </ul>	<p>In pairs pupils each research a given financial term or product, then give a 30 second presentation defining and explaining it. Each pair also writes a multiple choice quiz question about their topic. The session ends with a quiz with pupils reading out their questions.</p> <p>Illustrated talk from a visitor such as a financial adviser or bank employee to show the implications of good and bad money management. This could be based on student loans, for example. Followed by questions from pupils.</p> <p>Use worksheets to assess pupils' level of knowledge about tax then select suitable learning resources from the <b>pfeg</b> online database to address gaps.</p>
<p><b>Exploring capability and personal finance</b></p> <p><b>Capability</b> (PSHE-EWBFC 1.2)</p> <ul style="list-style-type: none"> <li>- learn how to manage their money and personal finances in a range of situations, both personal and beyond their control and experience</li> </ul> <p><b>Financial capability</b> (PSHE-EWBFC 2.4)</p> <ul style="list-style-type: none"> <li>- explain financial terms and products</li> </ul> <p><b>Range and content</b> PSHE-EWBFC</p> <ul style="list-style-type: none"> <li>- develop knowledge and understanding of personal budgeting, wages, taxes, money management, credit, debt and knowledge of a range of financial products and services (3h)</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- implications of credit and debt (loans, overdrafts, mortgages), how costs accumulate over time</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- compare the advantages and disadvantages of different forms of payment</li> <li>- balance income and expenditure               <ul style="list-style-type: none"> <li>– weekly and longer term budgeting</li> </ul> </li> <li>- interpret bills and personal finance statements, extracting key information</li> <li>- calculate compound interest including the significance of AER and APR.</li> <li>- find, use and evaluate financial advice and information from internet, product advertising, financial advisors, Citizens Advice Bureau</li> </ul>	<p>Pupils write down and share two tips for 'getting a good deal' when purchasing goods, plus examples of 'when I got ripped off'. Discuss strategies for finding value and being informed consumers.</p> <p>Carry out an activity where items to be paid for are matched to different types of payment such as cash, cheque, debit card, standing order, credit card. List the pros and cons of each form of payment.</p> <p>Carry out a survey of sources of financial advice following research. Pupils work in groups and give scores to each source to evaluate their usefulness.</p> <p>Use a projector to display and analyse a typical bank statement and a typical household bill.</p>



Using a variety of resources from printed booklets to web based activities and online games can help to unlock your pupil's imagination.

PSHE education	Learning outcomes	Possible learning
<p><b>Exploring risk and personal finance</b></p> <p><b>Risk</b> (PSHE-PWB 1.3 and EWBFC 1.3)</p> <ul style="list-style-type: none"> <li>- understand risk in both positive and negative terms</li> <li>- understand the need to manage risk in the context of financial and career choices</li> </ul> <p><b>Enterprise</b> (PSHE-EWBFC 2.3)</p> <ul style="list-style-type: none"> <li>- assess, undertake and manage risk</li> </ul> <p><b>Financial capability</b> (PSHE-EWBFC 2.4)</p> <ul style="list-style-type: none"> <li>- understand financial risk and reward</li> </ul> <p><b>Range and content</b> (PSHE-EWBFC)</p> <ul style="list-style-type: none"> <li>- develop knowledge and understanding of: risk and reward and how money can make money through savings, investment and trade (3i)</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- how insurance works and the types of insurance relevant to young people</li> <li>- how and why interest rates vary over time, according to the level of risk associated with them (including length of commitment) and how this can affect people</li> <li>- the differences between secured and unsecured loans and purchase agreements</li> <li>- the differences in risk and return between saving and investment products</li> <li>- the financial skills needed and risks involved in setting up and running a business</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- make a basic risk/reward assessment in relation to saving and borrowing (and quantify the risk on the basis of past data)</li> <li>- develop a sense of financial risk and recognise and learn from mistakes in financial decisions</li> </ul> <p><b>Have explored attitudes to:</b></p> <ul style="list-style-type: none"> <li>- the risks and rewards related to gambling</li> </ul>	<p>Work with the mathematics department to plan some activities based on interest rate calculations. Relate these to real-life examples showing how much a savings account can grow over a long period.</p> <p>Pupils create flow diagrams to show what happens to two fictional individuals, one with no insurance and one who is heavily insured, following a series of scenarios: car accident, flood at home, illness, job loss etc. Compare the financial outlay for insurance cover and discuss the risks.</p> <p>Drama: hot seat a person about the financial decisions that got him/her into debt and another about the choices that led to financial security.</p> <p>Use <b>pfeg</b>-recommended games and resources such as the <b>My Money Matters, Moneysense, Adding up to a Lifetime, and Make Money Make Sense</b> to give pupils an opportunity to make virtual financial decisions and learn from them.</p> <p>Pupils dramatise or illustrate in cartoon form a series of case studies (available from the <b>pfeg</b> website) demonstrating the differences between secured and unsecured loans, e.g. a man losing his flat after defaulting on mortgage payments, or the repossession of a car bought with hire purchase.</p>
<p><b>Exploring economic understanding and personal finance</b></p> <p><b>Economic understanding</b></p> <ul style="list-style-type: none"> <li>- understand the economic and business environment (PSHE-EWBFC 1.4)</li> <li>- understand the functions and uses of money (PSHE-EWBFC 1.4)</li> </ul> <p><b>Enterprise</b></p> <ul style="list-style-type: none"> <li>- demonstrate and apply understanding of economic ideas (PSHE-EWBFC 2.3)</li> </ul> <p><b>Range and content</b> (PSHE-EWBFC)</p> <ul style="list-style-type: none"> <li>- explore social and moral dilemmas about the use of money (3k)</li> <li>- learn how and why businesses use finance (3j)</li> </ul>	<p><b>Understand:</b></p> <ul style="list-style-type: none"> <li>- that private sector financial institutions make money through charging a higher rate of interest to borrowers than savers and by selling other financial services</li> <li>- how companies and other organisations are financed</li> <li>- how and why foreign exchange rates fluctuate</li> <li>- the main areas of national and local government finance and spending</li> <li>- rights and responsibilities re: financial products</li> </ul> <p><b>Be able to:</b></p> <ul style="list-style-type: none"> <li>- identify services and support available to a person setting up their own business</li> </ul> <p><b>Have explored attitudes to:</b></p> <ul style="list-style-type: none"> <li>- local, national and global decisions that affect finances and impact on personal lives</li> <li>- personal spending in relation to fair trade, ethical trading, ethical investment.</li> </ul>	<p>Have a question and answer session with local people who run small businesses, finding out about the risks involved and the type of financial management needed.</p> <p>Give pupils basic facts about gambling including probabilities/odds of winning and ask them to present these using PowerPoint.</p> <p>Pupils working collaboratively set up virtual banks, fixing interest rates for both savers and borrowers. They must try to attract customers but also make money. Decide by vote which bank would be most successful over the long term.</p> <p>Debate the motion: 'We should only buy fair trade products when shopping for food.'</p> <p>Ask a visitor from the local enterprise agency to give a presentation summing up the help available to people starting up new businesses.</p>

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Making teaching relevant

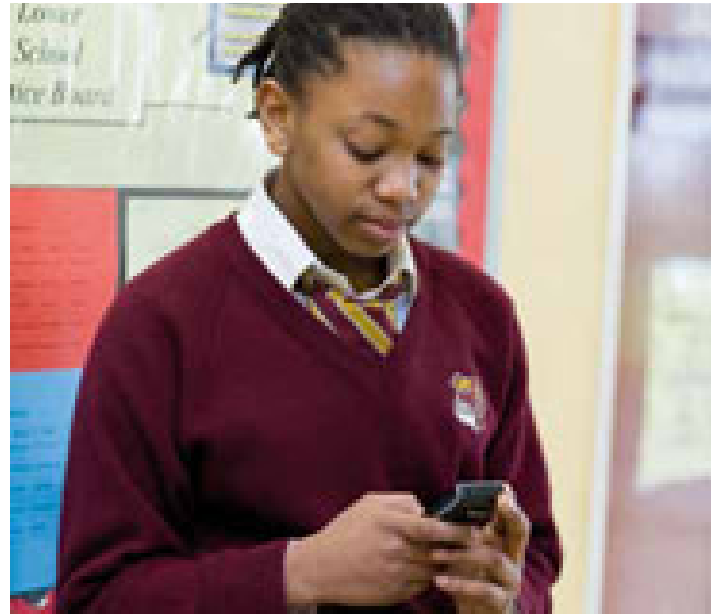
One of the fundamental factors in successful personal finance education is to address knowledge, skills and understanding through themes or financial life stages which are relevant to the lives of pupils. 11–16 year olds are just entering the world of financial independence, moving from pocket money to allowances to part-time work. This is the stage at which young people open their first bank account and begin to make significant purchases for themselves, often with money that they have earned or saved. They begin to travel independently and make transactions online; the era of universal mobile phone ownership among teenagers, with its vast array of tariffs and options, has made young people aware of the need to budget and to seek advice.

Furthermore, there is also a lot of financial capability that will not yet seem relevant to pupils at this stage such as learning about pensions or mortgages. Part of the challenge of delivering effective personal finance education is to make sure that pupils are aware that these are all life skills that they will need to use on a daily basis and probably sooner than they expect.

Teachers can exploit this opportunity in PSHE education sessions: pupils are eager to make the most of their money and find out about the various choices available to them in terms of payment methods, saving plans, financial facilities, purchasing guidance and possible sources of income such as the Educational Maintenance Allowance (EMA).

The list below summarises the key financial life stage experiences of most pupils between the ages of 11 and 16:

- Using a savings account.
- Managing an allowance and gift income.
- Mobile phone tariffs.
- Opening a bank account.
- Using a debit card or pre-payment card.
- Use of e-commerce.
- Earnings from part-time employment.
- Independent travel.
- Using a cheque book.
- EMA (Educational Maintenance Allowance) income.
- Buying clothing, small gifts etc.
- Finding out what banks and building societies offer.
- Selling goods.



The era of universal mobile phone ownership among teenagers, with its vast array of tariffs and options, has made young people aware of the need to budget.

The following list comprises important financial themes which are less relevant to pupils' immediate experience but will impact on them in later life and so will need to be addressed, particularly at Key Stage 4:

- Learning to drive.
- Owning a car.
- Working on a budget.
- Methods of saving.
- The difference between needs and wants.
- The cost of family living.
- Buying essentials: food etc.
- Paying bills.
- Savings accounts charge.
- Child Trust Fund.
- Debit cards.
- What banks and building societies offer.
- Cheques.
- Credit cards.
- Earning: full-time employment.
- Student finance.
- Loans.
- Direct debit.
- Getting into debt.
- Overdrafts.
- Pensions.
- Tax.
- Insurance.
- Ethical buying.
- Community.
- Mortgages.
- Store cards.
- Banking options.
- Benefit support.
- Investments.
- ISAs.



Using themes that are relevant to pupils' experiences, like budgeting for a holiday, can help bring personal finance to life in the classroom.

## Linking financial concepts and process to relevant themes

The following tables present suggestions for avenues through which teachers might introduce and address financial capability learning objectives. Teachers may want to add their own ideas to this list.

PSHE Education Programme of Study EWFC reference	Financial concepts	Relevant life experiences
1.4 Economic Understanding	How money can be used to make money	Having a savings account
1.2 Capability	Buying products and services	Choosing a new mobile; buying clothes and gifts; learning to drive
1.3 Risk	How interest rates vary with risk	Opening a bank account; saving; ISAs
1.4 Economic Understanding	How banks make money	Opening a bank account; saving; ISAs
1.2 Capability	Making financial decisions	Choosing a new mobile; saving; use of e-commerce
1.2 Capability	Types of payments	Obtaining a debit card; using cheques
1.3 Risk	Implications of credit and debt	Borrowing money; credit cards; student loans
1.2 Capability/1.4 Economic Understanding	Comparing interest rates	Saving; ISAs
1.2 Capability/1.4 Economic Understanding	Foreign exchange rates	Planning a holiday
1.1 Career/1.2 Capability 1.4 Economic Understanding	How wages/salaries are calculated	Part-time work; choosing a career
1.1 Career/1.2 Capability 1.4 Economic Understanding	Pay deductions	Part-time work; finding a job
1.1 Career/1.2 Capability 1.4 Economic Understanding	State benefits	EMA
1.3 Risk	How insurance works	Mobile phone insurance; car insurance
1.2 Capability	Sources of financial advice	Opening a bank account; ISAs

PSHE Education Programme of Study EWFC reference	Financial skills	Relevant life experiences
2.2 Exploration / 2.4 Financial Capability	Finding best value when purchasing	Choosing a new mobile; e-commerce
2.2 Exploration / 2.4 Financial Capability	Locating best deals for financial products	ISAs; saving
2.4 Financial Capability	Calculating foreign currency conversions	Planning a holiday
2.4 Financial Capability	Calculating take-home pay	Part-time work; choosing a career
2.4 Financial Capability	Calculating benefit entitlements	EMA
2.4 Financial Capability	Budgeting current weekly finances	Choosing a new mobile; part-time work
2.4 Financial Capability	Interpreting bills and finance statements	Opening a bank account; saving
2.3 Enterprise/2.4 Financial Capability	Assessing risk/reward in saving and borrowing	Saving; ISAs; borrowing money
2.3 Enterprise/2.4 Financial Capability	Having a sense of financial risk	Mobile phone insurance; holiday insurance

PSHE Education Programme of Study EWFC reference	Financial attitudes	Relevant life experiences
1.4 Economic understanding	Understanding how money can be well used or wasted	Spending; saving
1.1 Career/2.4 Financial Capability	Making future priorities	Student loans; learning to drive; saving
1.4 Economic Understanding 2.4 Financial capability	Seeing the need to balance income and expenditure	Borrowing and owing money; part-time work; spending
1.4 Economic understanding 2.3 Enterprise/2.4 Financial Capability	Knowing how to accrue financial long-term benefits	Saving; owning a car; ISAs
1.4 Economic understanding 2.1 Self-development 2.2 Exploration/2.4 Financial Capability	Aiming to make financial decisions using the best information	Choosing a mobile phone; ISAs; opening a bank account
1.4 Economic understanding 2.1 Self-development/2.4 Financial Capability	Appreciating social, emotional and cultural influences on money	Experience of family and friends; personal stories

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4



Teachers who are confident in their own knowledge of personal finance are better able to teach economic wellbeing effectively by using contexts that are relevant to pupils.

### Section 4: Teaching and learning

What is the best way to promote learning in personal finance education? There are, of course, many different approaches which can produce successful results, but the survey into the teaching of financial capability, completed by Ofsted in 2008 revealed a number of key factors for success displayed by the most effective schools.

#### 1 Factors contributing to good practice in personal finance education:

- Senior managers demonstrated a strong commitment to personal finance education for all pupils.
- A member of staff, often at a senior level, had responsibility for the development of personal finance education and financial capability across the school or college.
- Dedicated curriculum time was provided, often supplemented by work through other subjects and 'off-timetable' days.
- Teachers were confident in their knowledge of personal finance and used contexts that were relevant to pupils.
- Lessons engaged pupils in relevant and meaningful tasks and involved them in discussion and debate.
- Effective use was made of resources, including the expertise of external agencies, such as visits from local bank employees or **pfeg** consultants (further details of these are given later in this section).

The following sections will consider these factors and suggest solutions which will help in the planning and implementation of a viable personal finance education strategy.

#### 2 Factors in planning

The most effective financial capability strategies at key stages 3 and 4 in all subject areas are built on the following foundations:

- The timetabling of sessions dedicated to personal finance education. Regular curriculum time is a precious resource but this is the best way to ensure that objectives are met.
- The premise that learning should start from the pupils' own interests. 11–16s are concerned with:
  - acquiring and spending money
  - getting good deals
  - finding the best mobile tariff
  - knowing what to do if sold a faulty product
  - how to travel cheaply
  - what you can do with a pre-payment or debit card.

If pupils learn financial lessons through challenges familiar to them then they are more capable of transferring skills in more unfamiliar circumstances.

- A knowledge of the significant 'financial life stages' that all pupils will pass through over time, from receiving pocket money or a £5 note on a birthday, to opening a bank account to taking out a loan to buy a car. These life stages are outlined on **page 12** along with guidance mapping them to learning objectives. Ideas for activities and resources which can utilise these important milestones can be found in **Section 5** on **page 24**.
- The provision of tasks which develop PLTS (Personal Learning and Thinking Skills) through problem-solving, discussion, reflection, role-play, collaborative work, games, challenges, competitions and the use of stimulating resources. Some examples of these types of activities are outlined in the following section.
- An assessment of the pupils' current knowledge and experience. There are a number of good quality resources available, many free, which can help teachers to establish a baseline in terms of personal finance education understanding. Details of these are included below. A system of monitoring and evaluating pupils' progress towards achieving learning outcomes also needs to be put in place.
- An awareness of successful approaches used in the past. **pfeg** (The Personal Finance Education Group) has carried out research into the effectiveness of various personal finance education strategies and resources: details of these can be found below. **www.pfeg.org** also includes a database of useful case studies and summaries of some of these are included in the Case Study section on **page 19**.





The best results for delivering personal finance education are achieved where learning is reinforced through a combination of curriculum approaches, often across several subjects.

## Approaches for organising personal finance education in your school

Personal finance education can be successfully delivered through five main approaches in school as follows:

PSHE education	Advantages	Disadvantages
Part of a timetabled PSHE education programme	<ul style="list-style-type: none"> <li>• Timetabled lessons allow for a structured approach to developing understanding skills and appropriate attitudes and enable to focus on subject matter</li> </ul>	<ul style="list-style-type: none"> <li>• No benefit of a cross-curricular approach</li> <li>• Lack of enough timetabled PSHE education hours in schools</li> </ul>
By personal finance education specialists in separate lessons or models	<ul style="list-style-type: none"> <li>• Expertise in subject area</li> <li>• Responsibility for planning and assessment is clear</li> </ul>	<ul style="list-style-type: none"> <li>• Expertise is focused on one teacher who may leave</li> <li>• Lack of coherence in delivery</li> </ul>
Integrated into subjects across the curriculum	<ul style="list-style-type: none"> <li>• Whole-school involvement</li> <li>• Creates diverse context across a range of subjects</li> </ul>	<ul style="list-style-type: none"> <li>• Possible inconsistency in curriculum delivery</li> <li>• Explicit personal finance education not apparent to learners</li> </ul>
As part of a tutorial programme	<ul style="list-style-type: none"> <li>• Links well with broader personal development themes in pupil's experience</li> <li>• Sensitivity issues can be overcome as the tutor understands the pupil's personal circumstances</li> </ul>	<ul style="list-style-type: none"> <li>• Lack of time to develop ideas</li> <li>• Lack of specialist knowledge by tutors</li> </ul>
Through enrichment days or whole school projects	<ul style="list-style-type: none"> <li>• Engaging, memorable and exciting</li> <li>• Different learning styles</li> </ul>	<ul style="list-style-type: none"> <li>• Costly in time and resources to prepare</li> <li>• Adequate assessment of learning easily overlooked</li> </ul>

### A coordinated approach

Best practice in personal finance education in school is achieved where learning is reinforced through a careful combination of the above approaches that cover off the whole curriculum area, often across several subjects, particularly citizenship and mathematics.

Handbooks aimed at teachers of citizenship and mathematics have also been provided as part of the **My Money** suite of resources and are available to order for free from [www.mymoneyonline.org](http://www.mymoneyonline.org).

The teacher responsible for personal finance education should conduct an audit or seek to arrange planning meetings that involve all relevant members of staff. This handbook, in conjunction with the citizenship and mathematics handbooks, can form the basis of initial discussions and provide a framework for the writing of a financial capability development plan to be overseen by a senior manager where possible. A template for creating a financial capability plan in your school can be found on **page 37**.

It is important to plan activities which deliver other subject learning outcomes, in addition to learning outcomes for personal finance education.

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Auditing other subject areas to create an effective whole-school programme for personal finance education

In order to create a blended cross-curricular approach at your school it can be fruitful to audit the schemes of work of other subject areas. One way to do this is to create a simple template similar to the table below that department teachers can fill in. This template briefly outlines the topics that they are covering in their schemes of work and will help you identify areas in which personal finance education could be covered in lessons outside of PSHE education.

Subject	Description of lesson content	Year group	Lesson date	Concepts	Processes	Range and content
Geography	Cocoa bean growing processes in Less Economically Developed Countries and mechanisms involving fair trade	Year 8	20/1	[Filled in by PSHE co-ordinator]	[Filled in by PSHE co-ordinator]	[Filled in by PSHE co-ordinator]

Once the lessons have been audited you can identify the potential opportunities for financial capability to be addressed through other subjects. By filling out the final three columns and returning the audit table to the relevant teachers you can ensure that there is coverage of personal finance education throughout the school which will reinforce the relevance of financial capability among pupils and present learning in different contexts.

### Ensuring your audit is a success

Below are some tips to help make sure that your audit works across the school:

- Make sure that you get support from your senior management team.
- When asking colleagues with already heavy workloads, keep it simple and make sure you're clear about what you need and how it will be used.
- Ensure there is input from all subjects, or as many as you can involve.
- Try to map out and include all curriculum opportunities wherever possible. Thinking around the subject often helps. For example, if a mathematics teacher is covering probability in a lesson, you might suggest contextualising the subject by introducing gambling as a lesson starter.
- When you have received the audit forms, arrange to meet with other staff in order to explore how personal finance education might be integrated into their plans.
- Make sure you instruct other subject teachers to inform pupils that they are also learning about personal finance education in these lessons so that continuity can be achieved in their learning.
- Suggest simple ways of assessing the personal finance education that is taught. If there isn't enough time for your colleague to assess the personal finance education learning themselves, then pick it up yourself in the next suitable PSHE education lesson. (Notes on assessment can be found on **page 22** of this booklet).







When developing a personal finance programme in your school, try to ensure there is input from as many subjects as you can involve.

## Teaching and learning strategies for personal finance education

pfeg has identified the following teaching strategies as examples of good practice (NB this list is not exhaustive but represents a cross-section of approaches):

- Brainstorming, e.g. create lists of needs and wants.
- Collaborative work, e.g. students work in groups with cards to put needs in order of importance.
- Questionnaires, e.g. as an audit to assess current levels of financial knowledge among students.
- Discussion, e.g. discuss the question of how people get into debt.
- Video, e.g. discuss a typical teenager lifestyle, showing patterns of income and expenditure, to develop the notion of budgeting.
- Use of individual whiteboards, e.g. students estimate salaries for given jobs.
- Large flash cards, e.g. students match methods of payment to particular spending scenarios.
- Written tests, e.g. to assess students' knowledge, understanding and attitudes at the end of a unit of work on personal finance education.
- Role-play, e.g. students work in pairs to make financial decisions for fictional families based on given scenarios.
- Individual activity sheets, e.g. students complete a monthly budget following an introductory whole class session on budgets.
- Cross-curricular research, e.g. working with geography staff to compare and contrast the management of personal finances between the UK and Ghana within the context of fair trade.
- Catering for different learning styles, e.g. use computers including a software package which presents a rich visual interface while simulating the process of choosing a savings account.
- Using outside speakers, e.g. challenge assumptions and stereotypes by learning how individuals can overcome social disadvantage by involving a representative from the Citizens Advice Bureau.
- Addressing social, racial and economic diversity, e.g. studying the spending patterns of fictional families from varying backgrounds and find out about Islamic approaches to managing personal finance.
- Using a relevant context for managing personal finances, e.g. using the example of planning a holiday as a theme and allowing students to share their personal experiences in relation to this.

- Providing opportunities for reflection and review, e.g. giving time to discuss learning and the effectiveness of different approaches.
- Homework activities could be used to follow up many of the above.

Other strategies that have been used successfully include the setting up of school banks, the use of certificates or school awards/diplomas in financial capability, the establishment of links with local financial institutions such as building societies and the use of whole-year 'personal finance education days' involving a range of activities such as simulations, competitions, cooperative learning and talks led by visitors.

In many cases, these approaches have been developed during staff training days and CPD sessions following training for the member of staff responsible for personal finance education. Others have been planned in conjunction with pfeg consultants who offer advice tailored to the needs of the school. pfeg's consultants offer services to schools free of charge and can help to develop a programme of activities based on different subjects including PSHE education as part of the Learning Money Matters project. For more details visit [www.pfeg.org](http://www.pfeg.org).

**NB**

From summer 2009 schools can take part in **My Money Week**, a nationwide event designed to help teachers and pupils actively engage in learning about personal finance.

For more information about My Money Week visit [www.mymoneyonline.org](http://www.mymoneyonline.org)

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Personal finance education resources

A wide range of commercial and free resources are now available to help with the teaching of financial capability at key stages 3 and 4. Many schools also develop their own resources in order to meet the particular needs of pupils and to reflect the culture of the school. Among the resources used by schools are the following:

- videos/DVDs
- web-based activities for interactive whiteboard
- worksheets
- lesson plans
- narratives
- case studies
- competitions
- assessment tools
- printed project packs
- CD-ROMs.

To help schools judge which are the most relevant and effective resources, **pfeg** has a Quality Mark scheme. Resources are assessed by both educational and financial experts and are only awarded the Quality Mark if they satisfy five criteria.

Resources must:

- be up-to-date
- match curriculum requirements
- cover an appropriate range of financial topics accurately
- have been developed in partnership with teachers and tested in schools
- not promote particular businesses or financial products and services.

Details of resources which have been awarded the **pfeg** Quality Mark can be found at [www.pfeg.org/resources](http://www.pfeg.org/resources)

A 2008 survey of secondary schools carried out by **pfeg** revealed that the following resources are the most commonly used at key stages 3 and 4:

#### Learning Money Matters (pfeg)

**The Real Game** (Prospects Services)

**Moneysense** (RBS/Natwest)

**Adding Up to a Lifetime** (SSAT/Prudential)

**Make Money Make Sense** (Citizens Advice Bureau)



Many schools also develop their own resources in order to meet the particular needs of pupils and to reflect the culture of the school.

### Using external contributors

Another important resource is external contributors including visitors from the finance and wider business community. There are a number of people who work in financial services who regularly visit schools to share their expertise and experience of financial products and procedures and the broader picture in terms of how adults manage their money in various ways.

There are, of course, potential pitfalls to using external contributors, and guidance on the matter is covered in the 2008 DCSF booklet **Guidance on financial capability in the secondary curriculum: key stage 3 and 4**. Advice about receiving help from volunteers from the financial sector can also be sought from **pfeg** via [www.pfeg.org](http://www.pfeg.org) or 020 7330 9470.

### Learning Money Matters

**Learning Money Matters** is a **pfeg** initiative aimed at increasing and improving financial capability in secondary schools in England. It offers free advice, support and resources to schools and teachers who want to teach personal finance education in a way that fits an individual school's needs, with the help of a nationwide network of consultants.

Funded by the Financial Services Authority, Learning Money Matters operates from five regional **pfeg** offices have been established – in London and the South East, the North West, the North East, South West and Central England. This initiative provides expert consultants to work with schools to plan and deliver financial education. Schools can get more information from the **pfeg** website.

**pfeg** also runs a scheme called **Use Your Expertise** whereby fully trained and CRB-checked volunteers from the financial sector are matched with schools to provide advice, knowledge and expertise on financial capability. For more details visit [www.useyourexpertise.org](http://www.useyourexpertise.org).



There are a number of people who work in financial services who visit schools to share expertise of how adults manage their money and financial products and procedures.

## Case studies

The following case studies give brief details of successful personal finance education work through PSHE education sessions at key stages 3 and 4. The full case studies and over 30 others are available at [www.pfeg.org/resources](http://www.pfeg.org/resources). Each case study can be downloaded and contains lesson plans, activity sheets, questionnaires and further resources.

### Case study

## Key Stage 3: Farnley Park School, Leeds

Farnley Park School made full use of the professional development support available from **pfeg** to build their confidence in providing personal finance education and to develop detailed schemes of work for Year 7. The school aimed to extend the personal finance education provision to Years 8 and 9 with lessons that were developed by Farnley Park staff with reference to existing resources.

### Project aims:

- Explore what pupils know about money and finance.
- Map pupils' attitudes to money.
- Explore forms of payment.
- Introduce budgeting.

The project was broken down into four areas:

- 1** An initial verbal test/quiz for pupils to demonstrate what they already knew about money and financial management, including gauging attitudes to money.  
Pupils carried out a simple written investigation into their own personal finances involving some basic calculations and answers to questions, allowing the teacher to assess prior learning in terms of financial capability.
- 2** A 'Brainstorming Finance' game involving volunteers answering quick-fire questions about financial terms in a game show-type simulation. This was followed by an activity in pairs where pupils investigated the differences between needs, wants and demands through listing what they would need and want to survive on a desert island. More role-play followed as pupils were given a chance to specialise their roles on the island and swap items. Homework was used to reinforce the concepts covered in these activities.
- 3** Pupils were encouraged to find out about methods of payment with the help of large display cards and a local bank employee. Pupils then added the value of a set of given shopping items and selected a payment method, discussing and recording the advantages and disadvantages of each method. Again, homework was set which built on this work.
- 4** Pupils learned about budgets, first by watching an introductory video then by completing simple budgets on paper, in an activity based on various fictional characters. This was followed up with a budget card game involving several layers of complexity (enabling differentiation of the tasks set). Knowledge was consolidated with a homework assignment in which pupils studied an imaginary family's income and expenditure to find out how they managed their money.

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Case study

## Key Stage 3: Matthew Arnold School, Surrey

The emphasis here was on the development of personal finance education across an entire school. The programme, developed by staff with the full support of the head teacher, designated the following themes:

- **Year 7:** pocket money and consumerism
- **Year 8:** money – addictions and advertising
- **Year 9:** savings, government finance and spending in a global context
- **Years 10 & 11:** money management revisited; choices post-16 and paying for a place of one's own

The main rationale for the programme was to ensure pupils are building up their personal finance knowledge and skills over their five years of obligatory secondary education. In practice this means that by the end of their school career pupils are equipped to:

- budget and manage their income
- choose a savings/cheque account that meets their needs
- compare interest rates and returns on short or long-term savings/investments
- complain if they are not happy with a service or product
- avoid addiction in all its guises
- assess the effects of the Budget on their income or savings
- reduce energy consumption and save money
- use their purchasing power to improve conditions for workers in developing countries
- in preparation for 16+ choices, calculate and manage their earned income, tax deductions and/or grant income.

### Good practice

At the Matthew Arnold School personal finance awareness has enhanced understanding and motivation across the curriculum. The whole school has been influenced by personal finance education. In developing, delivering and sustaining personal finance education there were many instances of good practice. Some of the key examples were:

- Pupils and staff witnessed personal finance education being endorsed and supported by the head teacher.
- There were up-to-date lesson plans and appropriate documentation was prepared for the personal finance education teaching team to support the personal finance education activity.
- Links were identified with other appropriate national curriculum (NC) areas along with school curriculum delivery systems and personnel.
- Communication and co-operation with other colleges was established.
- Involvement of colleagues was secured from the mathematics and geography departments.
- Pupils were informed about the learning objectives at the outset of the programme and every lesson.
- The teaching process used collaborative learning and group work, pairing and mentoring, as appropriate.
- Teaching built upon the experiences, background and prior attainment of pupils.
- The personal experiences of individual pupils were encouraged and respected.
- The balance of teaching was focused on skill, competence and attitudinal development along with problem-solving, rather than on factual acquisition alone.
- The school has facilitated ongoing INSET training in life skills and personal finance education.

The school delivered this programme using a number of resources:

- **Your Life Skills** – managing money
- **Consuming Passions** – the power of advertising
- **CD Case studies** – savings
- **Your Future** – rights, relationships and responsibilities
- **Work Matters** – life choices – careers
- **It's your life** – savings long term
- **The internet** – general research

Further information on how these resources were used can be found on **Case Study 37** at [www.pfeg.org](http://www.pfeg.org)



Over 30 full case studies are available to download at [www.pfeg.org/resources](http://www.pfeg.org/resources).

## Case study

# Key Stage 4: Hope High School, Salford

The PSHE education team at Hope High School in Salford were aided by a **pfeg** consultant. They developed a six-lesson pilot based on the personal finance topics that Year 10 pupils indicated they wanted to study. The work involved:

- conducting an initial pupil personal finance topic audit
- exploring and challenging pupils' preconceptions about earnings, spending and lifestyles
- budgeting
- paying for goods and services including the use of forms of credit (two sessions)
- evaluating the unit and mapping future learning.

Over-arching the scheme of work were the following principles for helping pupils:

- understand the difference between needs and wants
- grasp the relationship between income levels and expenditure.

### Activities:

#### 1 Existing understanding

A questionnaire was used to ascertain the pupils' level of knowledge and the extent of their perceived financial capability. This also gave them a chance to write down what additional financial information or topics they would like included.

#### 2 Earnings, spending and lifestyles

Cards were used to display five fictional families' income levels, and photos of consumer items such as clothes, food, holidays and cars added vital details of their spending patterns. Once a picture of each household had been built up, group discussions took place around the question of whether each family could afford their lifestyle. Needs and wants were identified and misconceptions addressed.

#### 3 Budgeting activity

In groups, pupils completed an income and expenditure pro-forma for one of three fictional people using financial information provided, such as bills, bank statements and payslips. Each scenario featured a different money crisis or issue, and pupils had to decide what the individual should do under the circumstances, with each group feeding back their response to the class.

#### 4 Payment methods

Large cards were used by the teacher to show examples of different payment methods: cash, credit card, debit card, loan etc. Each one was discussed so that pupils understood how they work, with the emphasis on being fully aware of the differences between credit and debit. Photos of desirable items such as expensive trainers or gadgets were shown and pupils then matched these with suitable payment methods, weighing up the pros and cons in each case.

#### 5 Managing money

Using resource sheets, pupils were presented with two fictional families who handle their money in contrasting ways. Using credit card information along with bank statements and other sources, pupils decided which family was in debt and why. Additional spending and saving scenarios were introduced, with groups deciding whether these could be afforded in each case and how they might best be managed.

#### 6 Evaluation

Pupils reflected on what they know and still need to know to become financially confident and competent. The questionnaire from activity one was used again for this activity, followed by discussion, debriefing and review.

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Assessment

Effective assessment requires the use of clear financial learning objectives, such as those outlined in **Section 3** of this handbook on **page 7**. These objectives should form the basis of assessment although other elements should also be taken into account:

- There should be opportunities for students to reflect on their progress in understanding personal finance and to think about how they can apply learning to their own circumstances.
- Personal capability is not just about knowledge and understanding but about attitudes to money.
- Self-assessment is a valuable tool and can help students to identify targets and improve their levels of learning.

Assessment should be formative in nature, helping to shape future plans and adapt teaching approaches to meet the needs of pupils. It should also be a vehicle for celebrating successes and strengths: good quality feedback to students is therefore an important part of the process.



Learners can be given opportunities to identify evidence of progress in their own work and reflect on their changing skills and values in addition to their knowledge.

Teachers can actively involve pupils as partners in the assessment process through discussing the purposes of learning activities and to emphasise the relevance of financial capability in both present and future contexts. Learners can also be given opportunities to identify evidence of progress in their work and reflect on their changing skills and values in addition to their knowledge.

Activities that include good opportunities for assessment:

- Class or group discussion.
- Questioning pupils individually or in small groups.
- Quizzes or written tests of knowledge.
- Written responses to questions, e.g. on activity sheets.
- Reflective writing following activity sessions.

Teachers can also observe and make notes on pupils carrying out the following personal finance education activities:

- Collaborative problem solving, e.g. creating a budget for a fictional family.
- Presentations and short talks given by pupils.
- Pupils using interactive resources such as board games, web activities and sorting tasks using cards.
- Designing explanatory material such as displays, web pages, videos or reports.
- Carrying out drama activities such as role-play.
- Questioning a visitor.

Teachers should aim to collect evidence from these types of activities in addition to notes made on individual pupils. All written evidence should include brief contextual information.



Money and finance are sensitive areas of life that need careful handling within the classroom at all times.

## Dealing with sensitive issues

Money and finance are sensitive areas of life that need careful handling within the classroom at all times. An effective way to avoid problematic situations for everyone involved in lessons or activities dealing with personal finance is to establish ground rules for discussion. These are more likely to work well if pupils themselves contribute to their development. Clear ground rules will help to minimise embarrassment, avoid inappropriate disclosures and prevent potentially offensive comments.

When developing a set of rules with pupils, it is important to clarify their objectives. They should:

- enable pupils to talk or write about financial matters without the need to make personal disclosure about family circumstances
- encourage constructive discussion, promoting respect for alternative points of view
- promote respect, courtesy, responsibility and understanding
- help minimise embarrassment and comments of a negative nature.

Ground rules need to be constantly monitored and revised if necessary and sanctions considered for when they are broken. One way to depersonalise sensitive discussions is to use distancing techniques such as role-play or case studies with invented characters. Wherever possible, ground rules should be based on positive statements, such as a list of do's rather than don'ts. The rules should also be clearly displayed for all to see.

Pupils may need help from the teachers or other pupils in understanding cultural differences in relation to money and the wide range of values that different people uphold regarding personal finance. Explanations of the ways in which different cultures regard and use money can also be an excellent stimulus for discussion and can increase understanding between students from varied backgrounds.

Assessment and reflection are also areas which need to be handled with sensitivity. The 2008 DSCF guidance on financial capability makes the following point:

**An integral part of teaching, learning and assessment is the opportunity for pupils to reflect with the teacher, with their peers and individually upon what they have learned and how it could be applied to real life now and in the future. Because such reflection will inevitably include aspects of pupils' own behaviour, the part that relationships play in their decisions and aspects of family life, sensitivity is needed when planning assessment. Assessment should focus on the achievement of planned learning objectives and never judge the worth or value of an individual student or their family.**





# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

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### Section 5: Activities and opportunities

**Successful PSHE education activities that focus on financial capability should be relevant, well-planned, informed by an evaluation of pupils' own experience and founded on an awareness of cultural and economic diversity. Many effective learning opportunities capitalise on the various high-quality out-of-school resources mentioned in the previous section. These may not always provide a best-fit for individual schools, however, and personal finance education activities will need to be developed that suit different learning styles, different organisational structures, particular social and ethnic backgrounds and to cater for the huge range of pupil abilities.**

This section contains simple outlines of ideas for a wide range of activities which can easily be adapted to match the needs of a school or group of pupils. The emphasis is on activities promoting collaboration, problem-solving, creativity, interaction and cross-curricular dimensions.

- 1 Quizzes are a useful format, particularly if they are based on established TV show formats such as Who Wants to be a Millionaire? Multiple choice questions, small prizes, the use of ICT (for example questions presented on an interactive whiteboard) and a fast pace can all raise levels of motivation and interest. This can be a good way to 'kick-start' a planned programme of personal finance education within PSHE education.

### Starting points

- There are multiple choice quizzes included in some of the case studies on the **pfeg** website [www.pfeg.org](http://www.pfeg.org).
- The **pfeg** site also includes access to a variety of free resources that contain facts about personal finance to use as the basis for quiz questions.
- **The My Money online game** at [www.mymoneyonline.org](http://www.mymoneyonline.org) includes a series of multiple choice questions.
- Allowing pupils to work in teams and confer increases confidence and enjoyment levels.





Targeted research provides an opportunity for pupils to compare real financial products and discover what to look for in terms of getting a good deal.

2 Drama activities can also be used as a vehicle for developing pupils' understanding of particular financial scenarios and choices. Role-play can be used to enable pupils to experience situations such as opening a bank account, applying for a loan or deciding where to invest Child Trust Fund money. 'Hot-seating' is another valuable technique where pupils can be given the chance to answer questions from various points of view, such as a person who has a lot of credit card debt or a parent who wants to open a savings account for a young child. Drama can also be used to explore areas such as fraud or identity theft and financial scams.

### \* Starting points

- A number of the case studies on the **pfeg** website include drama activities.
- A teacher or classroom assistant can take the 'hot-seat' first to show pupils how to answer questions in role.
- Some pupils enjoy writing short sketches or scripts for scenes about particular scenarios (e.g. 'spend or save?'; 'why bother with a pension?'; 'fashion's not worth it').

3 Budgeting case studies can be very useful learning tools, particularly if they are made interactive. One way to do this is to present them as investigations where the pupils act as detectives to solve a mystery. For example a scenario could be presented where someone owes £130 at the end of the month: there are three suspects and vital clues are given in the form of financial information, along with red herrings and lifestyle details. The evidence must be studied in detail (and discussed, preferably in groups) to discover the identity of the individual in question.

### \* Starting points

- Many personal finance education resources include budgeting exercises or activities which can be carried out in different ways – see the **pfeg** website for details of these.
- Budgeting activities can easily be differentiated to cater for different abilities by varying the number of outgoings, for example, and by altering the size of the figures involved.
- Working through a simple budget on an interactive whiteboard with the whole class can be an effective way to get the ball rolling.

4 Working in pairs, pupils can prepare brief PowerPoint presentations to explain and illustrate financial concepts such as interest rates, credit, tax, direct debit, Education Maintenance Allowance, payment methods and Individual Savings Accounts. As an added incentive, these can be shown to the class and voted on by pupils in terms of which one presents information with the most clarity.

### \* Starting points

- Many personal finance education resources for key stages 3 and 4 include useful glossaries.
- There is also an extensive glossary of financial terms on the **pfeg** website.
- Another excellent source of accessible information aimed at teenagers is **www.thesite.org** – this includes a section on money.

5 Targeted research provides an opportunity for pupils to compare real financial products and discover what to look for in terms of getting a good deal. This could be based on bank current accounts, for example, with pupils using promotion leaflets or websites to find information. Mobile phone tariffs are another area which will provide interest and relevance. Pupils can report back their findings to the class, and say why they chose a particular product as being best value or most suitable. There should be opportunities for the class to ask questions of each group. Comparison charts can also be created, so that information can be displayed.

### \* Starting points

- A number of personal finance education resources include simplified versions of these types of activities where pupils can choose from fictional bank accounts or mobile tariffs which make comparison easy.
- Avoid the internet with younger pupils or restrict them to particular websites with clear, accessible comparison information.
- Teachers can create invented accounts or tariffs (based on real examples) to make the activity easier to control.

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

6 Competitions based on collaborative work can add extra motivation to PSHE education lessons. An example of this in the context of personal finance education is an activity based on the TV show *Dragons' Den*. Four pupils can be chosen as investors, each with a virtual £100 to hand over to a group which they think will give them a good return. Rather than focussing on a business venture, the task here is for small groups of pupils to present investment ideas showing how they could get a good return for the *Dragons'* money. Each group has two minutes to present their ideas to the *Dragons* who decide whether to invest or not and justify their opinions.

### Starting points

- This type of activity is often greatly enhanced by advice or help from external contributors such as **pfeg** consultants (further information about this can be found on **pages 17 and 18**).
- This type of activity works well as a culmination of research and discussion about personal finance education issues which some pupils will regard as dry.
- Real prizes, however small, always add a degree of motivation to these kinds of competitive activities.

7 Question and answer sessions with external volunteers can give opportunities for pupils to find out how various real people manage their finances. To ensure that suitable volunteers are used, schools can ring **pfeg** to request one through the "Use your expertise" project, which matches volunteers from the financial sector with schools. All of these volunteers are independently CRB checked. For more information go to **www.pfeg.org/uyeforschools**. Alternatively, schools can arrange visits from people with financial expertise, such as bank managers, entrepreneurs or Citizens Advice Bureau advisers who will be able to provide a broader picture.

### Starting points

- Questions should be prepared in advance.
- Pupils should be encouraged to make notes on answers.
- Ask if possible to provide leaflets or other sources of information.

8 Pupils can use digital cameras to create short video commercials selling a particular financial product such as an ISA or savings account. The benefits of each product can be researched first and pupils challenged to give three reasons why potential customers should consider using it. Alternatively, this format can be used to create 30-second 'public information films' which warn people about the dangers of getting into debt, reliance on credit, failing to budget, not saving for the future, loan sharks, ATM scams etc. Pupils can upload them to **youtube** and spread the information to their friends.

### Starting points

- If possible, try to find professionally-made video testimonies featuring real people who have been the victim of scams or who have suffered the consequences of debt – these are often very powerful (the BBC is a good source of this type of material).
- Less able or less confident pupils can be given a simple script to work from so that they can focus on the presentation.
- **www.thesite.org** is a very good source of advice on avoiding money problems.



[www.pfeg.org/resources](http://www.pfeg.org/resources) has a database of resources and an independent Quality Mark scheme to help guide teachers.



Web-based games and interactives can be introduced using an interactive whiteboard before giving pupils a chance to work on them at workstations.

9 There are a number of personal finance education web-based games and interactives that can be introduced using an interactive whiteboard before giving pupils a chance to work on them in pairs at workstations. The best of these provide relevant contexts for pupils to learn about money management and provide problem-solving activities involving budgeting, using figures and considering options then finding out the consequences. Such online activities are a good way of reinforcing learning for pupils who enjoy working with computers and they provide instant feedback, providing pupils with opportunities to experiment with different financial scenarios through simulation which they will eventually meet for real. [www.pfeg.org/resources](http://www.pfeg.org/resources) has a database of these resources and an independent Quality Mark scheme to help guide teachers.

### Starting points

- Visit [www.mymoneyonline.org](http://www.mymoneyonline.org) to play the **My Money** online game.
- Look for resources recommended in the case studies in this handbook.
- The **pfeg** resources database is searchable by key stage and theme, so teachers can find materials to resource certain areas of the programme of study.
- Some resources contain videos which can be used to introduce financial topics.

10 Themed group challenges run with the help of outside agencies like **pfeg**, such as those described in the Farnley Park case study on **page 19**, can provide a rich initial stimulus which can then be built upon using activity sheets and other written tasks which promote reflection. These types of activities can be adapted to cover areas of personal finance education which research has revealed to be poorly resourced: EMA, prepayment cards, mobile phones, fraud, and e-commerce. In Key Stage 4 group challenges might be based around themes which relate to adult life such as government schemes and benefits, tax credits and Child Trust Fund.

### Starting points

- Contact **pfeg** on 020 7330 9470 to ask about the availability of consultants who can advise on how to plan and teach personal finance education.
- Search the **pfeg** resources section at [www.pfeg.org/resources](http://www.pfeg.org/resources) for case studies involving personal finance education.
- Take part in **My Money Week**, a nationwide event designed to help teachers and pupils actively engage in learning about personal finance. For more information visit [www.mymoneyonline.org](http://www.mymoneyonline.org)

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Section 6: Cross-curricular activities

Some schools have enhanced their programmes of personal finance education through cross-curricular activities such as themed days involving a whole year group or even the whole school. Ofsted's 2008 survey of personal finance education provision in secondary schools in England made the following observation:

In successful schools and colleges, personal finance education was strongly supported by senior managers. They saw it as an important part of the curriculum for all pupils and it was given dedicated curriculum time, which was often supplemented by 'off-timetable' days and work through a range of subjects.

The DCSF 2008 guidance on teaching financial capability at key stages 3 and 4 also identifies the advantages of whole-school and extended timetable activities such as a 'money challenge' day or enterprise week to enrich, but not replace, a varied personal finance education programme.

#### Case study

### Applying mathematical skills to real-life

As part of its planned programme of personal finance education, a school in Barnsley developed a personal finance day to enable pupils to apply mathematical skills to real-life situations and the world of work beyond the classroom. It provided compelling learning that even the least motivated pupils found irresistible and the day enhanced learning taking place in PSHE education, citizenship and mathematics.

A school-devised 'Who Wants to be a Millionaire?' game with questions relating to financial matters providing information about pupils' current levels of financial understanding as well as generating lively discussion.

This was followed by discussion about how people earn money, what benefits are available to people who don't work and different methods of payment. Starting points were pupils' own experiences e.g. paper rounds, babysitting and Saturday jobs. The notion of deductions was new to many as was an appreciation that some people cannot work and that other people need to support them.

A budgeting exercise required groups of pupils to budget for the outgoings of an allocated fictitious person. Immediate priorities focusing on going out, buying mobile phone credit, bus fares and new clothes gradually gave way to a realisation of the need to budget for housing and utilities. Real costs were compared with pupils' initial low estimates. Pupils began to relate potential earning to standard of living and the need to have high, but realistic, aspirations.

In the afternoon pupils played a trading game which simulated problems related to earning money in a developing country. Pupils took the roles of hard working family members doing jobs such as market traders, and factory workers. Also roles such as money lenders and 'cost of living collectors' were created, (taking payments to simulate the cost of food, housing etc). Increasing cost of living and interest rates and decreasing profits left pupils frustrated about the difficulty of making a profit whilst working incredibly hard. As well as giving the pupils the opportunity to use their mathematical skills in context it also allowed them to have an insight into the difficulties some people in other countries face.



Cross-curricular activities are enjoyed by pupils and promote positive attitudes towards personal finance learning.

### What are the advantages of cross-curricular activities?

- They are generally enjoyed by pupils and therefore promote positive attitudes towards personal finance learning.
- They can be carefully planned over a period of time and tailored to meet pupils' specific needs.
- Outside agencies such as **pfeg** have extensive expertise in the provision of events such as whole-school 'off-timetable' days and can offer free advice and resources based on tried and tested procedures.
- They give pupils opportunities to engage in a variety of interesting activities which would be difficult to accommodate in timetabled lessons, such as large-scale group problem-solving challenges and practical tasks which might require the hall.
- They raise awareness and enthusiasm for finance education among staff and parents as well as pupils.

### My Money Week

From summer 2009 schools can take part in **My Money Week**, a nationwide event designed to help teachers and pupils actively engage in personal finance education learning. For more information about **My Money Week** visit [www.mymoneyonline.org](http://www.mymoneyonline.org)



Cross-curricular activities give pupils opportunities to engage in a variety of interesting activities which would be difficult to accommodate in timetabled lessons.

### Case study

## Effective cross-curricular personal finance education activities

Ofsted noted a number of examples of effective 'bespoke' cross-curricular personal finance education activities:

Year 10 pupils in one school had to manage a budget for a family over a period of time and to cope with a series of unexpected expenditures. In another, Year 11 pupils were given the task of buying and running a car, taking account of different individual circumstances, to come up with a best buy. Pupils often enjoyed these events most when they were actively engaged in a wide range of different and interesting tasks. For example, in one school pupils moved around a carousel of personal finance challenges, competitions and quizzes, receiving rapid feedback on how well they did.

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

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### Section 7: Working with parents and carers

Communicating the importance and relevance of personal finance education to parents and carers is a challenge for a school but one that is worth pursuing. Although it is a sensitive issue in many homes, discussions about money within family contexts can bring considerable benefits to pupils. Parents and carers are in a unique position to aid their children's understanding of finance and can give concrete examples of how it is managed in a household situation and can answer questions that might be inappropriate to ask in other situations.

How can schools bring parents and carers on board with respect to developing financial capability in pupils?

- Keeping parents and carers informed through newsletters is an easy way to raise the profile of personal finance education.
- Homework activities in which parents and carers are encouraged to work together with pupils to give opinions and answer simple questions about handling money can lead to beneficial discussions at home.
- Inviting parents and carers to assemblies, presentations and off-timetable activities, either as spectators or as volunteer helpers.
- Parents and carers with financial expertise may be willing to give short talks or answer questions about specific aspects of the subject.

Parents and carers can reinforce key messages about financial capability, such as the need to save, the avoidance of over reliance on credit and how to undertake financial planning and to budget carefully when purchasing. In the same way, parents and carers who themselves possess poor financial capability will inevitably set negative examples to their children which will reinforce problems and may lead to financial difficulties in later life.

One way to counteract this issue is to involve parents and carers more fully in ongoing personal finance education activities. The following extended case study shows how one school approached this goal.





Learning to drive and owning a car is a key future financial experience facing pupils at key stages 3 and 4.

## Case study

### Needham Market Middle School, Suffolk

There was a pre-existing policy at Needham Market Middle School of inviting parents into the school to participate in lessons supporting their Year 6 and 8 children and this was extended to include pupils involved in personal finance education. It proved to be a great success. The idea was to capitalise on the vast knowledge and experience other adults can bring to the classroom.

#### **The school identified the following rationale for involving parents in personal finance education:**

- Inclusion leads to parents being more fully informed of what their children are doing in school and means parents can contribute to their children's learning through complementary activities.
- Facilitation of a better dialogue between teachers and parents, based on a greater level of knowledge.

#### **The following benefits for personal finance education were also identified:**

- Many of the financial issues discussed in school (e.g. pocket money, savings, planning for a holiday) are based on what is going on in pupils' home lives.
- Learning about money undertaken by pupils in school can be taken home and shared with the family.
- Research suggests that parents are a significant influence on their children's financial attitudes.
- Parents and carers will nearly always have experience and skills of particular relevance to the programmes being developed – they provide a pool of first-hand experience in a wide range of financial matters including budgeting, saving, managing debt, judging value for money, preparing for life after work.
- Grandparents can be invaluable in their ability to reflect back on financial matters such as the price of goods, systems for buying and selling, and living in a society that tended to save before buying rather than the credit reliant culture of today.

#### **Development**

During the planning of the Year 7 unit of work 'financial responsibility: making personal choices', the thought of involving parents/carers in a lesson surfaced. After some discussion and reflection it was decided to try to include a parent/carers, son/daughter lesson within the unit of work. It was decided to follow a similar format to that used with the drug education work in school.

#### **Planning and implementation**

The unit of work was written and meetings were set up with outside professionals who were to be involved in the project. The professionals were briefed on the project as a whole and their role was explained for both the parents/carers evening and also within the classroom. Those involved included a financial adviser, a representative from a bank and the local Citizens Advice Bureau was also keen to put forward a representative.

Continues overleaf



# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Case study

## The lessons

### Lesson 1

Developing pupil understanding that, in order to satisfy their needs and wants, the providers of goods/services will require some form of payment.

Pupils started by making a list of all statutory outgoings taken from earnings:

- income tax
- NI contributions.

Pupils then made a list of other outgoings to be paid for in a typical family year including: council tax, utility bills, food, clothing, petrol, mortgage, pension, rent, pocket money, holidays, presents, road tax, MOT, insurance etc.

Pupils then played **The Real Game** for thirty minutes – an interactive game where pupils can simulate the opportunities and the responsibilities of adult life. This helped them to understand the importance of living within your means.

### Lesson 2

This covered the questions:

- If we borrow money and get into debt what can we do?
- Should we save up for things we cannot afford to buy immediately?
- What are good ways to save?

Ten-minute talks were given by a bank worker, financial adviser and CAB representative. Pupils made notes on the services and support offered by the professionals and their institutions followed by a class discussion.

### Lesson 3

Pupils and parents played **The Real Game** for 35 minutes – the parent/ carer and their son/daughter selected their home, car, holiday etc. They then chose or were given a form of employment. As the game progressed, there were discussions about how wants/needs are catered for, which served to break the ice between parent/carer and child, discussing how the finances of home life are. In this way the child became more aware of how finances affect their own life now, as well as setting before them some of the decisions that they will have to make in the future.

### Lesson 4

A feedback sheet was used for the pupils to fill to record what they learned, how this would be of use to them, how the lessons could be improved etc. Pupils then played **The Real Game** once more. Changes in their attitudes to playing the game were noted.

### The parent/carer evening

Parents/carers were invited to a one-hour meeting before the lessons took place in order to outline the class work being undertaken by their children. In addition, an explanation of what the outside professionals would input into lessons in order for the adult and their child to begin to work together on family finances.

A financial adviser, a representative of a local bank and a representative of the Citizens Advice Bureau each gave a 10 minute presentation relating to their work in the financial world. A question and answer session then followed. The parents/carers were then shown **The Real Game** and given an opportunity to play it as well.

### The parent/carer/son/daughter lesson

The lesson progressed well, with parents/carers who had attended the explanatory evening quickly becoming involved in discussing options with their son/daughter, with those who did not attend requiring a quick explanation of what was to happen in the lesson. On hand were extra adults (teaching assistants, governors, other parents) so that every child was working with an adult. In a few cases an adult worked with two pupils.

The lesson quickly developed into more talk than play. Discussion about family finances became commonplace. It is advisable to place each pair at a separate desk so that some confidentiality can be maintained.





Pupils begin to understand that to satisfy their basic needs and wants good money management is required.

## Feedback

Pupil feedback was a clear endorsement of the value of involving parents and carers:

"I thought that it would be just a laugh, but I really enjoyed working with Mum and I now understand how tough things can be."

"You have to earn loads of money to live."

"I think that I shall have to get a job to help out."

"My dad knows loads about money."

Parents/carers:

"I didn't realise that my son knows so much about finance."

"I have learned a lot about finance from this, thank you."

"We can now talk more openly about life at home and how we spend the money. Hopefully things will be less stressful."

## Section 8: Further information

Department for Children, Schools and Families [www.dcsf.gov.uk](http://www.dcsf.gov.uk)

Personal Finance Education Group [www.pfeg.org](http://www.pfeg.org)

Financial Services Authority [www.fsa.gov.uk](http://www.fsa.gov.uk)

HM Treasury [www.hm-treasury.gov.uk](http://www.hm-treasury.gov.uk)

HM Revenue and Customs [www.hmrc.gov.uk](http://www.hmrc.gov.uk)

Qualifications and Curriculum Authority [www.qca.org.uk](http://www.qca.org.uk)

PSHE Association [www.pshe-association.org.uk](http://www.pshe-association.org.uk)

The Economics and Business Education Association [www.ebea.org.uk](http://www.ebea.org.uk)

The Association for Careers Education and Guidance [www.aceg.org.uk](http://www.aceg.org.uk)

Enterprise Education for Schools [www.teachernet.gov.uk](http://www.teachernet.gov.uk)

Association of British Credit Unions [www.abcul.coop](http://www.abcul.coop)

Child Trust Fund [www.childtrustfund.gov.uk](http://www.childtrustfund.gov.uk)

Citizens Advice [www.nacab.org.uk](http://www.nacab.org.uk)

Consumers' association Which? [www.which.co.uk/reviews/money](http://www.which.co.uk/reviews/money)

Moneyfacts [www.moneyfacts.co.uk](http://www.moneyfacts.co.uk)

National Consumer Council [www.ncc.org.uk](http://www.ncc.org.uk)

Teachers TV [www.teachers.tv/finance](http://www.teachers.tv/finance)

National PSHE CPD programme [www.pshe-cpd.com](http://www.pshe-cpd.com)

National Healthy Schools Programme [www.healthyschools.gov.uk](http://www.healthyschools.gov.uk)

# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

### Appendix 1: The programme of study for economic wellbeing and financial capability key stages 3 and 4

## Key Stage 3:

### 1. Key concepts

#### 1.1 Career

- a** Understanding that everyone has a 'career'.
- b** Developing a sense of personal identity for career progression.
- c** Understanding the qualities, attitudes and skills needed for employability.

#### 1.2 Capability

- a** Exploring what it means to be enterprising.
- b** Learning how to manage money and personal finances.
- c** Understanding how to make creative and realistic plans for transition.
- d** Becoming critical consumers of goods and services.

#### 1.3 Risk

- a** Understanding risk in both positive and negative terms.
- b** Understanding the need to manage risk in the context of financial and career choices.
- c** Taking risks and learning from mistakes.

#### 1.4 Economic understanding

- a** Understanding the economic and business environment.
- b** Understanding the functions and uses of money.

Since financial capability deals primarily with personal finance rather than broader economic understanding, the key concepts from a financial capability perspective are 1.2b, 1.2d, 1.3b and 1.4b although, of course all of the concepts are relevant to some extent.

The programme of study document provides useful definitions for terms such as 'enterprising' and 'plans for transition'.

It is vital that pupils are led to a firm understanding of these concepts in order to achieve a basic level of financial capability. Suggestions for activities which can help to achieve this aim are included in **Section 4**.

### 2. Key processes

#### 2.1 Self-development

##### Pupils should be able to:

- a** develop and maintain their self-esteem and envisage a positive future for themselves in work
- b** identify major life roles and ways of managing the relationships between them
- c** assess their needs, interests, values, skills, abilities and attitudes in relation to options in learning, work and enterprise
- d** review their experiences and achievements.

#### 2.2 Exploration

##### Pupils should be able to:

- a** use a variety of information sources to explore options and choices in career and financial contexts
- b** recognise bias and inaccuracies in information about learning pathways, work and enterprise
- c** investigate the main trends in employment and relate these to their career plans.

#### 2.3 Enterprise

##### Pupils should be able to:

- a** identify the main qualities and skills needed to enter and thrive in the working world
- b** assess, undertake and manage risk
- c** take action to improve their chances in their career
- d** manage change and transition
- e** use approaches to working with others, problem-solving and action planning
- f** understand and apply skills and qualities for enterprise
- g** demonstrate and apply understanding of economic ideas.

#### 2.4 Financial capability

##### Pupils should be able to:

- a** manage their money
- b** understand financial risk and reward
- c** explain financial terms and products
- d** identify how finance will play an important part in their lives and in achieving their aspirations.

The key processes from the programme of study listed here outline the essential skills pupils need to learn in order to make progress. In addition to 2.4, 2.2a is a particularly relevant component for a rounded personal finance education.

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### 3. Range and content

The study of economic wellbeing and financial capability should include:

- a** different types of work, including employment, self-employment and voluntary work
- b** work roles and identities
- c** the range of opportunities in learning and work and changing patterns of employment (local, national, European and global)
- d** the personal review and planning process
- e** skills and qualities in relation to employers' needs
- f** a range of economic and business terms, including the effect of competition on product and price
- g** personal budgeting, money management and a range of financial products and services
- h** risk and reward, and how money can make money through savings, investment and trade
- i** how businesses use finance
- j** social and moral dilemmas about the use of money.

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The most relevant elements for financial capability here are 3d, 3g and 3h.

### 4. Curriculum opportunities

The curriculum should provide opportunities for pupils to:

- a** use case studies, simulations, scenarios, role-play and drama to explore work and enterprise issues
- b** recognise, develop and apply their skills for enterprise and employability
- c** have direct and indirect contact with people from business
- d** explore options and progression routes in learning
- e** have contact with information, advice and guidance specialists
- f** engage with ideas, challenges and applications from the business world
- g** explore sources of information and ideas about work and enterprise
- h** discuss contemporary issues in work
- i** write a personal statement and make an individual learning and career plan for their transition into the 14–19 phase
- j** make links between economic wellbeing and financial capability and other subjects and areas of the curriculum.

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Particularly relevant for the development of a personal finance education programme are 4a, 4e and 4j. Ideas for developing these opportunities are outlined in section 4.

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# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

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### Key Stage 4:

The programme of study for Key Stage 4 has the same Key Concepts as for Key Stage 3. The following elements are different:

#### 2 Key processes

##### 2.1 Self-development

###### Pupils should be able to:

- a assess the importance of their experiences and achievements in relation to their future plans.
- 

##### 2.2 Exploration

###### Pupils should be able to:

- a identify, select and use a range of information sources to research, clarify and review options and choices in career and financial contexts relevant to their needs.
- 

##### 2.3 Enterprise

###### Pupils should be able to:

- a develop approaches to working with others, problem-solving and action planning
  - b understand the key attitudes for enterprise, including self-reliance, open-mindedness, respect for evidence, pragmatism and commitment to making a difference
  - c develop and apply skills and qualities for enterprise
  - d demonstrate and apply understanding of economic ideas.
- 

### 3. Range and content

The study of economic wellbeing and financial capability should include:

- a different types of work, including employment, self-employment and voluntary work
  - b the organisation and structure of different types of businesses, and work roles and identities
  - c rights and responsibilities at work and attitudes and values in relation to work and enterprise
  - d the range of opportunities in learning and work and changing patterns of employment (local, national, European and global)
  - e the personal review and planning process
  - f skills and qualities in relation to employers' needs
  - g a range of economic and business terms, including the connections between markets, competition, price and profit
  - h personal budgeting, wages, taxes, money management, credit, debt and a range of financial products and services
  - i risk and reward, and how money can make money through savings, investment and trade
  - j how and why businesses use finance
  - k social and moral dilemmas about the use of money.
- 

### 4. Curriculum opportunities

The curriculum should provide opportunities for pupils to:

- a use case studies, simulations, scenarios, role-play and drama to explore work and enterprise issues
  - b use their experiences of work to extend their understanding of work
  - c recognise, develop and apply their skills for enterprise and employability
  - d have direct and indirect contact with people from business
  - e research options and progression routes in learning and work
  - f have contact with information, advice and guidance specialists
  - g engage with ideas, challenges and applications from the business world
  - h explore sources of information and ideas about work and enterprise
  - i discuss contemporary issues in work
  - j review and update a personal statement and make an individual learning and career plan for their transition into the post-16 phase
  - k make links between economic wellbeing and financial capability and other subjects and areas of the curriculum.
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## Appendix 2: Creating a personal finance education development plan checklist

### Foundations

#### First stage:

- Agree principles and rationale.
- Research support structures (e.g. **pfeg**).
- Discussions at governor, SLT, teacher level (LEA where appropriate/desirable).
- Identification of constraints – financial, staffing, curriculum.
- Formulation of personal finance education policy (see below for guidance).

#### Second stage:

- Appoint a co-ordinator for personal finance education ideally for the whole school or within the citizenship or PSHE education team
- Audit and evaluate current practice.
- Consult pupils/parents.
- Mapping exercise of potential areas to cover (see **page 16**).
- Construct full curriculum plan – ratification by management.
- Make links with other local coordinators/teams.

#### Third stage:

- In-depth planning and preparation.
- Ensure progression is in place.
- Concentration on teaching of skills/content.
- General Staff INSET.
- Development of evaluation and assessment procedures.
- Statement of intention/ information to parents & website.
- Finalisation of delivery plans (including trialling materials).
- Finalisation of assessment, recording and reporting plans.
- Final adjustments to policy.
- Specific staff INSET.

### Ongoing requirements

- Monitoring.
- Progress review – team meetings.
- Interim report to SLT/governors.
- Continue INSET where appropriate/desirable.
- Canvass student opinion.
- Adapting/updating policy and practice where necessary.

### Writing a policy for personal finance education

The key questions to ask are:

- What are the aims and objectives of personal finance education?
  - Why is financial capability important?
  - What does financial capability through personal finance education mean?
  - What are the budgetary implications?
  - What is the timescale involved?
  - Who is to lead on and manage personal finance education?
  - How is student progress/achievement to be assessed?
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# My Money PSHE education Teacher Handbook

## PSHE education at key stages 3 and 4

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### Reviewing current provision

The following questions will help to define where the school is in terms of its personal finance education:

#### 1. What are the financial learning needs and priorities of pupils in this school?

- Consider local housing, employment, levels of debt.
- Assess the needs of people from different backgrounds.
- Consult pupils, parents/carers, school staff and the wider community about these needs.

#### 2. What opportunities are already provided to promote pupils' financial capability?

- Is personal finance education addressed through timetabled lessons?
- Which subjects are involved?
- Are specialist days and events organised?
- Is there active pupil participation through school banks, budgeting for events or community initiatives?
- Is there support from outside agencies?
- Are pupils given opportunity to reflect on their financial learning?
- How do we identify and build on what children have learnt during earlier key stages?

#### 3. What already works well and meets our priorities?

- What do pupils, and staff, believe works well?
- What do parents/carers, governors and community partners think?
- How do they think it could be improved?
- Does it meet the identified needs of pupils and the priorities of the community? Are there any gaps?
- Is provision differentiated effectively?
- Are learning approaches active, engaging, challenging, varied, relevant?

### Moving forward

The following are suggestions to consider for extending personal finance education within the school:

- Regularly consulting pupils about their needs and priorities.
- Involving pupils more fully in financial decisions in the school and beyond.
- Ensuring that there are opportunities to develop financial capability for all pupils.
- Auditing and opportunities for personal finance education in subjects.
- Spending time on ways to make learning more active, engaging, challenging and relevant.
- Increasing pupils' involvement in off-timetabled events and extra-curricular activities by enabling them to cost, organise and run the events.
- Building more effective links with local financial services and businesses.

### Broader questions to address

- How will timetabling and staffing issues be addressed?
- What are the school's training needs for personal finance education?
- What resources are required to implement our plans?
- How will opportunities for pupils to reflect on what they have learnt, assess their progress and celebrate their achievement be built into provision?
- Are monitoring, review and self-evaluation systems in place?
- How will we know we have been successful?

### Sources of help

Schools can draw support from organisations outside the school, for example:

- **pfeg**
    - Information, Advice and Guidance (IAG) providers
    - Local authority PSHE education leads and other local authority staff
  - business and enterprise networks
  - youth service
  - employers
  - financial services companies
  - local voluntary organisations such as Citizens Advice and the National Children's Bureau.
-



# For more information contact:

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