# Value for money

Age range: 11-14

**BARCLAYS** | Life**Skills**

# Session overview

**This lesson, focused on providing supporting students to budget, plan for the future and think about how to get value for money on their purchases, is one of four Money Skills lessons for young people aged 11-14.**

| Time | Key learning outcomes | Resources |
|------|----------------------|-----------|
| 90 mins | By the end of the activity students will have:<br><br>• Understood the difference between income and expenditure<br><br>• Have completed a sample budget and considered the results<br><br>• Have reflected on their own spending patterns and influences | • Value for money presentation slides<br><br>• **Needs and Wants online tool** |

The Money Skills 11-14 lessons support students to develop helpful financial skills for their future, prepare them for the world of work, and keep up to date with modern financial changes. Each lesson has 90 minutes of core activities, along with suggested extension activities and signposting to supporting LifeSkills content and relevant external links. They are accredited with the Young Money Financial Education Mark, recognising them as recommended financial education resources.

This lesson plan is designed to be used in tandem with a PDF containing interactive activity slides.

# Contents

There is Money Skills content to suit a range of ages and abilities – take a look at our 7-11, 14-16, 16-19 and 19+ resources, which focus on topics such as attitudes to money, money management and risk, and financial independence.

Please note that this lesson includes figures used in calculations such as student loan thresholds, NI contributions or similar. These figures were correct at the time of publication but may have changed by the time you use the resource as they are usually updated by the Government on a yearly basis.

# Activity one

## Icebreaker – Money aspirations

### 1. Discuss aspirations in groups

- Split students into small groups, and ask them to name five items or experiences that they think people aspire to in their lifetime. Encourage them to consider different life stages – teenagers, young adults, parents, etc., and what financial costs these aspirations might have

### 2. Share aspirations with the class

- After three minutes, ask the groups to share their answers, and discuss whether there are items that make repeat appearances or any that are unique to one group. Ask them what influences these aspirations, and whether they might change over time

- If you are working with more able students, you could consider in more detail aspirations that don't appear to have a direct financial cost, like being happy, or having a successful career. Ask students whether there might be costs associated with reaching these aspirations, e.g. studying to gain qualifications for the career you want

# Activity two

## Making ends meet

### 1. Introduce budgeting

- This activity helps students understand how a personal budget can help them stay in control or plan how they will spend and save

Budgets should be:

- Comprehensive and honest – they should include all the ways they might receive or spend money, however small
- Accurate – they need to make sure nothing is forgotten and identify their spending priorities
- Cover a set period – usually a week or a month to allow comparison

### 2. Explore keeping a budget

- Discuss the implications of a budget that isn't comprehensive, honest or accurate, and the practical aspect of making and monitoring a budget. You can use paper and pen, a spreadsheet, a calculator, or an online/ mobile app

- Extend the discussion to explore how budgets can help with longer-term planning and saving and remind them that savings set aside should be recorded under expenditure. Remind them that it's important that any savings get put somewhere safe, where they won't get spent – a separate account to their general spending is the obvious place for this

# Activity two

## Making ends meet (cont'd)



- Using **slide 2**, display Chris's weekly income and expenditure. Using this information, complete the table as a class to create a budget for Chris. Check that they understand the key terminology – expenditure, income, balance (positive or negative)

### Chris's weekly budget (answers)

| Income | Allowance | £10 |
|---|---|---|
| | Part-time job | 6 x £6 = £36 |
| | **Total income** | **£46** |
| Expenditure | Drinks and snacks | £7 |
| | Mobile phone | £5 |
| | Clothes | £8 |
| | Owe mum money | £3 |
| | Going out with friends | £20 |
| | Online gaming | £9 |
| | **Total expenditure** | **£52** |
| **Balance** | | **-£6** |
| **Savings** | | **£0** |



- **Slide 3** introduces Jo. Either on note paper or by printing the slide for students, ask them to work in pairs to complete a budget for Jo. They will need to use the information provided to work out which is income and which is expenditure

### Jo's weekly budget (answers)

| Income | Allowance | £0 |
|---|---|---|
| | Part-time job | £40 |
| | **Total income** | **£40** |
| Expenditure | Drinks and snacks | 5 x £2 = £10 |
| | Mobile phone | £10 |
| | Clothes | £10 |
| | **Total expenditure** | **£30** |
| **Balance** | | **£10** |
| **Savings** | | **£1-10** |

# Activity two

## Making ends meet (cont'd)



- After a few minutes, ask students the following questions:

> **Were there any differences between Jo and Chris's budgets?**
>
> **What suggestions would they make to Jo and Chris to change their spending?**
>
> **Can they think of any other items of spending that might have been missed out from the descriptions?**
>
> **What tips do they have for Jo to achieve her goal of saving for a new smartphone?**

- Ask students to imagine that Chris and Jo are older and moving out of their family home – Chris is off to university and Jo is starting as an apprentice electrical engineer. Discuss how their income, expenditure and financial aspirations might have changed. Prompt them to think about their job, rent, bills, saving, hobbies or lifestyle. Once they have briefly discussed in pairs or groups, ask them to present their ideas back to the class, using the blank budget on **slide 4** to record their suggestions if you wish

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### 3. Help students complete their own budgets

- Suggest that students use the template on **slide 4** to complete a budget for themselves after the session. Ask them to consider what they spend their money on during one week and identify one thing they think they could spend less on. Make sure students don't disclose any personal or sensitive information during the session, or feel they need to compare with others

# Activity three

## Value for money

### 1. Compare prices of food



- As a class, consider the price labels and offers on **slide 5**. Record any comments from the students in the text boxes. Consider:

> **What makes a good deal?**
>
> **Are any of the items on the slide not a good deal?** (e.g. the bag of apples vs the snack pack, or the cherryade)
>
> **What about the shelf life of an item, and how quickly you will use it?** (e.g. it might be better value to buy a bigger bag of carrots or apples, but not if you won't use them all)
>
> **Where in the store are offers normally displayed? How can the location of an item influence our spending?** (e.g. at the end of an aisle to attract attention, or by the tills)
>
> **How can you make sure you get the best price?** (e.g. compare prices online)



- **Slide 6** shows two similar biscuit products. Ask students which one they'd want to buy, using the following question as prompts:

> **Why and how can advertising and packaging encourage us to spend more?**
>
> **What else might you take into consideration? What about fairtrade options?**
>
> **Why might one be more expensive than the other? What impact does a well-known brand name have on the cost?**

- Using the information on the slide, ask students to calculate how much each biscuit costs, and suggest which of the products is better value for money. Then walk through how to calculate the cost per gram – with an older or more able group you could ask them to do this independently

**Answer**

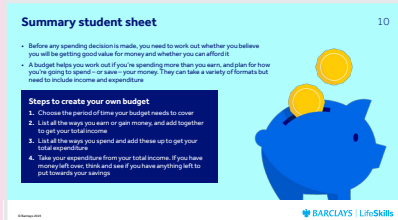Product 1 – £2.40 ÷ 24 biscuits = 10p per biscuit / 10p ÷ 14g = 0.71p (less than a penny per gram)

Product 2 – £1.80 ÷ 24 biscuits = 7.5p per biscuit / 7.5p ÷ 10g = 0.75p (less than a penny per gram)

Conclude by comparing the cost per biscuit and cost per gram – it looks like Product 2 is cheaper per biscuit, but as each biscuit weighs less, the cost in relation to the size of the biscuit is similar

# Activity three

## Value for money (cont'd)

### 2. Discuss a spending dilemma



- Karim has three events coming up in the next month; a friend is going paintballing for a birthday, he is going out for dinner with his family, and he's going to the cinema to celebrate the end of term with friends. But what should he wear for each occasion? He's got black trousers, a white shirt and black shoes but he wants to get some new items of clothing

### 3. Present ideas

- In groups, ask the students to select from the clothing options on **slide 7** and create an outfit for each event, allowing time for them to briefly present why they have made those choices. Prompt the students to consider:

  **If the top is for a special/one off occasion, should he spend less on it?**

  **If the outfit is for wearing outdoors/going to get dirty, should he buy cheaper items?**

  **Does he need to buy something new for every event?**

- Once they have selected their outfits, add that Karim only has a budget of £50 for all his new clothes. Does this affect their decisions?

## Extension

If you haven't already, explore the **Needs and Wants tool** on **slide 8** to encourage the group to think objectively about things that they want and their value. How much you are willing to spend on an item might depend on how much you need it, or what quality you want.

# Activity four

## Money hacks

### 1. Discuss money hacks



- In small groups, ask students to come up with a 'money hack' – a top tip for saving money or spending less. Encourage them to think about what they have learnt this session, or use their own experiences with money

### Record

- **Slide 9** features a jigsaw piece which can be printed as a way of recording their tip. These could be displayed and pieced together

# Summary

Use **slide 10** to summarise the session, recapping how to create a budget, and why tracking your money is important. You can print as a takeaway for students, along with the blank budget on **slide 4**

# Further links and activities

To supplement this lesson, you could look through the following links with the class, or suggest that students spend some time exploring the articles and tools on the LifeSkills website in their own time.

NB: Students need to be over 14 to register to use the LifeSkills website independently.

## Articles

**34 ways to save**

## Tools

**Money Personality Quiz**

## Lessons

This is one of four Money Skills lessons for 11-14 year olds. Consider delivering the other lessons:

**Recognising your money personality**

**Next steps on your financial journey**

**Dealing with financial dilemmas**

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