



Recognising your money personality

Age range: 11-14

 **BARCLAYS** | LifeSkills



Session overview

This lesson, focused on helping students understand and compare their attitudes to money and spending, explore the difference between needs and wants, and plan for future 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: <ul style="list-style-type: none"> Have reflected on their own attitude to money and spending compared to others Be able to prioritise needs and wants in different scenarios Have calculated the potential cost implications of borrowing to purchase a big item 	<ul style="list-style-type: none"> Recognising your money personality presentation slides Money Personality Quiz interactive tool Needs and Wants interactive tool



The Money Skills 11-14 modules 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

Activities	Time	Page
Activity one: Icebreaker – Money habits	15 mins	3
Activity two: Money personalities	25 mins	4
Activity three: Needs and wants	25 mins	6
Activity four: Financial planning for a big purchase	25 mins	7
Summary	5 mins	9

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 habits

1. Ask students about their experience with money

This section allows students to start thinking about their current attitude to money, and what 'helpful' or 'unhelpful' money habits they might have already developed

How do they get money – pocket money/allowance, birthday gifts, doing jobs at home, in the community or for family?

Do they have their own bank account? Do they have a savings account?

Do they handle their money or do their family do this for them? How long have they been responsible for their money?

Do they track what they are spending? If so, is this through a mobile banking app, online, on paper, or another method?

How many different ways of spending money can they think of – card, cash, direct debit, online debit card?

- Display **slide 2** and ask the group if there are any statements that they relate to, or think describes their money habits
- In small groups, allow a few minutes for them to discuss which of the statements are 'helpful' or 'unhelpful' money habits. Use the interactive PDF to categorise the statements and briefly discuss any differences in opinion
- Ask each small group to write down what they usually do with any money they receive each month, following the format of the statements already seen as examples
- Ask some of them to share what they have written down – in which category do their spending and saving habits usually fall? Add these into the text box on **slide 2**

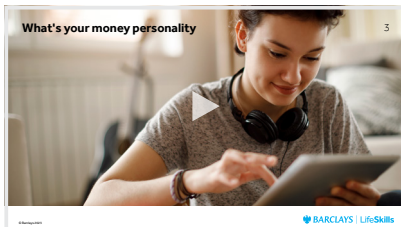
2. Explain why money habits are important

- Explain that money habits are developed at a young age, and it's important to understand our attitudes towards money, spending and saving to help us make sensible decisions about our finances throughout our lives. Considerations, choices and priorities will vary as you move through your life; studying, starting work, living independently, parenthood, career progression, retirement

Activity two

Money personalities

1. Take an interactive quiz



- **Slide 3** launches the [Money Personality Quiz](#). You could ask students to complete the quiz individually/in pairs during the lesson if you have access to multiple PCs or tablets
- Otherwise, ask the students to imagine that they are someone who struggles to look after their money, and work through the questions as a class. After each one, allow for a short discussion in small groups, before taking a vote to choose an answer

2. Discuss the categories

- Show **slide 4** and discuss the categories. Explain that whatever their score, it's important to remember that habits can be changed over time, with practice and the right guidance, so they should continue to reflect on their attitudes towards money
- If you can't access the tool, or don't think your group will be comfortable answering the questions in a group, use the sample questions below to generate some discussion. You won't be able to allocate them a category but the higher the score, the more positive their habits

1. There's a pair of trainers that you want to buy but you are short of money. Do you...

- A:** Offer to do some jobs to earn extra money [3 points]
- B:** Borrow from friends or family [1 point]
- C:** Continue saving until I can afford to buy them [5 points]

2. When you check the coins in your pocket, you see you have a lot of 2, 5 and 10 pence pieces. What do you do?

- A:** Make sure you spend them the next chance you get [3 points]
- B:** Save them and add other small change when you have it [5 points]
- C:** Forget about them and probably lose them [1 point]

3. When you are given your allowance money that needs to last for the whole week, do you:

- A:** Spend it very quickly in one or two days [1 point]
- B:** Spend it all but spread over the week [3 points]
- C:** Save some of it and spend the rest over the week [5 points]

- If you have time, you could go back and repeat the quiz asking them to imagine they are someone who is careful with their money, and see if the answers they choose would differ

Activity two

Money personalities (cont'd)

3. Discuss how money habits can be improved

- Ask students to pick one money habit that they think they could change. Point out that we all have some areas to work on (you could offer a money habit of your own), and that their financial habits will have far greater implications in the future than they might do at the moment. Emphasise that there aren't always right or wrong habits and that our money personalities are different depending on context, experience, salary, age etc.



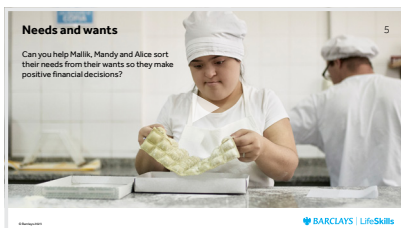
Activity three

Needs and wants

1. Explain the difference between needs and wants

- Ask the group to explain what they think 'needs' and 'wants' are. Suggest that these might change over time, and can be influenced by a specific circumstance. There are very few things we really need to survive (e.g. a roof over our head, enough food and water to stay healthy, basic hygiene and medical care, enough clothing to be warm and appropriately dressed), but without 'wants' life wouldn't be much fun
- Any discussion of 'needs' versus 'wants' will encounter many grey areas that depend on differing attitudes to money, lifestyles and possessions, as well as circumstances. What matters is that each person is confident to plan and make good decisions about paying for their choices. You can link this back to differences in money personalities

2. Categorise needs and wants



- Launch the Needs and Wants interactive tool using **slide 5**
- Read the scenarios, and for each item presented allow a few minutes of discussion in small groups before asking for a show of hands to decide which are needs and wants, and dragging the item into the selected category
- Encourage students to consider how each item can be a need or a want depending on the situation. E.g. they may decide that they need a car to get to work on time, but what model or age should they get? Is a new sports car a need? They may decide that a passport is a want, but what if they are asked to travel abroad for work?
- The tool allows students to create their own scenario – try doing this as a class or getting small groups to create challenges for each other
- If you have access to multiple PCs or tablets, ask students to work through the tool in small groups or individually

Extension

In small groups, ask students to consider how the needs and wants in each scenario might be financed. Use the below examples if needed, and encourage them to come up with the potential benefits and risks of each:

- Regular allowance from parents or family members
- Borrowing or gifted lump sum of money from a parent or family member
- Loan from the bank
- Credit card
- Savings
- Earned income/salary
- Student loan
- Online peer to peer lenders
- Pay day/high street lenders

Activity four

Financial planning for a big purchase

1. Introduce different ways to buy things

- This section focuses on a purchase that someone aged 18-20 might have as a need or a want. As a whole class, use **slide 6** to consider the options for purchasing a new laptop. Explain that to buy the laptop, they could either save up and pay all of the costs in one go, or look to spread the cost using a finance or credit plan – looking at the information, can they notice how this could affect the overall cost? These costs are for illustration purposes and the prices may not be an accurate reflection

2. Compare different ways to buy a laptop

- Ask students to answer the questions on **slide 7** – one half of the class considering buying it in one go, and the other half buying in instalments. Allow a few minutes for them to discuss and calculate their answers, before working through the questions together, filling in the boxes on the slide. Use the below to prompt and check answers:

New laptop	Saving to buy	Buying on finance
Do you think it is a need or a want?	Students to discuss	
How much will it cost in total, including additional costs (over the first year)?	£347.95	£464.95
How much money is needed in one go?	£250 for laptop, £18 for laptop bag, £19.95 for virus protection = £287.95	£25 for laptop, £18 for laptop bag, £19.95 for virus protection = £62.95
What are the ongoing costs that you need to plan for?	£5 per month for insurance	£5 per month for insurance and £28.50 per month for the laptop = £33.50
Are any of the additional costs needs or wants?	Students to discuss Could argue they are all 'wants', but bag would prevent damage, insurance will provide financial protection against loss, theft or damage, and antivirus software is important for keeping the laptop and data safe	
Do you think the insurance is worthwhile?	Make sure students understand that insurance involves paying money to a provider who will then pay you compensation if you suffer a loss, damage or injury in certain situations	
How much extra do you pay if you pay in instalments?	£464.95 - £347.85 = £117.10	
Why would you consider paying in instalments/on finance in some situations?	Students to discuss Make it clear to students that if you decide to pay in instalments because you can't afford the upfront cost, it's important to plan for each monthly payment and make sure you can afford those. Missing a payment could negatively affect your credit score	

Activity four

Financial planning for a big purchase (cont'd)

3. Calculate costs

- **Slides 9-10** show information for two other purchases – a holiday and buying a car. In small groups, ask them to choose one of these and compare paying up front or paying in instalments. Print copies of **slides 8-9**, and ask them to complete the student sheet on **slide 10**
- Make sure they understand that some insurance is a legal requirement (car insurance) whilst others come down to personal choice
- Encourage them to consider how they could plan for the purchase – setting aside regular savings, increasing their income, borrowing money, paying in instalments, tracking and budgeting, etc.

First car	Saving to buy	Buying on finance
Do you think it is a need or a want?	Students to discuss	
How much will it cost in total, including additional costs (over the first year)?	£3,500 for the car + £2,040 for 12 months insurance + £192 for 12 months parking permit + £167 for one off additional costs = £5,899	£2,289 for the car over 12 months (including deposit) + £2,040 for 12 months insurance + £192 for 12 months parking permit + £167 for one off additional costs = £4,535
How much money is needed in one go?	£3,500 for the car + £170 for 1 month insurance + £16 for 1 month parking permit + £167 for one off additional costs = £3,853	£300 deposit + £170 for 1 month insurance + £16 for 1 month parking permit + £167 for one off additional costs = £653
What are the ongoing costs that you need to plan for?	£170 per month insurance + £16 per month parking permit = £186	£153 per month for the car + £170 per month insurance + £16 per month parking permit = £339
Are any of the additional costs needs or wants?	Students to discuss Some are needs such as insurance, MOT, car tax. Could argue the parking permit is a want, if other parking might be available perhaps further away without it. The dice are a want, but also a low cost item	
Do you think the insurance is worthwhile?	Make sure students understand that insurance involves paying money to a provider who will then pay you compensation if you suffer a car crash, including damage to both yours and other vehicles	
How much extra do you pay if you pay in instalments?	£3,972 - £3,500 = £472 £300 deposit + £153 for 24 months = £3,972 for the car over 24 months (Assume all other costs are the same over the 24-month period)	
Why would you consider paying in instalments/on finance in some situations?	Students to discuss Make it clear to students that if you decide to pay in instalments because you can't afford the upfront cost, it's important to plan for each monthly payment and make sure you can afford those. Missing a payment could negatively affect your credit score	

Activity four

Financial planning for a big purchase (cont'd)

Trip to Portugal	Saving to buy	Buying on finance
Do you think it is a need or a want?	Students to discuss	
How much will it cost in total, including additional costs (over the first year)?	£550 for flights, hotel and transfers and £235 for additional costs = £785	£682 for the package + £235 for additional costs = £917
How much money is needed in one go?	£550 for flights, hotel and transfer + £15 insurance = £565	£142 deposit + £15 insurance = £157
What are the ongoing costs that you need to plan for?	n/a (except for spending money on the holiday)	£90 per month for six months = £540
Are any of the additional costs needs or wants?	Students to discuss Could argue they are all 'wants', but food and drink is a necessity, insurance will provide financial protection against loss, theft or damage	
Do you think the insurance is worthwhile?	Make sure students understand that insurance involves paying money to a provider who will then pay you compensation if you suffer a loss, damage or injury in certain situations	
How much extra do you pay if you pay in instalments?	£917 - £785 = £132	
Why would you consider paying in instalments/on finance in some situations?	Students to discuss Make it clear to students that if you decide to pay in instalments because you can't afford the upfront cost, it's important to plan for each monthly payment and make sure you can afford those. Missing a payment could negatively affect your credit score	

Extension

- Ask students how financial planning could prepare them for unexpected changes or costs, e.g. job redundancy or emergency house repairs. Discuss the importance of regular savings – not just putting away what you have left at the end of the month, but putting money aside and then living within a budget
- Allow students a couple of minutes to think of ways to plan for unexpected costs, and share ideas
- [Money Helper](#) recommends having the equivalent of three months' worth of essential outgoings available in an instant access savings account. So, if you calculate that you spend £1,000 a month on mortgage or rent, food, heating bills and other things you can't live without, you should aim to have £3,000 in emergency savings. information, along with a film showing real people's money saving habits, mortgage or rent, food, heating bills and other things you can't live without, you should aim to have £3,000 in emergency savings

Summary

- Recap the discussions on students' attitude to money, and how they'll pay for needs and wants. Every one of us will find ourselves in different situations throughout life – our needs and wants will change, but we will always have to pay for them.
- Print a copy of **slide 11** for each student if you would like a takeaway from the session

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.

Videos

[Looking after your money](#)

Articles

[Your money your life](#)

[Ways to stay out of debt](#)

Tools

[Money Personality Quiz](#)

Lessons

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

[Value for money](#)

[Next steps in your financial journey](#)

[Dealing with financial dilemmas](#)

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.

External links

[Information on building a credit score](#)

[Information on saving, budgeting and financial planning](#)