

Year 10 Enrichment Module – Money

During this module students will hopefully gain an insight into how personal finance works. They will find themselves a job, and from there budget for everyday living expenses: accommodation, food, utilities, a car and then see if they can find a way to afford luxuries such as a holiday abroad. Within each of these tasks there is the opportunity for discussion and learning about other factors: tax, mortgages and mortgage applications, the housing market, health and nutrition, marketing strategies and personal debt management.

The students will have to work everything out for themselves and produce a display about their choices at the end of the module.

Lesson 1 – Introduction to the module and aims. Discuss household finances, what determines these things and how can you best manage these things in the future. From there students will complete a questionnaire online to determine what job would best suit them at the minute and hence what their yearly income would be. Once yearly income is decided they can work out monthly after tax and NI deductions. There is a blank version of this in the booklet for the teacher to show the students how this is done using the average UK salary of £26 000. The students can then model the working out for their salary based on this.

Lesson 2 – Accommodation. Discussion about what determines the cost of housing (bedrooms, bathrooms, amenities, area, school etc) Compare the same houses in different areas, and discuss why this is the case? Students will calculate how much of their monthly budget should be going on accommodation and then find a place on rightmove.com that fits their budget. Bring in mortgages at the end of the lesson and

look at what will need to be done to buy a house in the future. How long would it take to save up for a deposit etc, look at mortgage applications and how banks decide how much they can lend and eligibility etc Talk about financial crisis and the American sub prime mortgage market (link to film The Big Short)

Lesson 3 – Food Shopping. Decide how much of budget to spend on food. Students then create a weekly meal plan. Discuss healthy eating and diet fads etc. Once meal plan is created create a shopping list and see how much this will cost online. Does it change depending on which supermarket you buy from? Why is this the case? Is it fair?

Lesson 4 – Car and utilities. Which car should you go for and why? Do you need a car? What determines the cost? Is that the only cost? Find one within budget on autotrader.com Choose TV, broadband and mobile phone deal within budget.

Lesson 5- Holiday. Given your monthly income choose a holiday to go on and find out how much it will cost. How will you pay for it? Can you save enough to pay for it up front? Look at putting it on a credit card. Will you be eligible for a credit card? If you find a 0% deal how much money will you need to pay off per month to not incur interest charges?

Lesson 6 – What's left? Remainder of monthly income can then go on going out, clothes shopping, luxuries, savings etc

Lesson 7 – The Big Short film (2hr 10m). Discuss the financial landscape at the minute and how it was all shaped by the events in September 2008 and mismanagement of the mortgage market in 2008. Is it fair that this affects our students today? Who is to blame for this ?

Create display showing monthly budget and where it is spent.