

2. Financial Confidence

Lesson Plan

Book and Authors: Bola Sol – Finance Expert and author of *How to Save It*

Topic – Financial Confidence

Learning Objective: to gain financial confidence in preparation for further education and credit management

Starter (5 minutes)

Play the clip 0.20–0.30

this can be done independently or with a partner. Create a mind map and write down any job or money-making opportunities that they have open to them (if under the age of 16, you can ask students to be forward thinking for after they turn 16).

Challenge task: write down the potential earning opportunities for each one (hourly rate)

Discuss this as a class and ask them to add to their mind map, with other student's suggestions.

Task one: (15 minutes)

Watch the clip 10.36–16:50

Bola and Peigh are discussing investing and gaining financial confidence.

Whilst they watch: Add additional money-making opportunities to their mind map

Challenge task: Write down one financial question that you are wanting to know the answer to (remember as Bola and Peigh said, there are no silly/dumb questions). We will come back to this answer in our plenary

Task two: (10 minutes)

Watch the clip from 16:50–22:00

Bola and Peigh are discussing preparing for university and getting credit.

We're going to go through some true or false questions. Ask students to raise their left hand if they think it's true and to raise their right hand if they think it's false.

Ask students to make some notes of the answers, if this is something they haven't heard of before. Please take time to discuss each answer and explain the consequences of financial error to the students.

Task Three: (10 minutes) Borrowing decisions

Use the 'borrowing scenario' decision sheets and hand them out to the class. They should work independently to answer the questions on each scenario. After some independent work, they can compare answers with a partner.

Plenary: (7 minutes)

Challenge question from task one. Listen to some of the questions some students have about finance. Discuss as a class if any of these have been answered, during the this and the previous lesson? If not can you answer this as a class? If not set this as research homework and discuss the answers next week.

Homework: (5 minutes)

(Optional, but preferred as this will help with the main task in lesson three)

Research your ideal financial future. Pick a career of your choice and see what the average salary for that field is (before and after tax). Look for your ideal house and see what the cost is (Rightmove will also give you estimates for how much this will cost monthly for both mortgages and renting). If you also have a preferred method of transport or hobbies etc, research the average monthly cost and bring the information to our next session.

Starter – Job opportunities



What job opportunities are available for your age group?

Working at a Tesco store £10.10

Challenge task: Write down the potential earning opportunities for each one (hourly rate)

Task one: Financial confidence

Watch the clip of Bola and Peigh discussing investing and gaining financial confidence.

Whilst you watch: Add additional money-making opportunities to their mind map

Challenge task: Write down one financial question that you are wanting to know the answer to (remember as Bola and Peigh said, there are no silly/dumb questions).



True or False?

We're going to go through some rapid fire true or false questions.

Raise your left hand if you think it's true and your right hand if you think it's false.



True or False?

They need to check your
credit file, if you want to
rent a house/flat.

True or False?

True

Your letting agent and most landlords will do a credit check to see if you've had problems paying bills in the past. All companies must get your permission to conduct a credit check on your file.

True or False?

True

True or False?

The average APR (annual percentage rate) for credit cards in the UK is 15%

True or False?

False

The average APR is 22.2%. This means that the credit card's balance will increase by approximately 22.2% over the course of a year, if the cardholder carries a balance the whole time. E.G. if you have a £1,000 balance for a year, you would owe £222 in interest for that year.

True or False?

All buy now, pay later companies (such as Clearpay and Klarna) are not regulated by the FCA (financial conduct authority).

The FCA regulation

True or False?

True

Currently Klarna's pay in Pay in 30 days are unregulated credit agreements. An unregulated agreement gives no additional statutory protections to the customer, such as protection from mis-selling. However, these credit agreements can still damage your credit file.

True or False?

False

In the UK there are three main credit reference agencies: TransUnion, Equifax and Experian. They work with building societies, banks, mobile phone companies and other major retailers to help those businesses make quick and accurate decisions about whether the person applying for credit is likely to pay it back.

Borrowing Decisions

Look at the three scenarios on the work sheet and answer the questions for all individuals. Have they made good or bad financial decisions?



Plenary: Challenge from task one

Challenge task: Write down one financial question that you are wanting to know the answer to (remember as Bola and Peigh said, there are no silly/dumb questions).



Homework

Research your ideal financial future. Pick a career of your choice and see what the average salary for that field is (before and after tax). Look for your ideal house and see what the cost is (Rightmove will also give you estimates for how much this will cost monthly for both mortgages and renting). If you also have a preferred method of transport or hobbies etc, research the average monthly cost and bring the information to our next session.

