Teachers' notes

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About this resource

In 2006 The Financial Services Authority (FSA) undertook a survey into the financial capability of the adult population of the UK (online research conducted by EdComs, February 2007). One of the four main themes to emerge was that most people are not planning ahead well enough. For example, saving sufficiently for their retirement or putting money aside to cope with an unexpected drop in income. The under-20s performed worse in this area than any other age range.

pfeg (Personal Finance Education Group), the UK's leading finance education organisation, commissioned research to further understand how financial planning could be supported. This included teacher and student panels and online research with 1,500 young people.

Following this research, the need for an interactive, engaging resource for young people about pensions became clear. Respondents asked for a resource that:

- is relevant to young people's lives with real-life topics to which they can easily relate to
- explores the implications of different financial decisions young people may make
- is user friendly to teachers, flexible to adapt to their needs and to those of the students
- improves teachers' confidence in this area of personal finance education
- provides young people with a resource that they can also use outside the classroom.

www.2070launchyourlife.org aims to improve understanding among 14-18 year olds in the UK about the need for, and value of, long-term financial lifestyle planning.

www.2070launchyourlife.org is designed to achieve a wide range of teaching and learning objectives by encouraging young people to imagine their future world. Students will draw on current and projected trends in the economy, population, health, leisure, technology and family life to imagine what their lives will be like in 40 or 50 years' time, to help them to develop a positive attitude towards long-term financial planning.

There are several separate but complementary sections to the resource:

- A web-based interactive simulation to help students think about and plan for their future
- 'Diamond 9' challenges
- Standalone PDF activity sheets
- Videos related to long-term financial planning, and the opportunity for teachers to upload students' own videos
- A glossary

Delivering the material in schools with less-extensive ICT access

- The PDF activity sheets can be printed.
- The Diamond 9 quizzes and **Life simulator** can be run as whole-class activities on an interactive whiteboard/projector. See the section on the **Life simulator** for more information about how to deliver the game using an IWB.
- The glossary is also available in the teachers' notes; it can be printed and given to the class.
- Videos can be watched on an interactive whiteboard/projector.

The importance of financial capability

'Financial Capability means being able to manage money, keep track of your finances, plan ahead, choose financial products and stay informed about financial matters.'
Financial Services Authority

Personal finance has become increasingly complex over recent years, and a solid grasp of money matters is now essential to the wellbeing of individuals, families and communities.

Research[1] has revealed that over half of England's teenagers have been or are in debt by the time they are 17, and two-thirds think about money every day. In addition, 90% worry about their money and spending but tend to think of overdrafts and credit cards as easy ways to spend more than they earn, or to buy things they couldn't normally afford.

Personal finance education can help young people cope with the increasingly complex financial environment they experience as they get older. To make sense of the options open to them in adult life, all young people need to learn how to manage money and plan for the future.

In England, economic wellbeing is one of the five strands of the Every Child Matters agenda. In the secondary curriculum, there is now a programme of study for economic wellbeing and financial capability in key stages 3 and 4 as part of personal, social, health and economic (PSHE) education. This recognises the importance of financial capability as part of the basic education of all young people. Education for financial capability aims to provide them with the most practical of life skills. It focuses on the real issues that affect all of us and should, therefore, be a key part of the curriculum for all students.

In Scotland, Learning and Teaching Scotland (LTS) supports the view that financial education makes a valuable contribution to Curriculum for Excellence and its four capacities: Successful Learners; Confident Individuals; Responsible Citizens; Effective Contributors. LTS also agrees that all young people should have opportunities to acquire broadly based financial capability, defined in terms of understanding, competence, responsibility and enterprise.

Curriculum relevance

The resource has been designed to tightly map many aspects of different curricula.

- Programmes of study: SK3 and KS4
- Generic enterprise learning
- Extended Schools, the Children's Plan and the Young People's Plan
- Specific subject curricula
- Personal, Learning and Thinking Skills (PLTS)
- 'Use Your Expertise' (a scheme by pfeg)

These are all covered in the notes below.

Programmes of study: KS3 and KS4

PSHE: Personal wellbeing

1) Concepts

Programme of study	**Implementation in the resource**
1.3 Risk (a) Understanding risk in both positive and negative terms and understanding that individuals need to manage risk to themselves and others in a range of situations.	**Diamond 9** challenges give many opportunities for students to consider and understand the trade off between risk and reward, and consumption versus saving.
(c) Developing the confidence to try new ideas and face challenges safely, individually and in groups.	The **Life simulator** offers scope for students to explore the impact of decisions on future outcomes, e.g. the opportunity costs of education and training.

2) Processes

Programme of study	**Implementation in the resource**
2.1 Critical reflection Students should be able to: (a) reflect critically on their own and others' values	Students are required to critically reflect as part of the negotiation and discussion required in **Diamond 9** challenges. The ordering of statements captures the subjectivity and opinion sharing implicit in critical reflection.

(b) reflect on personal strengths, achievements and areas for development (c) recognise how others see them and give and receive feedback (e) develop self-awareness by reflecting critically on their behaviour and its impact on others.	There are many instances where students can exchange and reflect, including **Activity 1**Challenge 1, **Activity 2** Challenge 2, **Activity 3**Challenge 3 and **Activity 6** Challenge 2.
2.2 Decision making and managing risk Students should be able to: (b) find information and support from a variety of sources (c) assess and manage the element of risk in personal choices and situations.	The resource is rich with concepts and practical activities directly related to decision making and managing risk, including: • **Life simulator** • **Activity 2** Challenge 1 • **Activity 5** The **Life simulator** explicitly requires students to make decisions involving risk and reward and short versus long-term benefits.

PSHE: Economic wellbeing and financial capability: KS3 and KS4

1) Concepts

Programme of study	**Implementation in the resource**
1.1 Career (a) Understanding that everyone has a ' career'. (b) Developing a sense of personal identity for career progression.	Opportunities exist for students to consider careers and pathways, e.g**. Activity 1**Challenges 1, 2 and 3, and **Activity 5.**
1.2 Capability (b) Learning how to manage	The resource is particularly suited to strands (b) and (c) relating to personal finances and transition

money and personal finances. (c) Understanding how to make creative and realistic plans for transition. (d) Becoming critical consumers of goods and services.	plans. The **Life simulator** covers both aspects comprehensively, in addition to **Activity 2, Activity 4** and **Activity 6**.
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.	Risk and reward and short versus long-term benefits are implicit in the **Life simulator** and also **Activity 4, Activity 5** and **Activity 6**.
1.4 Economic understanding (a) Understanding the economic and business environment. (b) Understanding the functions and uses of money.	Economic understanding is a latent theme but is nonetheless touched, on e.g. through consideration of the business cycle in **Activity 5** and the macro economy in **Activity 2**.

2) Processes

Programme of study	**Implementation in the resource**
2.1 Self-development Students 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	The resource gives students the chance to consider in detail what their strengths and weaknesses are, what they might need to do to be successful and what 'success' might mean to them. **Activities 1, 2, 3** and**6** are particularly focused on these areas.

learning, work and enterprise (d) review their experiences and achievements.	
2.2 Exploration Students 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.	**Activity 4** is a comprehensive research-based task that helps students to develop skills in research, searching and selection of relevant information. This is also explored in **Activity 3**.
2.3 Enterprise Students 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	Many of the skills and qualities that underpin enterprise are developed throughout this resource, including managing risk (**Activity 1**), managing change (**Activity 1, Activity 2**) and working with others (**Diamond 9** challenges).

and qualities for enterprise (g) demonstrate and apply understanding of economic ideas.	
2.4 Financial capability Students 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.	Risk and reward (**Activity 1**). Financial terms and products are looked at through the **Life simulator** (e.g. life assurance, pensions, savings, shares) and also **Activity 1, 3** and **5**.

Generic enterprise learning

Enterprise education is the development of enterprise capability and is supported by financial capability and economic and business understanding. Much of this resource will develop students' financial capabilities but can also allow students to 'engage with ideas, challenges and applications from the business world' (Career, work-related learning and enterprise 11-19: A framework to support economic wellbeing, DCSF 2008)

The material will also be useful for the Creativity and Enterprise strand of Education for Citizenship in Scotland. Financial Understanding is covered by the **Life simulator** and **Activity 6.** Most of the resource is tailored to deliver Financial Responsibility, e.g. making decisions, risk/ reward and personal responsibility. The global aspects of this theme are not, however, examined to any great extent.

Extended Schools, the Children's Plan and the Young People's Plan

There are implicit links to Extended Schools within the resource:

- The resource can be used to deliver themes of economic wellbeing in schools.
- Publicising the materials in the resource can help schools with family/adult learning.
- Schools and colleges can host workshops so that parents can use ICT facilities to access the resource.

- Schools and colleges can organise 'parents' and children's' afternoons, where families can work through the **Life simulator** together.

The resource can also encourage links with Every Child Matters (ECM) priorities, e.g. enhancing family and achieving economic wellbeing.

Specific subject curricula

There are many links with most GCSE business studies specifications including:

Level	**Unit**
Edexcel Level 2 Diploma in Business and Administration	Unit 3: Personal Finance and Financial Services
AQA Level 2 Diploma in Business and Administration	Unit 7: Success at Work
OCR Level 2 Diploma in Business Administration	Unit F271: Managing your Finances
OCR GCSE Citizenship	Unit A343: Rights and responsibilities
Edexcel GCSE Citizenship	Unit 2: Participating in Society
AQA GCSE Citizenship Studies	Theme 2: Being a citizen in the UK

Personal, Learning and Thinking Skills (PLTS)

The materials in the resource lend themselves easily to deliver many or all of the new Personal, Learning and Thinking Skills (PLTS):

- Independent enquirers
- Creative thinkers
- Reflective learners
- Team workers
- Self-managers
- Effective participants

Some of this potential comes from the materials themselves, e.g. requiring students to think about their future plans is likely to support them with reflective learning. Additionally, the resource is readily adaptable so other PLTS can be delivered, e.g. active presentation would help to secure the 'effective participants' strand.

Assessment opportunities for PLTS

PLTS can be assessed in the following ways:

- A recorded discussion of students' reasoning for each **Diamond 9** challenge they complete and how they worked as a team to arrive at an agreed ordering (agree most with --> agree least with).
- A formal presentation of student work, e.g. through the personal SWOT analysis in **Activity 1.**
- Students' sharing their ideas on how their views and learning have changed as an activity has progressed (through verbal feedback, teacher-led questioning or evaluation on their learning about the significance of financial life planning and pensions).
- An assessment of creative thinking as a result of students exploring ways that they can plan for their pensions (e.g. considering the 'trade off' that exists between consumption and saving.

Use Your Expertise

Use Your Expertise is pfeg's scheme which brings the expertise of people in the financial services into the classroom.

Through a dedicated private website, www.useyourexpertise.org (needs a password to access - visit link below for registration details), teachers are able to find volunteers whose location, experience and skills match their needs. They can:

- provide support in preparing relevant learning materials and activities for use in the classroom, from PSHE education to citizenship, mathematics, enterprise and work-related learning
- give an insight into the financial world and use their experience to bring money matters to life
- use real-life examples that make personal finance engaging for students
- use a wide range of materials available via the website to help them prepare for their volunteering in schools
- provide support before and during My Money Week.

Delivering the Diamond 9 challenges

A Diamond 9 challenge is simple but effective teaching and learning tool that is designed to help people collectively prioritise a list of issues. In each **Diamond 9**challenge, students need to work together in pairs or groups of three.

Students must carefully read the stimulus material before proceeding to the challenge itself. Teachers might like to create opportunities for 'Q&A' before this main challenge takes place, to resolve any queries with terminology or language. The **Glossary** may come in useful for this; it can be downloaded and printed from the **Teachers' area,** and is also available on the main students' section of the site.

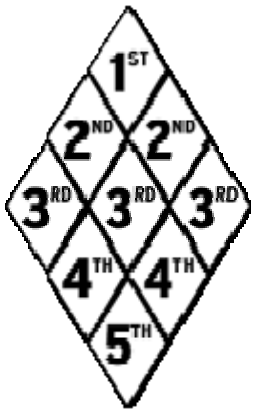
Each **Diamond 9** challenge has a core theme. The three themes are:

- Spending and saving
- First step into the future
- Planning for you

Each team needs to decide the rank order of the nine statements: the statement that they agree with the most becomes the top of the diamond ; the statement that they agree with the least (or that they disagree with) is placed at the bottom. In most cases, the two 'polar statements' can be identified relatively quickly.

Where there is room for more than one statement, both statements have equal value.

Most agree with the statement at the top.



Least agree with this statement at the bottom.

The learning potential of this activity lies in the discussion, exchange and negotiation that takes place to create an agreed team view of where each statement should be placed.

Once students have constructed their diamond, they will receive feedback based on where they placed the statements. There is no 'right' or 'wrong' answer, but the discussion and dialogue that this activity can produce is valuable, and teachers can test each team's reasoning to confirm their underlying knowledge of financial planning and logic.

The **Diamond 9** challenge can easily be extended, with teams discussing their 'solution' with other teams, creating further opportunities for Assessment for Learning.

Delivering the activity sheets

There are six distinct activity sheets, and they can be delivered separately and in isolation or as a linear sequences of tasks. The overall aim is to encourage students to put into a practical context the financial issues they face and the decisions and outcomes they will encounter. All of the activities are mapped tightly to requirements of enterprise and PSHE education, including financial capability.

Activity 1: Prove-you-can plan

- Students learn how to create a personal plan and deliver this to peers.
- Students learn how to create a personal 'SWOT analysis' and apply this to their personal financial plan.

Students will probably need some direction here to support them in identifying their strengths and weaknesses. This can be achieved through some simple 'peer reflection', where students exchange their perceptions of the strengths, qualities and attributes their peers have. Access to school reports might also help students to identify their personal qualities.

Internet access is useful so that students can easily research the skills and qualifications they need for different occupations. The SWOT analysis can form part of ongoing tutor or pastoral work and can support students writing an end-of-year 'self-report'.

Confident students can present their personal SWOT and identified goals to the class. Teachers should consider if a separate anonymised resource could be created, summarising the work of the group; this can be shared with other year groups, e.g. the younger year group, to inform their career planning work.

Activity 2: Planning for your pension

- Students learn the meaning and significance of pensions.
- Students learn how they can plan for and arrange a pension.

This activity seeks to improve students' knowledge and understanding of pensions, including the importance of a pension plan to their personal future.

The activity becomes gradually more difficult, and teachers may decide that less-able students should not proceed further than Part 1.

The character of Charlie is introduced; he is 22 years old and has just started his first job working at a local marketing agency. The students are given some information about his

salary and the pension contributions he can get from his company. Students are then asked to use a pension calculator and see what difference it makes for Charlie to start saving into his pension right away (rather than leaving it until later). They can then fill in a table with the information they find.

The pension calculator can be found at the following website: www.moneymadeclear.fsa.gov.uk/tools/pension_calculator.html.

Students are encouraged to choose whether their pension income should keep pace with inflation, whether they should take the maximum lump sum allowed and how much they should contribute to their pension. To achieve a better and more reliable comparison, students should ensure they maintain these decisions across all four stages (at age 22, 32, 42 and 52).

Students can fill in the empty bar chart provided, for a more visual representation of the difference in pension income. To fill in the bar chart on the computer, use the following tools on Adobe Acrobat:

Tools --> Drawing markups --> Rectangle tool (to draw bar chart blocks for each life stage)
Then select the created block --> Right click --> Properties… --> Fill colour --> [Select fill colour]

Teachers could ask the students to present their bar charts to the class and discuss what they demonstrate, i.e. the significance of the difference in pension income – even between small gaps in ages.

In Part 2, students are given more information about Charlie's future plans – how much he wishes to earn, what he wants to spend him money on, etc. They then have to create a financial plan for him, bearing in mind his hopes for his financial future, his lifestyle habits and pension contributions.

The point here is that students need to consider the impact of financial decisions on a person's lifestyle: if someone likes to spend money on holidays and luxury goods, for example, they won't be happy to put all their money into pensions and savings. It is important for students to be aware of making wise decisions that fit in with their lifestyles.

Students could be encouraged to share their financial plans with each other, and they could create separate plenary presentations summarising the decisions they made on Charlie's behalf.

The final part of the activity involves linking up the correct two parts of a sentence. This task can act as a ‘round up’ to the activity, and will ensure that students have retained what they have learnt. The answers to this final part are as follows:

Statement	**Description**
A pension is	a long-term investment with special tax rules.
The minimum age you have to be before you can access your pension is	55 (from 2010).
Pensions you can start yourself are called	stakeholder or personal pensions.
A place you can go to for advice on pensions is	The Pensions Advisory Service.
Tax relief means that (in practice)	for every £80 you pay into your pension, you end up with £100 in your pension pot.
In 2012 it will be obligatory for all employers to	offer and contribute to a pension.

If students are completing this activity on the computer, they can use the arrow tool on Adobe Acrobat to link the parts of the sentence together. (Tools --> Drawing markups --> Arrow tool)

Activity 3: Trends and cycles

- Students learn the meaning and significance of 'trends' and 'cycles'.
- Students are able to identify whether a phenomenon is a trend or cycle and be able to independently alter their financial planning decision in light of this distinction.
- Students are able to recognise that while trends and cycles impact on financial planning, saving is also very important.

This activity offers an opportunity to understand what they are and how our response to a particular phenomenon might differ according to whether it is trend or a cycle.

A starter activity can include inviting students to think of trends and cycles, e.g. fashion, before they move onto Part 1. Some interesting and colourful classroom displays can easily be created around the theme of trends and cycles, e.g. heart beats; roller coasters; the business cycle.

In Part 1, students look at a table of statements and decide whether each one demonstrates a trend or a cycle. This can be extended by asking students to write their own statements, which can be shared across the class, with everyone attempting to identify these new ideas of trends and cycles.

For ideas on other trends, visit www.ted.com (Technology, Entertainment, Design) and look at Hans Rosling's talk, entitled 'The best stats you've ever seen.' Another place to look for ideas of trends and cycles is the News feed on this website.

Activity 4: How might our future look?

- Students learn about how the future might look and understand the practical implications of preparing for their future.
- Students work in teams to investigate current topics and think about what they mean for them and for the future.

This activity is intended to create a fun opportunity to think about how the future might look and to consider what the implications of that future might be for us today. Nine areas are identified for students to consider:

- The state of the economy
- Technology
- Transport
- Population
- Leisure time
- Healthcare
- Fashion
- Industrial sectors
- Housing and the environment

This is readily differentiated by inviting students to suggest their own theme or area they would like to research.

Students have research prompts or stimulus for each of the research areas above; teachers may want to supplement this with additional resources, including information from the News feed.

Teachers can set up a lunchtime film club and watch some Science Fiction films to extend this activity. There are some good free films on www.archive.org. For example, watching 'Things to come', filmed in 1936, would be a good way of getting young people to think about what people in the 1930s thought today would be like, and see how hard it is to predict the future.

Another valuable resource for teachers to use is: www.futureme.org: students can write themselves an email, to be delivered at a future date.

This activity offers some valuable Assessment for Learning opportunities: students can judge the plausibility of the various 'futures' their class members dream up and suggest

what other information or data would be required before forming a judgement on which was the most likely.

Activity 5: Backwards planning

- Students learn how to 'reverse engineer' to produce a set of financial-planning milestones.
- Students learn how to apply concepts of financial planning, using knowledge and understanding of personal finance.

This activity builds on the idea of personal financial planning by creating a 'reverse engineer problem': students are told what the future is but they have to agree what actions or milestones will need to have happened for that future to become a reality. This helps to underscore the importance of today's decisions shaping tomorrow's outcomes.

This activity depends on good teamwork but offers students choice on which character they select. Students can be encouraged to develop a 'reverse plan' for all three characters. Higher-ability students can create their own character and associated qualities/ attributes and 'reverse engineer' from there. This idea creates the opportunity for students to write colourful and detailed biographies on their person and help to bring the activity to life: they could use digital images to produce their own biography or one for a famous person, imagining what they would have needed to do to have arrived at their final 'life destination'.

Activity 6: Present from the future

- Students learn the key issues that affect young people regarding financial planning.
- Students learn and can explain the key actions they need to take to financially plan.

The final activity is a plenary task that draws together all of the threads of personal financial planning together. Students can work together to create a collaborative response. This might be particularly useful for this higher level material and 'blended groups' - creating small teams with a diverse range of abilities - could also be considered as a useful strategy for completing this activity.

There is the opportunity for students to present their work in a variety of formats, including a recorded MP3 or podcast, a video clip (which could be uploaded onto the website), a website or presentation.

Use Your Expertise: Teachers could use a financial sector volunteer to be involved in this activity. See the curriculum links for more information on Use Your Expertise.

Delivering the Life simulator

The game provides a fun and interactive way for students to think about financial planning and to put into practice the knowledge and understanding they have developed.

In the game, students pick the attributes that are most similar to their personality and hopes for the future, e.g. whether they are a 'spender' or a 'saver' and what they would like their future job to be. Once students have chosen their attributes, the game is played over a number of stages.

They begin by answering questions about how they see their lives today, and their plans for the future:

- Do they earn pocket money or have a Saturday job?
- What level of education do they want to achieve?
- How much money do they spend and how much do they save?

They then move through a timewarp to see what these decisions will mean for their lives in a few years' time.

Students will then answer more questions relating to their lives in future years (based on what sort of job they want, whether they are planning to have children, whether they wish to take out a pension, etc.). After each round of questions, students will go through a timewarp to a future year, to see the impact of their decisions.

The overall goals for students in using the simulator are:

1. to secure the level of income determined by their job choice at the initial stage of the game by 2070
2. to maximise their financial satisfaction (e.g. if they like to spend money, they will want to have enough disposable income left over after bills, pensions, etc.)
3. to have achieved decent levels of savings and pension contributions so that they can retire by the year 2070.

Students will see that by changing the values of key variables, they can increase or reduce the progress they make towards achieving these goals.

The simulation focuses on lifestyle and financial planning, including decisions relating to education, income, consumption, saving and overall financial satisfaction. Like all financial planning models, the simulation is a caricature of reality. Teachers may wish to explain to students that this game is useful for seeing the consequences of decisions (even decisions made at a young age), but that things are more complicated in real life

and less 'set in stone' (one bad decision doesn't have to have a negative financial impact for the rest of one's life).

Delivering the game

Students can work on their own or in pairs. They will need to consider the likely impact of each decision and could be encouraged to play the game several times to fully appreciate the financial planning relationships. For example, education and training is a chief driver of future income; and the cumulative interest of early pension contributions means that students will have a much larger pension in 2070. Teachers may want to check whether students had noticed this subtlety.

Similarly, teachers might want to hold 'mini plenaries' as the game progresses, so that students can share the decisions they took and the knock-on effect this had. This can help inform 'group strategies' on what can be done to propel them towards their aspirations more quickly. The parallels with learning about financial planning are clear.

The strongest teams will be able to identify that the success of their strategies lies in achieving a balance between the competing variables e.g. spending versus saving. They will also be able to see that long-term decisions can have future benefits but may mean a short-term negative impact e.g. a high pension contribution has a positive effect in the long term but tends to reduce the potential for spending today.

The financial planning relationships are broadly as follows:

- More education/training tends to push up future income but less so over time. It would be a good idea to remind students that they should pick the education/training that they would need for the career they have chosen.
- Financial satisfaction is linked to a student's lifestyle choice (whether they like to spend their money) and how much disposable income they have (as well as how much money they are able to save and keep in a pension).
- Savings reduce financial satisfaction levels in the short term (if the student prefers to spend than save).
- Smaller increases in income tend to mean smaller increases in financial satisfaction; this effect is magnified if the student has a high lifestyle rating (prefers to spend than save), because the student will not have a high disposable income.
- Good insurance cover boosts financial satisfaction over the longer term, but over-the-top insurance cover (getting everything needlessly insured) will reduce financial satisfaction over the longer term.
- Like savings, pension contributions play a role as the game progresses into the future: in the short term, pension payments tend to reduce spending potential and short-term financial satisfaction.

Although the game can be repeated, teachers may want to think about offering only two or three opportunities to play, so that students have to think about what they need to do in terms of financial planning decisions rather than keep playing and learning what the underlying calculations are.

Running the simulation on an interactive whiteboard

The simulation can easily be run on an Interactive whiteboard (IWB) or as a simple projection for the whole class. One way to deliver this is for the class to be divided into team teams of threes/ fours. Each team can make predictions on what the likely outcomes might be, given the proposed decisions. Teachers can think about introducing a competitive element to encourage active engagement (e.g. points awarded for teamwork, the quality of their rationale, the accuracy of their prediction). In this way, students can still be rewarded even if their team's decisions are not the ones which their class chooses to select for the simulation.

This approach could also mean that some valuable discussion and dialogue is created, with students actively thinking and sharing ideas related to lifestyle decisions and financial planning consequences.

Delivering the Video project

The video project of the website contains videos produced by **pfeg** or other schools, all of which contain students discussing personal finance and their financial future. These can be used to help deliver the materials throughout the resource in a fun, original and easy-to-understand way. The videos are categorised according to topic so that they are easier to search.

As more and more schools and colleges upload their own videos onto the website, teachers will have a wider variety of content to choose from.

Uploading students' own vox pop videos

Only teachers can upload their student's vox pops. Information on how to do this is contained in the Upload video section of the website.

Students can film videos that fit into a number of different topics:

- Technology in 2070
- My future job
- My life in 2070
- Planning my financial future
- My life in 5, 20 and 40 years

Terms and conditions of uploading a video vox pop onto the site:

- Videos must be submitted by a teacher rather than the students.
- All videos will be moderated before appearing on the site.
- Videos should be no more than three minutes long.

If the video contains clearly visible faces of children, it is essential that the publishing teacher ensures:

- the written permission of parents or carers is sought first
- the students are not in any way identifiable: their names must not appear on the video
- uploading videos does not in any way breach their school's Acceptable Use Policy.

Lesson ideas

1.

Learning objectives	Meaning and significance of spending and saving A trade-off exists between consumption and saving
Starter	Students are put into small groups of threes/ fours. Each group has three minutes to record what they would spend £100,000 on. Feedback is used to identify: • short-term benefits/ immediate gratification • longer-term benefits such as property/ assets/saving.
Main activity	Students work in their small groups to complete Diamond 9 Challenge 1 They have an opportunity to revisit their Diamond 9 in light of the on-screen feedback they receive.
Plenary	Students share their Diamond 9. Each group offers one positive statement about the Diamond 9 and accompanying justification.
Curriculum links	Economic wellbeing and financial capability: Key concept 1.3: Risk Process 2.4: Financial capability (b) Students should be able to understand financial risk and reward.

2.

Learning objectives	Students learn the key issues that affect young people regarding financial planning Students learn and can explain the key actions they need to take to financially plan.
Starter	Activity 6, Part 1 Students could do this in pairs.
Main activity	The **Life simulator** can be run at this stage, directly applying what students have just learnt in the starter. Or, students could move on to Activity 6, Part 2. They could use a range of media to record their answer: digital video, mp3 recorder, PowerPoint.
Plenary	Students have an opportunity to see at least one presentation and complete a feedback sentence, stating what they would change about their presentation as a result of the presentation they have seen.
Curriculum links	Economic wellbeing and financial capability: Key concept 1.2: Capability (b) Learning how to manage money and personal finances.

3.

Learning objectives	Students learn how to apply concepts of financial planning, using knowledge and understanding of personal finance.
Starter	Activity 5, Part 1 Students have ten minutes to read the three scenarios and then to write two questions they can ask someone else in the group about the scenario (a simple but effective way to get all students engaged).
Main activity	Activity 5, Part 2 Some teacher-led discussion at the beginning would be useful to set the scene and the task requirements.
Plenary	'Questioning the answer'. Students work in pairs to create five questions with answers related to personal financial planning. They take turns with other pairs in the class: one pair gives the answer and the other has to provide a correct question.
Curriculum links	Economic wellbeing and financial capability: Key concept 1.3: Risk Process 2.4: Financial capability Students should be able to: (b) understand financial risk and reward (d) identify how finance will play an important part in their lives and in achieving their aspirations.

4.

Learning objectives	Students learn about how the future might look and understand the practical implications of preparing for their future. Students learn how to work as a team to arrive at a team view that they can justify, drawing on the views of all team members.
Starter	Students work in pairs to produce a list based on 'Who would have thought it?' The list must contain at least five **SIGINIFICANT** inventions or changes that somebody could not have predicted in 1959. Each item needs to have a brief explanation of **why** the pair thinks it is significant. Examples can include: iPods, internet, extent of foreign travel, a Black US President.
Main activity	Students could still work in pairs for the main activity. Activity 4, Part 1
Plenary	The whiteboard is prepared using the same nine categories set out at the bottom of Activity 4. Two pairs come up at a time and record two things they had researched which they did not know before the lesson. This forms a summary document (either printed off the IWB or recorded by the teacher for the next lesson).
Curriculum links	Economic wellbeing and financial capability: Process 2.2: Exploration (a) Students should be able to use a variety of information sources to explore options and choices in career and financial contexts

Glossary

AER: Annual Equivalent Rate. Shows what the interest rate on savings would be if it were added to savings at the end of each year, used as a way of comparing different financial products which calculate interest at different times.

All risks: A contents insurance policy covering possessions even when they are away from your home.

Annuity: A special type of investment that can pay out a regular sum over the lifetime of the owner.

APR: Annual Percentage Rate. The cost of a loan, taking into account the interest you pay, any other charges and when the payments fall due. The higher the APR, the dearer the loan.

Arrears: Money owed that was not paid when due.

Assets: Everything that a person owns with monetary value (e.g. property, investments, cash).

Available credit: The amount of money a store card or credit card company will lend you immediately.

Balance The amount of money you have in your account at any particular time, or the amount you owe on a credit or store card, or on a purchase after the deposit has been paid. A balance brought forward is the figure shown on your previous statement.

Beneficiary: A person named in a life assurance policy.

Bonds: Loans to an organisations such as a company, a local authority or the Government, also called 'fixed interest securities' or simply 'stock'. Bonds are a form of investment, usually with less risk than shares.

Budget: A plan to show how much money a person does or will earn and how much they will need or be able to spend.

Building society: An organisation owned by its members, some of whom will be customers saving with or borrowing from the society. They often offer a range of financial services similar to banks.

Capital: The amount of money you originally have, save or invest, before any interest, other return or loss is taken into account.

Cash flow: A record of all the money coming in, minus any payments as they are made. If your receipts are bigger than your payments, you have a net cash inflow. If your receipts are less than your payments, you have a net cash outflow.

Compound interest: The usual type of interest paid on savings and loans, based on the capital plus the interest already paid so far, so the savings or the loan will grow by increasing amounts (unless money is taken out or the loan paid off).

Comprehensive insurance: Provides cover for accidental damage to your own car in addition to the third party cover.

Credit: An account 'in credit' has money available to be spent. Buying something 'on credit' means with a loan which must be paid back.

Credit cards: Credit cards are available from most banks, and allow you to borrow money up to a certain limit. When you buy something with your credit card, the amount you spend is added to your total borrowing. If you don't repay the full amount, you will start paying compound interest, which will build up each month.

Cycle: A series or sequence of events that happen in repeated order or pattern.

Debit card: Can be used to pay for many things without using cash or a cheque: the money is taken out of your account electronically straight away.

Dependents: People who are financially dependent on you, such as children or an elderly relative you care for.

Dividend: The payout from shares.

EMA: Education Maintenance Allowance. Money that can be paid by the Government to young people between the ages of 16 and 19 to help them continue with study.

Economic wellbeing: A person's sense of financial security, including avoiding poverty, achieving employment and understanding personal finance.

Endowment: An insurance policy that pays out a lump sum at the end of a set period or on death, whichever comes first.

Enterprise: Running a business or, in education, learning how to do so.

Entrepreneur: Someone who starts their own business.

Final salary pension: A pension where the amount you receive on retirement is worked out on the basis of how much you earned in the last year/s of work and how long you were in that job.

Financial capability: A term used to describe a person's general awareness of issues relating to money, including keeping track of finances and choosing financial products and services.

Financial year: The 12-month period a business uses for recording its accounts. It is often the same as the calendar year or the tax year, but does not have to be.

FSA: Financial Services Authority. The UK's financial watchdog, which regulates how financial institutions are allowed to conduct their business.

Graduate earnings premium: The extra earnings expected with having a university degree.

Gross: An amount of money before any deductions - usually meaning tax - have been taken. Gross profit is the amount of money made from selling goods and services minus the cost of making/providing them.

Income: Money that is earned from doing work.

Income tax: A tax that is payable on almost all types of income, at various rates depending on the level of income.

Inflation: A continual increase in the general level of prices. Over time a given amount of money will buy fewer goods and services.

Insurance cover: The situations or circumstances you are insured against.

Inheritance Tax: Tax on the value of a deceased person's assets. Tax may also be imposed on any gifts made during the seven years before death.

Interest: The reward you get for lending your money to say, a bank or a building society. Also the cost you pay when you borrow money through a loan or credit agreement. It is usually worked out as a percentage (the interest rate) of the money you have borrowed.

Investment: Products that typically involve some risk of losing your original money but give you the opportunity of better returns than you get from savings.

Life assurance: Payments that you make regularly into a fund, which pays out the person(s) you nominated when you die.

Mortgage: A type of secured loan usually taken out to buy property. If you fail to pay off the loan, the lender keeps the property.

National Insurance: A Government deduction from your wages used to pay for benefits that you might need to claim, and your state pension when you retire.

Net: Indicates a sum of money from which certain amounts, usually meaning tax, have already been taken away. Net income is how much you earn after any deductions for tax and National Insurance. A person's net worth is the overall value of all their assets minus all liabilities.

Occupational pension: A pension from a scheme set up by an employer. Employees usually have to join the scheme to be eligible and may have to make contributions towards it.

Pension: An income paid out after someone retires. The Government gives tax relief on money paid into a scheme designed to provide a pension, making it more beneficial than other forms of saving. The money cannot be removed (or paid back in instalments) until a minimum age, such as 50, has been reached.

Pension deduction: Payments into an occupational pension scheme taken automatically from your pay.

Personal finance: An individual's financial affairs, including decisions about choosing products and services, and saving, investing, spending and borrowing money.

Personal pension: A pension plan, not tied to a particular employment, which you can keep paying into even if you change job.

Policy: Another word for plan or cover, e.g. for insurance. A policy agreement sets out everything that is agreed between you and the insurer, including what is covered and any exclusions.

Profit and loss: In a business, you make a profit if you sell goods or services for more than your costs. You make a loss if the proceeds are less than your costs.

Risk: The chance that an investor will lose all or part of an investment.

Salary: An amount of money paid to an employee, usually paid directly into his or her bank account every month.

Secured loan: A loan borrowed against the cost of something you own. If you fail to make repayments, the lender can then take the security - the thing you own, such as your house - instead.

Shares: An investment that makes you part-owner of a company, along with all the other shareholders. Some shares pay you an income (dividends) regularly. With all shares, you accept a capital risk: if the share price rises, you will make a profit when you sell, but if the share price falls, you will instead make a loss.

Stakeholder pension: A type of pension scheme designed to encourage people to save for their own pension, by having low charges and flexible payments.

State pension: A pension paid to you when you retire by the Government. The amount you get will depend on your National Insurance record (or that of your partner).

SWOT analysis: a strategic planning method used to evaluate the Strengths, Weaknesses, Opportunities and Threats involved in a project or business venture.

Tax: A fee charged ('levied') by a government on a product, income, or activity.

Tax year: A 12-month period running from 6th April one year to 5th April the next year. Taxes, such as income tax, are worked out over this term.

Trend: A general change or tendency.

Unsecured loan: A loan that does not use anything you own as security. If you do not keep up with payments your possessions are not immediately at risk, but you can be taken to court, and your credit rating can be adversely affected.

VAT: Value Added Tax. A tax paid by the consumer for goods and services, currently 15% in the United Kingdom.