



7. Spend Your Money Wisely My Friend

Learning Objectives

To:

- enable students to distinguish between needs and wants
- encourage the habit of budgeting carefully

Learning Outcomes

By the end of this lesson students will:

- have considered how to make economies
- drawn up a simple needs/wants list for themselves

Links to pfeg Financial Education Planning Framework 3-11 years

Age 7-9

Becoming a critical consumer

Choices about spending and saving
Spending and saving priorities

Age 9-11

Becoming a critical consumer

Influences on spending and saving
"Value for money"

Vocabulary

- needs
- wants
- compare
- cost
- budget

TIMING

10 MINS

STARTER ACTIVITY

Start by ensuring students know the difference between needs and wants. Watch the video and raise the following questions:

- a) The band members of Cha Ching have lots of things they want but what is the one thing they need? (New set of speakers)
- b) Why is this a need rather than a want? (Without the speakers they cannot earn money playing their concerts)
- c) Where do they finally buy the speakers from? (After comparing prices in the shops they buy the speakers from an auction site online)

RESOURCES

Video: Spend Your Money Wisely My Friend



Tasks

Giving students a fixed sum is strongly suggested as this will avoid them having to make potentially awkward calculations based on their own income (which possibly may not even exist).

Distancing techniques such as this preclude any potential embarrassment for students

TIMING

MAIN ACTIVITIES

RESOURCES

20 MINS

1) Use the card sort activity to reinforce notions about needs and wants. Distribute a set of cards to small groups of students and then get them to place their choices appropriately on the Venn diagram. There will clearly be some variations in students' responses in which case get them to consider context – what is right for them may not be the case for someone else in different circumstances, e.g. Cha Ching need the speakers for a specific purpose which is probably not going to apply to anyone else. They can, of course, agree to place cards in the interlocking section of the diagram. When students have finished, discuss outcomes and question choices made.

Venn Diagram cards

20 MINS

2) Use the Needs & Wants planner to get students to think about their personal needs and wants. Firstly, get them to write down anything they think they need/want. Then separate into the two relevant lists. Finally, if time allows students could do some online research to add costs and create totals. **Giving them a fixed sum of income** (e.g. £10 per week) students can then work out how long it will take them to save.

Needs & Wants budget planner

PLENARY

10 MINS

In pairs ask students to come up with three rules for spending wisely (stop and think before spending; know the difference between what you need/would like and what you want/must have; compare prices before deciding; consider alternatives; focus on your goal; don't be distracted by other things)

EXTENSION WORK WITH PARENT /CARER ENGAGEMENT

Pick a couple of everyday items (e.g. a box of cornflakes and six eggs) and challenge students to see who can find the best value product. They can research on the internet and/or check local shops etc.

Do not specify a brand as they can then compare a variety of the same product from different sources.

Parent/carer can assist student with research and help them to understand that people may sometimes choose to pay more for reasons of ethics or protecting the environment.