**Money Works Session 1: Budgeting**

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| **Outcomes** | **Resources** | **Key** |
| * **Money habits**
* **Needs and wants**
* **Budgeting**
* **Household Bills and other Costs**
 | * Accreditation workbooks
* Needs and wants laminates
* House plan laminates
* Bill laminates
* Demotivator worksheets
 | * Workbook pages
* Laminates
* Digital
* Worksheet
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| **Section** | **Method** | **Hints & Tips** | **Materials** | **Time** |
| **Introduction** |
| **Introduction**Welcome, introduce MyBnk and explain the accreditation and workbooks.Start with icebreaker or introduction game (trainers choice of what works well for them) and agreeing and writing up ground rules/contract if appropriate.Introduce the outcomes of the session and that by the end of the session YP will know about:* Budgeting
* Income
* Banking
* Borrowing
 | Trainer led introduction | If waiting on some latecomers can have YP do their baselines if they have not completedCould do two truth one lie, [counting to 21 strategy](https://boardgamestrategy.blog/2017/02/13/counting-to-21-strategy/), what would you do if you won the lottery | PowerPoint | 10 mins |
| **Quiz**Go through questions with YP. Make links - where you can - to topics that will be covered (for example for prices of hospital/Olympic stadium explain that taxes will have gone towards those buildings, so they are helping to pay for them) | Group quiz |  | PowerPoint | 10 mins |
| **Needs and Wants** |
| **What is a need and what is a want?**Hand out laminates. Group needs to divide them into needs and wants. Some are straightforward; however some provoke discussion:Car – depends on your circumstances and the availability of public transport. Laptop – if you have a smartphone maybe a want. Clothes – it depends how many clothes you already have and designer labels vs High Street etc. These can be put in the middle or circumstances agreed between the young people to choose a fixed position.Takeaway and Cigarettes will always have supporters insisting they are Needs, but must be explained that we are talking about the financial definition of Want and Need, so they are both definitely wants. If possible, leave these laminates out to support later with budgeting (if you bring blue tac and is allowed by organisation, can stick to walls). | Group activity | If group is shy/works better in pairs can give out a few laminates each to pairs for them to decide where they go and then discuss choices as a group | Needs and wants laminates | 10 mins |
| **Money Habits** |
| **Demotivator**Show the YP the demotivator webpage an example of something you regularly spend money on that is a want, or talk them through the maths to get an annual spend figure.Ask them to identify something they buy regularly that is a want of their own and have them do it themselves on the webpage, or worksheet if you do not have access to the internet.Then ask them to visualise a single big ticket purchase they could buy with their annual expenditure on that item e.g PS5, holiday, driving lessons etc.Discuss cutting the expenditure in half (still having the want, but only half as much as currently). What could they do with that money? Very few people spend nothing on pure wants, but for most of us we can cut back with some will power and habit building or breaking. | Group discussion and individual activity | Encourage every day purchases such as energy drinks, vapes, meal deals etc as they give the best result (can show them an example of your own of one of big spends vs every day little spends to show how much little and often adds up) | [Demotivator webpage](https://www.moneysavingexpert.com/shopping/demotivator/)OrDemotivator worksheet | 10 mins |
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| **Habits**Discuss wider money habits with the YP, that everyone likely already has both good and money habits (even things they aren’t thinking of as money habits)Encourage YP to write their habits on post it notes. Read some out and ask YP to place on the red laminate if they think it’s a habit they should stop, yellow if a habit they should start and green if a habit that should be continued. Have them turn to the Money Promises page in their workbooks and come up with something they want to stop, start, and keep doing to improve their financial situation.  | Trainer led explanation and workbook | Model some of your own on whiteboard if they need some support startingEncourage them to think broadly- e.g. meal prep or walking to places is a good money habit  | Red, Yellow, Red Laminates Money Promises page | 10 mins |
| **Household Bills and Other Costs** |
| **Furnish a house for £200**Hand out floor plan laminate/s and explain floor plan concept if needed.Tell story that you have won this flat, but all it has are the things identified on the plan. First the YP need to make a list of everything they want to put in the flat. Ask questions about contents of different rooms to prompt the list making. They can write what things they need in the room it would go in on the floor plan with whiteboard pens, or a separate list on paper.Then say that they have some money to furnish the flat: £200. They need to look back at their list and decide how to spend their budget. Prompt discussion about prioritising, cutting back and compromising. If YP have access to the internet they can look up furniture on websites like gumtree, Facebook marketplace etc and chose exactly what they will spend their £200 on. If they cannot use the internet, look together as a group on the board (if no access to internet at all, have them allocate how much money they will spend on each item)If using the internet, take some time to comment on posts which are suspicious/possible scams and explain why they may be.  | Group activity  | Prompt if needed if YP have forgotten things like curtains/desks/sofa etcRemind them of things beyond the internet like charity shops and car boot sales. Can make a list of local good places to go | Floor plan laminateFurniture and second-hand websites | 15 mins |
| **Fixed household costs**Explain that once you have spent money on one off purchases like furniture, there are recurring costs to run a household you must consider.Use whiteboard to brainstorm list of regular household costs together and confirm what they are for. Then ask YP to complete living independently page by listing 5 of these.Instruct YP turn to the Living Independently Costs page in their workbooks. They need to list 5 of these costs, can use any of the ones brainstormed together. | Group discussion and workbook  | Can compare their list to the PowerPoint list if helpful | Living Independently Costs pageOptional PowerPoint | 10 mins |
| **How bills work**Distribute bill laminates and explain how bills work.Ask YP to look at their bill in pairs/small groups and to look for information like:* How much the bill costs
* When it is due
* How they can pay it
 |  | Compare the costs to prepay meters | Bill laminates | 10 mins |
| **Budgeting** |
| **Budgeting**Explain that budgeting is an essential skill to stay financially healthy. People do it in different ways and it is important to find a way that works for you so you can stick to it. today we are going to have a practice.You can model a budget of your own or with average costs on a whiteboard or a spreadsheet on the board. Make sure YP understand that you must budget for your needs then your wants in any budget.  | Trainer led explanation  | Have a go to budget to model if you are going to modelShow YP some different types of budgeting styles/strategies | Potential spreadsheet or budgeting websites | 10 mins |
| **Income**Instruct YP to turn to the Income Budgeting page of their workbooks.If YP currently have income and pay rent and bills they can use genuine figures. Ensure they have written their income sources on this page with a total.If they do not have an income, instruct them to write a monthly income of £1250 (this is take home pay from a salary of approximately £16000 pa) | Trainer explanation and workbook |  | Budgeting income page | 5 mins |
| **Outgoing**Instruct YP to turn to the Budgeting page of their workbooks.If YP live independently/pay rent and bills they should use their own figures.If they do not, instruct them to select one of the options below.Accommodation choices:A Your own one-bedroom flatB Sharing a flat with one other personC A room in a shared house (6 occupants totalThen have them fill in the fixed costs in their budgeting table using the information on the table below, based on what accommodation choice they made (tell them they can change their choice if they think it is looking too expensive for them)

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| --- | --- | --- | --- |
|  | A | B | C |
| Rent | 600 | 400 | 400 |
| Utilities | 200 | 100 | 0 (included in rent) |
| Council Tax | 105 (25% discount) | 70 | 30 |
| Shopping (nat average) | 115 | 115 | 115 |

They should use their current genuine figures for phone and travel if known.They have covered their needs, now instruct them to include at least 4 wants and how much they spend on each. Refer to the laminates used earlier to help them think of wants they spend money on if they are still available.Instruct them to add up their total spends and take it away from their income to calculate what they have left over in the space provided in their workbooks.Lastly, Instruct the young people to fill in their 3 top needs and wants at the bottom of the workbook page make sure they understand that the needs must be financial needs). | Trainer explanation and workbook | Check the maths on all their budgets before the next session so they can amend at the start if needed as it must be correctIf they go into the negative you could encourage them to make some changes before completing, or address that changes will need to be made in your marking If they have lots leftover you can prompt them to save in their marking | Budgeting outgoings page | 20 mins |
| **Wrap Up** |
| **Book check**Take in YPs workbooks and do a quick check through to make sure all activities are completed and in case there are any quick corrections that will be easy for them to make before leaving. Hand back any books for quick corrections or if name/DOB are missing.  | Trainer led | Live mark throughout the session where you can to make book checks easy as possible for yourself | Workbooks | 13 mins |
| **Goodbyes**Thank the YP for their time, remind them of date and timings of when you will next see them and dismiss them or handover to the other adult with you to dismiss as is appropriate. Make sure you have collected in all laminates used in the session and have all workbooks with you before you leave.  |  |  |  | 2 mins |
|  | Total | 135 mins |