**Money Works Session 4: Borrowing**

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| **Outcomes** | **Resources** | **Key** |
| * **Borrowing**
* **Credit history**
* **Dealing with Debt**
* **Setting goals**
 | * Accreditation workbooks
* Priority debt laminates
* Dealing with debt handout
* Participation certificates
 | * Workbook pages
* Laminates/cards
* Digital
* Worksheet
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| **Section** | **Method** | **Hints & Tips** | **Materials** | **Time** |
| **Introduction** |
| **Introduction**Welcome the YP, hand back the workbooks and allow time to make any corrections if needed from last session. Remind young people that entire booklet must be completed for accreditation to be complete and that this is the final push.Could start with a quick warm up game/recap of rules agreement if one was made.Recap topics covered last session and explain today’s focus will be borrowing and show YP the key outcomes.  | Trainer led introduction | Circulate and talk with learners who have little to no corrections to make | PowerPoint | 10 mins |
| **Borrowing**  |
| **What is borrowing?**Facilitate a discussion about what borrowing is, and get groups to ideate ‘Why do people borrow money?’What gets paid on borrowing? Interest! (Re)define APRHighlight which reasons might be seen as good reasons to borrow and goodplaces to borrow (when you INVEST in something e.g. business, uni, house). | Video and trainer led discussion |  |  | 10 mins |
| **Types of borrowing**Group feedback with trainer drawing a spider diagram on a flipchart to showdifferent ways to borrow.Using the spider diagram, talk through the features of different types ofborrowing & define what credit is (‘buy now, pay later’) – get YP todifferentiate which ones on the board are loans & which ones are creditRun through each type of borrowing, and add average APR amounts to eachone, explaining the high ones e.g. payday loans, credit cardsUse the ppt to match different forms of borrowingGet YP to then describe three forms of borrowing in their booklets | Discussion and workbook |  | Types of Borrowing Workbook PowerPoint slide | 15 mins |
| **Responsible lending**Watch the Nomo video and discuss responsible lending and where you should get lending advice from. Talk about Loan Sharks and how vulnerable people can be taken advantage of when they feel they need to borrow money. Ask group who reputable lending sources are. Discuss how you can tell they’re reputable and legal. Draw out the concept of the ‘credit score’. Concept check and give a brief explanation.  | Discussion and ppt | For those also trained on KS5 programme, can show the 2 borrowing adverts from there and compare APRsOptional Loan Shark resources available on Trainer Resources | PowerPoint slide | 15 |
| **Credit Score** |
| **Quiz**Complete the ppt quiz of ‘true or false’. Facilitate discussion for each question.  | PowerPoint and group discussion | If any of the YP are working and happy to discuss, talk to them about their jobs with the group | PowerPointand[Living Wage map](https://www.livingwage.org.uk/living-wage-map) | 5 mins |
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| **Credit Score explanation** Explain credit history fully, and that everyone aged over 18 years will have aRecord.Discuss with YP how credit history is calculated and what it means for thempersonally – the consequences, how long items remain on their history, how itcan affect the APRs you’re offered for credit in the future.Discuss ways to improve credit history Go online and share credit score websites such as clearscore or experian.  | Trainer explanation and PowerPoint | If you feel comfortable sharing, look through your credit report and feedback on different aspects. |  PowerPoint | 10 mins |
| **Dealing with Debt** |
| **Priority vs non-priority debts**Show the debt type laminates and ask YP to decide if they are priority or non-priority. Show definition of priority debts (eviction; cut-off; court) and ask them if they want to change any of their guesses. Ask YP to march laminates consequences to the debts.When correct, complete the priority debt part of the workbook. | Group/pairs activity  |  | Priority Debt LaminatesPriority Debt Workbook PowerPoint | 15 mins |
| **What can you do?**Ask YP what they should do if struggling with debt. Show websites such as CAB and stepchange. Show the ‘debt diary’. Reiterate that loaners do not like to sell their debt as they lose money, which is why contacting who you’re in debt to is important. Write up YP ideas on the board and discuss each one. When complete, ask YP to open and fill in their workbooks.  | PowerPoint, trainer explanation and group discussion  |  | Debt Workbook PowerPoint | 10 mins |
| **Goals**  |
| **Setting goals**Ask YP to identify a goal they would like to achieve. Suggest the following 4 point plan: Learn, earn, save, achieve.Step 1. Learn about the goal. Do research online or with experts to find out info to make an effective plan.Step 2. Earn the money to achieve the goal. Get a job, increase hours, do some freelance work to enhance income to make the goal achievable.Step 3. Save. Put aside some or all of new income in an account specifically for the goal. Try to maximise AER. Step 4. Achieve the goal. Buy it, book it, do it, whatever the goal may be.Note the first column explains what the step is. The second column explains how and why it is being done, and the third column is a date for each step to happen. | Trainer led explanation  | You may wish to flag the goal earlier in the course, so YP have a chance to think.  | Goal setting Workbook | 15mins |
| **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. | Trainer led | Live mark throughout the session where you can to make book checks easy as possible for yourself | Workbooks | 15 mins |
| **Endline**Make sure your YP complete the endline – their email addresses are needed for certification. Help any YP with completing the endline. |  |  |  | 5 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/cards used in the session and have all workbooks with you before you leave.  |  |  |  | 2 mins |
|  | Total | 135 mins |