

# BORROWING AND MENTAL HEALTH

## ACTIVITY

# 1

### Financial Education Secondary Planning Framework links:

I understand that poor decisions about money may lead to stress and anxiety which might contribute to problems with my health and well-being and in my relationships **11-14**

I understand that there will be times when I need to talk openly about my money in order to get help and advice about my financial decisions and my rights and responsibilities as a consumer **14-16**

### MATERIALS

- ✓ Blank paper
- ✓ Pens
- ✓ Access to the internet (optional)

### TIME

**30 min**

## ACTIVITY



This activity will help students explore the affects that borrowing can have on our mental health and wellbeing.

You may wish to introduce this activity by doing a word association exercise with the term 'debt' – draw a stick person and ask the class to surround it with the words they think about or feel when they hear this term.

Then task the students with writing a play or devising a performance about borrowing and debt.

Students could either use one of the Debt Scenarios as a starting point or they could develop their own.

### Encourage students to consider:

- Why people might get into debt?
- How people might try to get out of debt?
- Why it can be very challenging to get out of debt?
- How someone might feel who's in debt?

Students may also choose to take a different angle and develop a scenario around a lender instead.

## EXTENSION



You could also show this short animation created by Aaron, an 18-year old who struggled with debt and is now campaigning to help other young people who are in a similar situation.

[www.childrenssociety.org.uk/what-you-can-do/campaign-for-change/breathing-space](http://www.childrenssociety.org.uk/what-you-can-do/campaign-for-change/breathing-space)

You can find further information about borrowing and debt in **Your Money Matters**, p53-71

[www.young-enterprise.org.uk/resources/your-money-matters-financial-education-textbook/](http://www.young-enterprise.org.uk/resources/your-money-matters-financial-education-textbook/)





# DEBT SCENARIOS



## Aisha

Aisha is 19 years old. She's now struggling with debt.

As soon as she turned 18, she went to her bank and got her first credit card. She really wanted to travel so she put the cost of the plane tickets on her card. She also took out a couple of store cards to help her buy outfits for her trip.

She thought it would be fine as she had a job that paid quite well and she was sure she would have no problem paying the cards off in time. Unfortunately, when she got back from her holiday, she lost her job.

With no savings and no income she wasn't able to pay her credit card or store card bills. She's now working at a café but she's on a zero hours contract so she doesn't know from week to week how many hours she's going to work and what she'll get paid, so she doesn't know whether she'll have enough money to pay her bills. She keeps on getting letters from her bank and the stores but she just can't face opening them because the amount she owes keeps increasing and she doesn't know when she'll be able to pay it off.



## Jack

Jack is 23 years old. He's facing serious problems with debt.

A few years ago, Jack got a few parking fines, he was annoyed as he didn't think he deserved them so he decided he wouldn't pay them off. He was sure if he ignored them they would go away. Jack didn't really pay any attention to the letters piling up from his local council until he realised the amount he owed had started to increase.

He spoke to his friend who told him that if he didn't pay the fines then he may have bailiffs from the local authority at his door. At this point, Jack wasn't working and so couldn't really afford to pay the bills.

His friend recommended a guy he knew, a money lender, who could lend him all the money straightaway so he could pay the parking fines and get the council off his back. At the time he thought it made sense, he would still be in debt but better to owe money to someone you kind of know than to the council who could take you to court. Although that was, until the money lender and his friends started paying him visits...





# PEER PRESSURE

## ACTIVITY

# 2

### Financial Education Secondary Planning Framework links:

I can demonstrate ways to resist unwanted pressure to save or spend my money unwisely **11-14**

I appreciate that there is no one right answer when choosing a financial product; it depends on an individual's circumstances, preferences, values and attitudes **14-16**

### MATERIALS

- ✓ Blank paper
- ✓ Pens
- ✓ Peer Pressure Character Profiles

### TIME

**30 min**

## ACTIVITY



This activity is designed to help students explore how peer pressure could affect their ability to manage money wisely.

Ask the students to work in groups, give each of the students one or more of the Peer Pressure Character Profiles. Ask the students to write down the advice they would give to all the characters involved in the story, not just to the main character experiencing the pressure but also those behind the pressure.

### Ask the groups to feedback their answers – do they all agree?

Then challenge the groups with developing their own peer pressure character profiles – what solution would they

suggest for their character. Encourage them to be creative in the way they present their profile – they could create a story board, write a short story or even a short play.

As part of My Money Week, these character profiles could be shared with the rest of the school, maybe during an assembly to help build awareness about peer pressure.



### Extension:

**Students could create an awareness poster about peer pressure.**

## DISCUSSION OPPORTUNITIES



You may wish to start the activity by asking the class to think of reasons WHY people might succumb to peer pressure and WHO might influence our spending and saving choices.

You could explore influences on spending further using Your Money Matters, pg 35-37

[www.young-enterprise.org.uk/resources/your-money-matters-financial-education-textbook/](http://www.young-enterprise.org.uk/resources/your-money-matters-financial-education-textbook/)





# PEER PRESSURE PROFILES



## Lucas

Lucas is 18 years old. He lives with his dad and goes to college full-time. He has a car and pays his car insurance monthly using his wages from working part-time at a local take-away. Lucas has been saving the remainder of his money. He hopes to go to university in the Autumn. His dad has told him he will need money for living costs.

Lucas's friends want him to use some of the money he has saved for a holiday to Spain. It's not a small purchase and Lucas is unsure about going as it's taken him a long time to save. His friends have told Lucas that if he doesn't go he'll be missing out on the holiday of a lifetime! They've also said that Lucas will be really jealous of all the fantastic photos that they'll post on social media. Lucas's friends need him to decide whether he's going by the end of the week.



## Keisha

Keisha is 16 years old. She follows her favourite singer, Jem, on social media. Every day Jem posts pictures of herself wearing the latest clothes and hanging out at the coolest places. Keisha's friends have started tagging her into Jem's posts, commenting about how much they all need to buy a particular item that Jem's wearing or go to the places Jem goes to. If Jem is buying it or doing it, even if it's really expensive, her friends are sure it must be worth the money.



## Zara

Zara is 20 years old. She works in an office and shares a flat with two of her work mates. Zara enjoys going for meals with her friends. She also enjoys going to fitness classes at her local gym.

Since moving in with her work mates Zara has found managing her money quite difficult as she is paying towards the rent and bills for the flat. Zara's friends want to go out for dinner most Friday and Saturday nights. They talk about the great nights out they've had all the time at work and at home, and they constantly try to persuade Zara to join them on the next one. Zara doesn't want to miss out and she isn't keen on staying in the flat alone every weekend however, she doesn't want to sacrifice other things she enjoys like her gym sessions, to go on expensive nights out.



## Finley

Finley is 14 years old. He lives with his mum and dad and has two older brothers. Finley and his brothers like playing video games. Finley's brothers want him to buy video games that they can play together because he has the most money in his bank account. Finley would like the games but he would like his brothers to pay some money towards the cost too.

His brothers are accusing Finley of being selfish, as they don't have any money and he does. They think he should share his cash and be more of a team player, especially as they are older and they have to spend their money on things such as bus fares to college.



# THE CONSUMER CHALLENGE

## ACTIVITY

# 3

### Financial Education Secondary Planning Framework links:

I know that there are different ways to calculate value for money and that price is only one factor **11-14**

I understand that people who are selling goods and services, including financial ones, do so to make money and that I have a responsibility to become as well informed as I can before making choices, e.g. by analysing the small print in agreement, or by using comparison websites **14-16**

### MATERIALS

- ✓ Blank paper
- ✓ Pens
- ✓ Access to the internet

### TIME

**30 min**

## ACTIVITY



This activity is designed to help students understand that when we calculate 'value for money', price shouldn't always be the deciding factor.

Start the lesson by showing the students the results of an online comparison for an item – make sure you have a good range of prices including some very cheap options and a few more expensive ones. You could choose a physical object like a sofa, an energy product like electricity or a financial product like pet insurance.

Ask the students to vote on which one they think is the best 'value for money' - don't discuss the result any further at this stage but explain that you will return to this example at the end of the activity.

Now, put the students in teams and challenge them to use online comparison websites to find the 'best deals' for a number of products. You could use the suggestions below or think of your own.

1. **Flight from Manchester to Barcelona in September**
2. **Travel insurance for 1 person aged 18 for 1 week in Europe.**
3. **Unlimited broadband**
4. **Gas and electricity for a 2-person household**

For each product, the teams should write down the key information that helped them make their decision to purchase this product over another one listed.

**The students should also make sure that the offers they find are from reputable websites.**

Then as a class, ask the teams to share their findings. Did they all choose the cheapest options? What other factors influenced their decisions when deciding if a product was the best 'value for money'? Do all the students agree or is 'value for money' also based on personal choices?

Now return to the example you showed the class at the beginning of the activity and ask the students to vote again on which product they think is the best 'value for money'? Did the students change their minds? Do they still think price is the most important factor?





## DISCUSSION OPPORTUNITIES



## What are the benefits and risks of using online comparison sites?

## Benefits

- Allow you to compare a range of different products at a range of different prices

## Risks

- Comparison sites do not always show offers from all suppliers
- Different comparison sites may show different prices

What information should you look for when comparing products online? How can we tell that we are buying from a reputable website?

- Check the website domain name, be wary of websites that end in .net or .org as they are not usually used for online shopping websites
- If the offer is 'too good to be true' it probably is
- Never pay by bank transfer
- Check for the padlock next to the website's URL
- Double check the returns policy
- Look for online reviews

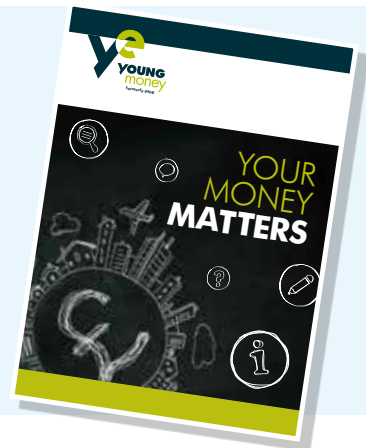
Further information on how to avoid scam websites can be found here: [www.which.co.uk/consumer-rights/advice/how-to-spot-a-fake-fraudulent-or-scam-website](http://www.which.co.uk/consumer-rights/advice/how-to-spot-a-fake-fraudulent-or-scam-website)

## EXTENSION



You could develop the learning from this activity by exploring the Making the Most of Your Money chapter in Your Money Matters.

**[www.young-enterprise.org.uk/  
resources/your-money-matters-  
financial-education-textbook/](http://www.young-enterprise.org.uk/resources/your-money-matters-financial-education-textbook/)**



## NOTES



# THE FUTURE IS DIGITAL

## ACTIVITY

# 4

### Financial Education Secondary Planning Framework links:

I recognise the need to make informed choices about financial products, and know that sometimes I may need to seek help and advice to do so **11-14**

I appreciate that there is no one right answer when choosing a financial product; it depends on an individual's circumstances, preferences, values and attitudes **14-16**

I can choose and work out the costs and benefits of the financial products I need now and in the future **16-19**

### MATERIALS

- ✓ Blank paper
- ✓ Pens
- ✓ Access to the internet

## ACTIVITY



### We're entering an age of digital payments...

**Around 95% of young people aged between 16 and 24 now own a smart phone.**

(Source: <https://www.statista.com/statistics/271851/smartphone-owners-in-the-united-kingdom-uk-by-age/>)

This rapidly developing market has led to a boom in digital payments. Consumers, especially young people, are driving the demand for faster and more convenient payment methods.

Mobile and social media options are likely to become the future of payments.

Working in groups, ask the students to imagine that they work for a financial technology company. Their task is to design a new payment method for young people.

When developing their product, encourage them to consider:

- What do young people need?
- What do young people want?
- How will you meet the everyday payment needs of young people?
- What could your company/ payment method offer that doesn't already exist?

- How will you stand out from the very busy market?
- What challenges might you face?
- How could you ensure your payment method is secure?

Students might want to do some research about existing digital payment methods and how these work before developing their own.

Encourage students to be as creative and inventive as they wish in their concepts and also how they present their proposed payment methods. They could show their ideas as a PowerPoint presentation, a written plan, a storyboard of how their app will work or they could even create a prototype of their design.





## DISCUSSION OPPORTUNITIES



You could explore the following types of digital payments:

- **Peer-to-Peer transfers**
- **Digital wallets**
- **Mobile remote payments**
- **Mobile-in-proximity payments**
- **Digital bill pay**
- **Digital currencies**

For a brief definition of each, see the Digital Payments information sheet.

You can find out more about ways to pay in Your Money Matters, on pg 38-9.

### Are there age limits for digital payments?

Most banks offer young people the opportunity to use online banking which includes mobile banking, the average age limit is just 11 years old.

There are some limits for using digital wallets but they differ depending on the service provider, Google Pay is limited to 18 and over or 16 with parental/guardian consent. Apple Pay however is available for young people aged 13 and above.



## NOTES



## DIGITAL PAYMENTS INFORMATION SHEET



### Peer-to-Peer transfers

Send money to friends, family and traders using a mobile phone app. You can also send money to friends using social media platforms.

### Digital wallets

Apps that allow you to store all your credit, debit and customer loyalty card details on your phone.

### Mobile-in-proximity payments

Paying for your purchase using your phone inside the store e.g. paying for your supermarket shopping without needing to go to the till, using your mobile to pay for food at a restaurant.

### Mobile remote payments

Paying for an item from an online store.

### Digital bill pay

Paying your bills directly from your online bank account – a customer of a bank can transfer money to a credit card or pay a specific bill e.g. for utilities, a store card.

### Digital currencies

Paying for items using your digital currency e.g. Bitcoin, there are some cafes in England where you can pay using Bitcoin.

