Leicester City Council

The Family Workshop has been produced thanks to the support of Leicester City Council

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Learning about Money at Home:

A Family Workshop

Practitioners Notes

These resources support a 90-minute workshop, designed to help families explore money learning in the home.

The workshop focuses on helping families explore money learning together. Parents/ carers will discover ways to include their children in everyday discussions and actions related to money thereby improving both their children's financial capability and in turn, their own too.

How can the resources be used?

The content can be used to deliver a family engagement workshop, or it can easily be adapted for one-to-one support with a family.

As the needs of the families may vary, we have provided a selection of different activities from which the practitioners can choose. The activities have been designed to enable practitioners to deliver them in the context of the workshop or as separate activities, which also allows for ongoing support for a family.

The content is adaptable for parents/ carers with children of any age and contains activities that are easily deliverable by non-educators and non-financial education experts.

The workshop is primarily designed to be delivered just to parents/ carers but there's plenty of scope for children to join in, especially with the final session, and experience the activities as a whole family.

The materials may need adapting and tailoring to meet the needs of the parents/carers participating as their experiences of money may differ according to their circumstances. Families will have different levels of income, and different attitudes to spending and saving which are not necessarily linked to the amount of money available to them. Some will be confident about their money management skills and others won't feel equipped to help their children learn good habits. It is important to reassure parents/carers that their own money management skills will not be scrutinised, and they will not be expected to disclose any personal information about their financial situation.

Introduction Cont.

The aims for the Family Workshop are:

Parents/Carers

- To know why financial capability is important for children and young people
- To know what children and young people need to know about money
- To know how families can support their children's learning at home
- To increase their confidence to talk to, and support their children in everyday financial matters
- To take part in some family learning activities

Practitioners

- To equip parents/carers with the knowledge and skills needed to support their children's learning at home

Children and young people

- To increase their financial capability through learning with their family

This resource contains everything you need to run a Family Workshop.

Practitioner Notes containing:

- A suggested programme with timings and related PowerPoint slides
- Information about how to run each part of the workshop including the aims, the resources that are needed and step by step instructions

PowerPoint Presentation containing:

- The aims of the day
- Images and information to support each part of the session

Supporting Resources you need for the activities:

- Whiteboard/screen and projector
- Post-it notes/scrap paper and pens
- Flip Chart
- House template for the Cost of Running a Home activity
- Samples and plates for the taste test in the Value for Money activity
- Priority Billing Cards and Consequences worksheet for the Priority First for Families activity
- Jobs and Spectrum cards for the Jobs and Aspirations activity
- Pledge Chart
- Glossary

Programme

Itinerary	Description	Resources
Welcome and aims of the session (5 min)	What the workshop aims to do	Slide 2
Let's Talk About Money (10 min)	Discussion of everyday financial decisions as well as parents/carers aspirations for the workshop	Slide 3
Where Does Money Come From? (10 min)	Parents/carers will consider different ways to involve their children in money matters	Slides 4 - 6
Making Money Decisions (10 min)	Parents/carers consider where children think money might come from	Slides 7 - 10
Family Learning Activities (45 min)	Exploring a range of family learning activities about money	Slides 11 - 23
Let's Talk About Money at Home (10 min)	Practical everyday ideas for initiating conversations about money at home	Slides 24 - 26

Let's Talk about Money

10 mins

This icebreaker session will help parents/carers recognise that financial decision-making is part of theirs and their children's everyday lives. The session will introduce the importance of involving children in these money decisions.

Aim

- To improve the confidence of parents/carers when talking about or taking responsibility for financial matters

Running the session

Nearly every action we do can be related to money or involve a financial decision, some directly and others indirectly. If we try to be open and talk about money confidently, we will be better informed when making financial decisions. Being able to discuss money matters with your children will begin to support them in becoming financially capable, now and when they become an adult. Making individual choices, however small, can make a big difference to you and your family's lifestyle.

So, let's talk about some of the financial matters that we all experience every day.

Activity

Ask parents/carers to work in pairs or small groups. Task them with thinking about how many money decisions they've made from when they got up in the morning to when they arrived at the workshop. For example, having a hot shower, eating breakfast, checking the bus route online, buying bus tickets, etc. Some are more obvious than others - encourage parents/carers to consider actions that cost money both directly and indirectly. Once they've created their list, ask them to suggest some ways that they could reduce their spend for these actions.

Discussion points

Feedback as a group and discuss daily spending and where savings could be made. Some examples are;

- Take showers not baths
- Turn heating down or off when out
- Only use Wi-Fi to go online
- Buy a saver travel card or, for shorter journeys, walk – healthier too!
- Turn off your games console when you're not using it
- Don't leave your music playing when you leave the room

So, if we all spent less on some of our daily activities and habits, we would then have more money to spend or save for other aspects of our lives. This introduces the notion that when all the money is spent there is no more!

This easy activity can be done at home with parents asking their children the same question and it can be the first step to improving confidence in managing money and financial matters. Using small steps towards taking control of financial decisions will give you lots of confidence and may reduce stress and provide independence when talking about money matters. Even using financial vocabulary will start to improve children's understanding. Children may not understand the link between their actions and money, so by openly discussing family finances and the choices we all have will help this. Identifying just one action that, if changed, could save money is the start to becoming financially capable, both as an individual and as a family.

To end the activity, ask the parents/carers to write down two or more things that they'd like to achieve from today's session. This could be to find out more about how to talk to their children about particular areas of money management or to develop their own confidence of money matters.

Ask parents/carers to volunteer their thoughts and if they wish to, stick their post-it notes on the flipchart.

NB: Money can be a sensitive issue so there may be some parents/carers who do not wish to share their ideas. Make sure that the group understands that there's no obligation at any point in the workshop to share information/thoughts and anything that they do share shouldn't be shared outside of the room.

Where Does Money Come From?

10 mins

This introductory session gets parents/carers thinking about where money comes from and how they can explore this concept with their children. Parents/carers will consider the barriers for children when learning about money and how they can help them make sense of an increasingly complex society.

Aims

- To identify how we learn about money and to understand some key concepts to start to share with children
- To understand the different choices we all have when making financial decisions

Running the session

Where does money come from and why do we use money? These can be difficult questions and there are many answers. Let's have a go at thinking and discussing this as parents so we can plan how we start to do this at home. The numerous ways that we can spend money is changing rapidly so children can be easily confused and misled about the reality. Technology has provided us with numerous ways to spend money and children need to be supported if they are to understand these concepts.

Activity

Introduce the idea of technology and money by showing these facts:

- 25 million customers now bank online with banking apps. What are the pros and cons for this? (Instant notifications and updates, showing spend by category, savings updates, save the change savings plan, etc.) They can help to demonstrate how much is spent on needs and wants and will help you show your children what the family budget is spent on.
- Spending money with contactless cards or apps has increased dramatically in the past 5 years. But beware – paying with contactless increases spend by 8-10%.

Let's imagine we are children again and consider where we think money comes from – write everyone's ideas on the flipchart.

You could use different characters from a family (mum, dad, child, granny, friend, etc.) and think about where each of the family members get their money. This will allow you to discuss where money comes from for different people in varying situations and at different ages and stages of life. These will include; working, unemployed, in full-time education, retired, in receipt of benefit, charitable donations, credit union, loans, gifts, pocket money, gambling, etc. To help the activity and discussion, you could provide prompt cards with all these – this will allow some sensitive issues to be aired and discussed.

Now, looking at the list of actions you identified in the introductory session, think about ones in which you will have involved your children. For example, do they know about electricity bills, water rates, mobile phone bills, etc.?

Discussion points

By having short conversations about a few of these financial matters, your children will begin to learn about the key concepts. Choose some from your list and involve your children in the discussion about them. Show your children some bills when they arrive and include them when spending money or arranging payments online, contactless, cash, etc. Once you are talking about money you can then relate it to real life scenarios – when out shopping, turning off lights at home, when a bill arrives, etc.

Making Money Decisions

10 mins

In this session, parents/carers will reflect on the importance of good financial decision making and consider opportunities to involve their children in discussions around money decisions and the different options available to them.

Aims

- To understand where money comes from
- To explore financial decision making and choices

Running the session

Many key decisions we make in life are connected to money matters. Like everything in life, we learn about this when we are children and the younger we learn, the better. Starting to talk openly about money from an early age will help your children navigate various financial complexities. Some of these choices will be very difficult and they will have an impact on their lives, now and in the future – so let's think about how we can help them with this.

Activity

Provide participants with a scenario that will include items that require financial commitment. For example; washing machine, new outfit, gym/club subscription, mobile phone, video game, food shopping, school shoes, electricity, car, new toy, etc.

Use one or more of the following scenarios.

1. Lexie's washing machine isn't working and she is using the local launderette. She knows the repair bill will be high. As it is an older model there is no guarantee that it won't break down again. Using the launderette is both costly and takes a lot of time and planning to fit in with her daily life. Lexie has a choice of buying a new washing machine and an extended warranty or renting one with insurance and repairs included in the weekly payments. Discuss the pros and cons of these decisions and decide which is best for Lexie.

Discussion points – buying versus renting, insurance, repair and maintenance costs, spreading the cost over time, contingency fund, shopping around, comparison websites.

2. Luka's mobile phone contract is running out. He wants a new phone and is looking at what deals are on offer. He can choose between a top of the range model with incentives. Incentives include a new laptop, tickets for sports events and discount vouchers at high fashion stores. However, the monthly fees are high. Luka can also keep his current phone and shop around for a SIM only deal, pay as you go contract and a capped contract where usage and charges are agreed up front. How can you help Luka make the right decision?

Discussion points – needs and wants, affordability, prioritising payments, monthly payments, pay as you go, managing usage, using Wi-Fi not data, one-off incentives and their value/worth.

Making Money Decisions

10 mins

3. Sasha's electricity bill for the family home is rising every year. She has been with the same provider for many years and is unsure how to switch provider. She chats with her neighbour and sees that their bills are a lot lower. Sasha knows she can make savings but is unsure how. Her options include switching provider, using a prepayment meter, switching to a standard meter, fixed tariff versus variable tariff. Her landlord will agree to her changing. Other considerations are to use less energy and make her home more efficient. What can Sasha and her family do to spend less money on electricity?

Discussion points – switching provider, monthly payments, direct debits, reducing usage, turning off lights/thermostat/devices, etc.

4. Kamal's car is old and breaks down regularly. He can buy another old second-hand car from a friend, using a credit card. It is the car he has always wanted but old as he can't afford a newer model. He only has his friend's word for the quality of the car and there is no service history. Buying this car from his friend won't include insurance, service, warranty, parts, etc. His brother tells him he can lease a newer car on monthly payments, but this will be a smaller and less popular model. These payments will also include interest and he can pay off the car over 4 years. The car is newer and provided by an authorised dealer. Kamal wants his friend's car but his family think otherwise. Help his family to support Kamal in making the best financial decision.

Discussion points – interest rates, credit card charges, APR, budgeting the whole cost, shopping around, needs and wants, insurance costs, etc.

Top tips for discussion with children:

- Renting or leasing versus buying
- Buying second hand
- Buying on credit – interest rates
- Always shop around for the best price, use comparison sites
- Look for discount vouchers, loyalty cards, money off coupons online
- Declutter and sell items you don't need
- Always switch off when not in use

Some of these choices can be complex so it's worth discussing in detail so parents are confident of their knowledge.

Family Learning Activities

45 mins

In this session, parents/carers will have the opportunity to experience some simple money-related activities that they can easily do at home as a family. By doing these activities during the workshop, the parents/carers will have the opportunity to develop their own knowledge so they can confidently go home and explore the money topics with their family.

There are 6 activities from which to choose. The activities cover a variety of money topics, so you can choose to deliver the ones you feel will best suit the interests and needs of your parents/carers. Each activity is designed to last for up to 15 minutes.

Aims

- To experience some money-related activities that families can do together at home
- To develop the confidence and knowledge of parents/carers in key areas of money management so they can go home and share their learning with their children

HOW MUCH DOES IT COST TO RUN A FAMILY?

Aims

- To help younger children understand how money is part of our everyday lives
- To encourage children to start thinking about where money comes from

Resources

- Pens and paper

Activity

This activity is similar to the ice-breaker activity at the beginning of the workshop. It's a great way to get younger children thinking about what money means to them and their family.

Start by asking your child, 'Do children cost money?' then get them to think of all of the different things that they do in the week that their parents pay for, e.g. driving to school, packed lunches, going to swimming classes, watching TV, Halloween costumes, etc.

You could then talk to them about where the money comes from to pay for all of these things.

Family Learning Activities

45 mins

Discussion points

This activity will help your children understand that money is part of their everyday lives and that everything, even children, cost money.

By talking to your children about money from a young age, they will start to understand what money means and why we use money – they'll begin to understand how important money is which will help them when they get older and start to make money decisions themselves. Here's some great talking points for younger children:

- Where does money come from?
- Why do we need money?
- What can we do with it?
- How does it help us get the things that we need and want?

Remember, show your children real money – they can learn how it feels, the weight, the texture. Look at the different coins and help them recognise which one is which and how much each one is worth. Simple activities like coin rubbing can be fun and help with coin recognition. Playing shop is also a great way to help children with coin recognition and you'll be helping them to understand how and why we use money too.

NEEDS AND WANTS

Aims

- To understand the difference between a need and a want
- To explore how we make decisions about spending money
- To consider how much we spend on wants that we consider needs

Resources

Post it notes
Flip charts
Pens

Activity

1. Ask the group to write on post it notes everything that they spend money on in a month. Start them off with; rent, food, clothes, mobile phone, takeaway coffee, etc.
2. When done, ask groups to place post it notes on a flip chart labelled with Needs and Wants headings.
3. Promote discussion by asking groups to talk through their lists – are all the spends in the correct column? Are all the needs essential purchases?

You can extend this activity by asking participants to volunteer approximate costs against each spend. This will demonstrate how much is spent on non-essential purchases. It's important to ensure that parents/carers understand that sharing information is voluntary, if you feel it would be more appropriate, you could use a scenario character for this activity instead.

Families could keep a diary of their spending habits over a week. This will help highlight how much is spent on non-essential items.

Family Learning Activities

45 mins

Discussion points

Getting into the habit of discussing the money we need (for gas, rent, food, etc.) and not want (extras, sweets, etc.) helps children understand the choices we all have to make about money.

Let them spend... give your child £1 and let them choose what they spend it on – then talk about whether it was worth it, will they do the same next time and how they might save for a better purchase.

COST OF RUNNING A HOME

Aims

- To identify hidden household costs
- To find ways to make household savings

Resources

House template

Activity

1. Give the parents/carers the template of a house. Ask them to work in pairs and label the house with all their household bills e.g. gas, electricity, water, Wi-Fi, TV licence, etc.
2. Next, ask them what simple things they and their family could do to make savings on these bills e.g. switch off the TV after use, close the window if it gets cold, close room doors to keep in the heat, shower not bath, close the fridge, etc.

Discussion points

Explain that they could do this activity as a family – they could go around the house with post-it notes writing down their reminders, e.g. 'switch me off after use' and they could even agree some family rules and possible prizes for keeping to these pledges.

Family Learning Activities

45 mins

VALUE FOR MONEY

Aims

- To start thinking about 'value for money' for everyday items
- To consider how parents/carers could involve their children in discussions about value for money

Resources

3 ranges of the same product, e.g. biscuits, cereal, soap. To include the 'basic' supermarket own brand, the more expensive supermarket option and the well-known brand.

Alternatively avoid the branded item and just get three different supermarket own brands.

Activity

1. Set out the three examples on three separate paper plates labelled A, B and C. Try to disguise any brand names that may be on the product. Explain that there are three different brands, a basic one, a middle range one and a more expensive one.
2. Ask the parents/carers to then taste each of the different options and decide:
   a. Which is the cheapest?
   b. Which is the most expensive?
   c. Which one is the best value?

Did they recognise any brands in particular? Was it easy to tell the difference between the three?

3. Then reveal which items are which and the costs of each of the three and discuss what makes 'value for money'. Is it just price? How important is taste?

What other factors might influence your choice? Brand image? Quality? Size? Weight? Special offers?

Discussion points

Ask parents/carers if they could do this with their children and what products they would use.

Explain how supermarkets display products (at eye level, placing children's cereal on lower shelf, promoting special offers). Be proactive in doing this every time you shop. Use a shopping list and set a budget beforehand. Encourage children to make the decisions when choosing the best value for money. Praise them for making good choices.

Explore what else provides value yet doesn't cost money – being with friends or family, playing in the park, watching a favourite film together, a family activity such as cake making or a craft session.

Family Learning Activities

45 mins

PRIORITY FIRST FOR FAMILIES

Aims

- To identify the difference between priority and non-priority bills
- To explore the consequences of not paying priority bills

Resources

Flip Chart

Pens

Priority Billing Activity Cards and Consequences worksheet

Activity

Explain that there are two types of bills, priority and non-priority bills. If we don't pay a priority bill the consequences can be very serious; the consequences of not paying non-priority bills are less serious.

1. Give parents/carers the Bill cards and ask them to choose which of the bills on the cards they think are priority bills. This could also be done using a flip chart or white board.
2. Then ask them to consider the consequences of not paying bills. Task them with matching the consequences from the Consequences work sheet to either priority or non-priority bills.

Discussion points

Families working together to manage household budgets is a good way of teaching children from an early age about being responsible with money. They don't need to become stressed by this, but there are ways parents/carers can include the whole family in planning what they spend, save, borrow and earn. Introducing an understanding of what constitutes a 'priority' will help families know which bills to pay first and the consequences of making the wrong choices.

Saving up for things that are not a priority is essential to avoid getting into debt. So, for holidays, Christmas, children's sport or club fees, families can plan what they need to save, how much is needed each week and how they can reduce costs.

Family Learning Activities

45 mins

JOBS AND ASPIRATIONS

Aims

- To explore the world of work, different jobs and what people earn
- To consider what skills and qualifications are needed for different jobs

Resources

Jobs cards and Spectrum cards

Activity

Knowing where money comes from is important when managing finances and as children grow older, they start to have ideas of what they want to do when they leave education. There are unrealistic role models in the media and children see that their heroes earn huge salaries for very little effort. Providing a reality check will help them realise what types of jobs there are and how much they may earn.

Give the parents/carers the 'Which Job and Why? Cards' which show a range of different jobs. Task them with agreeing where to place each job on three scales:

- In order of pay – from most to least
- In order of importance to society – from most to least
- In order of job satisfaction – from most to least

When they have completed the task, give them the following information about the salaries which has been taken from the Office of National Statistics Annual Survey of Hours and Earning (2019)

https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2019

Plumber	£31,370
Journalist	£34,064
Chef	£22,905
Teacher	£26,091
Doctor (medical professional)	£72,019
Sewage Plant Operator	£30,780
Police Officer (sergeant and below)	£41,284
Hairdresser	£16,310

Family Learning Activities

45 mins

Discussion points

This activity offers parents/carers a great opportunity to talk with their children about:

- The jobs they thought were the highest and lowest paid
- If this matches up with official figures
- Which jobs they think are the most and least important to society
- Is it fair that someone doing a job that is very important to society may receive a relatively low income?
- How important is job satisfaction when deciding a career path?
- If they have a career path in mind, which of the 3 factors would be the most important when making their decision?

These jobs also provide a good opportunity to discuss salary range. For example, the salary of a hairdresser may be low when they start but there's plenty of opportunity to develop and achieve a higher salary – the pay can depend on skill and experience. Hairdressers who train and then become self-employed or specialise in one particular area, have the potential to earn a much higher salary. You can use this discussion to help young people understand that even in lower paid roles there's always the opportunity to develop.

This activity can be used for younger children too – use the same worksheets with the job titles hidden and ask them to name the jobs. Alternatively, they can think of other jobs and draw them. They can then think of the tools required for each job. (e.g. Carpenter – saw, hammer. Veterinary Surgeon – thermometer etc.). This can be extended by asking what each job might entail e.g. what tasks might you be required to perform.

Helping your children to understand where money comes from and the types of jobs and careers that are available is important for their understanding of money matters and income. They may not have experienced the world of work at home but you can begin to help them explore what types of jobs are available, what they will need to do as they grow older to get a job and the amount of wages or salary they may earn.

Let's Talk about Money at Home

10 mins

This final session suggests some practical everyday activities that families can do together to help develop their money management skills.

Aims

- To discover some more simple ways to involve the whole family in everyday discussions and practical activities about money

Running the session

To summarise everything that we've covered in today's session:

- Everybody, no matter their economic or social circumstances, needs to learn about money. We make money decisions everyday and we need to know how to make the best decisions to suit our individual needs and wants.
- You'll be providing your children with a fantastic start in life if you talk to them about money and involve them in everyday money activities – the younger you start involving them, the better!
- All families can help their children learn about money – there's simple and fun things you can do to help your children develop their understanding of money matters. A few simple changes in your behaviour today can have huge benefits for your children and your family, now and in the future.

Here are some simple, practical ways that you can involve your children in everyday activities around money.

- Show your children how to use an ATM and explain where the money comes from.
- Let your children pay for certain items at the shops e.g. a comic/magazine and help them work out what coins to pay with/receive in change.
- Challenge them to find the best value option for a specific item in the supermarket.
- Give them a set budget for a family meal and let them shop and cook.
- Talk about why people are paid and why some people earn more than others. Discuss pay rates and job satisfaction. Look at a payslip to calculate deductions and net pay.
- Provide an empty bottle/container that they can use as a money box – encourage them to save something every week (No matter how little).
- Where possible open a savings account and help them save regularly.

Encourage them to read books or watch TV programmes that have a financial connection. For example: Shop Smart Save Money (Channel 5); Shop well for less and Eat well for less (both on BBC); Watchdog Live (BBC1); The Simpsons season 2 episode 17 'Old Money'. Look for online videos of common financial scams.

Why not choose a few and then pledge to do them with your family. You could also ask your children to decide which activities they'd like to do.

To close the workshop, review the parents/carers post-it notes from the beginning of the session and reflect on their learning and any further opportunities for family learning at home. Depending on the issues that arise, you could signpost the families to the relevant agencies for advice and support using the Further Advice and Support Information sheet.

Glossary

The following glossary of terms offers simple definitions of terms used in the activities. It can be used for reference by practitioners. Alternatively, the tables can be turned into cards for word matching exercises with adults and children.

Financial Terms	Definitions
Affordability	Ability to be afforded; inexpensiveness.
Annual Percentage Rate (APR)	The total cost of a loan, taking into account the interest you pay, any other charges and when the payments are due. Used as a way of comparing different borrowing products; the higher the APR, the more expensive the loan.
ATM (Automatic Teller Machine)	A cash machine or hole in the wall. An electronic machine that dispenses cash using a card withdrawal card and a PIN (Personal Identification Number).
Bank account	A service from a bank or building society which lets you pay in money, get cash out and pay bills, etc. The bank keeps a record of all transactions.
Banking app	Most banks have apps that allow you to manage your account with them.
Bank charges and fees	Payments a bank may charge, often if you spend more money than you have (go overdrawn).
Benefits	A government system that provides financial support to people who are eligible for it (e.g. universal credit).
Bills	Statement that shows how much money is owed for something (e.g. gas, electricity, phone).
Borrowing	Getting money from somewhere that you intend to pay back. You might borrow informally from friends and family or take out a formal loan, with a written agreement, from a bank or building society.
Budget	Shows how you plan what you are going to spend.
Capped contract	A capped contract imposes an absolute limit on how much you can be charged for things outside of your regular price plan.
Career	A specific job or a profession that someone does for a long period of their life.
Comparison site	Websites which compare products or services e.g. mobile phones and then displays how much it will cost from different shops or providers.
Contactless	A way of making a payment by tapping or waving your contactless device (e.g. credit card, debit card, smartphone) on or near a contactless reader.

Glossary

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Financial Terms	Definitions
Contingency fund	A reserve of money set aside to cover possible unforeseen future expenses.
Credit	Having money in your account OR another word for borrowing.
Credit card	A small plastic card available to 18 year olds and older from most banks, which allows 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. Every month you are sent a statement to show how much you have borrowed and how much you need to repay. If you don't repay the full amount, you will start paying interest.
Debit card	A small plastic card used to buy things in a shop or online without using cash or a cheque. When you make a payment or withdraw cash with your debit card, the money is taken straight out of your account electronically, if you have the money available to spend. You cannot borrow money on a debit card.
Debt	Money you owe to another person or organisation.
Deductions	Amounts taken from your gross pay directly by your employer (e.g. Income Tax, National Insurance contributions, pension contributions, student loan).
Direct debit	An instruction to your bank to pay money from your account for bills. The billing company has control of the amount of money they can request and can change this.
Discount	Money which is taken off the price of something.
Earn	Obtain (money) in return for work.
Economy	The state of the country in terms of its production and sales of goods etc.
Employment	Having a paid job.
Financial capability	The combination of attitude, knowledge and skills needed to make money management decisions that best fit the circumstances of one's life.
Fixed Tariff	The payment unit rates stay at one price for the duration of the plan, e.g. electricity.
Gambling	Betting money, which can result in either a win or a loss – for example, through playing the lottery, fruit machines or casino games.
Gross pay	The total income you receive before anything is taken away from it such as Income Tax and National Insurance contributions. Gross pay will always be bigger than net pay.
Incentives	A thing that motivates or encourages someone to do something (e.g. spend).
Income	Money that comes to you through earnings, gifts, selling things you own, from your parents, etc.

Glossary

Financial Terms	Definitions
Income tax	A tax payable on almost all types of income, at various rates depending on the level of income.
Insurance	A way to protect yourself against the financial loss of something going wrong. Insurance provides a guarantee of compensation for specified loss, damage, illness, or death, in return for payment of a specified premium.
Interest	The reward you get for keeping your money with a bank or a building society. It is also the cost you pay when you borrow money through a loan or credit agreement.
Interest rates	The percentage paid on loans or savings.
Leasing	Leasing (a car) means that you rent a vehicle for an agreed amount of time and for an agreed fixed fee.
Loan	A sum of money that you borrow from a person or organisation, usually with interest.
Loyalty card	Structured marketing strategies designed by retailers to encourage customers to continue to shop at or use their services.
Need	These are the absolute necessities; the things you really cannot do without.
Net pay	Your net income/pay is the total you earn in a week, month or year after any deductions have been made. Sometimes called take-home pay.
Online	Leasing (a car) means that you rent a vehicle for an agreed amount of time and for an agreed fixed fee.
Pay As You Go	A system of meeting costs as they arise or paying for a service before it is used e.g. mobile phone.
Payment	Money you pay out – e.g. rent, interest on loans or money for gas and electric.
Pre-payment meter	When you pay for your energy before you use it - usually by adding money to a 'key' or smart card, which is then inserted into the meter.
Priority bills	Priority bills are ones where serious action can be taken against a person if it is not paid.
Rent	Money paid to the owner of the property where you live.
Salary	An amount of money paid to an employee for a job, usually paid directly into his or her bank account every month.

Glossary

Financial Terms	Definitions
Saving	The act of putting money aside for future use. Saving can also mean reducing the amount you spend.
Savings account	Accounts specifically designed for you to save money in, usually best for saving larger amounts.
Scam	A trick to swindle you out of money/different ways to con people to get their money.
Self-employed	A person is self-employed if they run a business for themselves.
Skills	Specific knowledge and ability which enables you to do something well.
Spending	To use the resources we have, especially money but also time, energy etc.
Store card	Store cards are like credit cards but are available from shops not banks. They can only be used to buy things from particular shops and anything you spend is borrowed money. If you do not pay off the full amount every month you will be charged interest.
Subscription	An arrangement to receive something regularly by paying in advance.
Switching	Switching refers to the process of transferring or changing a provider of a service or utility (e.g. electricity, broadband etc.).
Tax	A fee charged by a government on a product (VAT), income (Income Tax), or activity (road tax) to finance government expenditure on public goods and services, such as the police, the NHS, street lighting or street cleaning.
Wages	The amount you are paid on a weekly or monthly basis.
Warranty	A written guarantee, issued to the purchaser, promising to repair or replace it if necessary within a specified period of time.
Want	These are the items, services or experiences you would like to buy if you had the money to do so.