

Learning objectives

1. Describe the difference between financial needs and wants
2. Explain the purpose of budgeting
3. Apply a budgeting framework to needs, wants and future spending

Resources needed for the lesson [worksheets, print-outs etc]

- Y11 Lesson 2 Resource 1 'Budgeting sheet' - one per pair
- Y11 Lesson 2 Resource 2 - 'Bills catalogue' - one per pair

| Activity | Description | Timing |
|---|--|----------------|
| LO 1 Describe the difference between financial needs and wants | | |
| Starter - needs and wants | Students sort a list of items into a Venn diagram of needs and wants, considering which items may fall into both categories. | 5 mins |
| Play Poku's video | Ask students the key questions they can ask to help decide whether an item is a need or a want. | 3 mins |
| Discussion | Discuss how a person's needs may change over time. Ask students to think about how their needs may change from current needs, to needs in their 20s, 30s, 40s and post retirement. | 2 mins |
| LO 2 Explain the purpose of budgeting | | |
| Introduce budgeting concepts | Ask students questions about budgeting to draw out prior knowledge at this point in the lesson. | 5 mins |
| The importance of budgeting | Walk through what budgeting is, why budgeting is important. | 3 mins |
| LO 3 Apply a budgeting framework to needs, wants and future spending | | |
| Introduce the 50:30:20 budgeting framework and students apply their learning to a budgeting activity | Each pair of students is given a budgeting resource pack. Students complete their bills catalogue, making spending choices along the way. Encourage students to use the 50:30:20 rule to guide their spending decisions. | 20 mins |
| Digital budgeting tools | Discuss with students different tools they can use to support budgeting, including digital tools to automate budgeting. Do they have any other ideas? | 5 mins |
| Learning review | Students share 3 learnings, 2 skills they've practised and a question they still have about budgeting. This should be taken in for teacher review. | 5 mins |