

Learning objectives

1. Describe what inflation is and how it is measured
2. Calculate how budgets are affected by inflation
3. Explain how inflation can affect people's cost of living

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

- Lesson 4 Worksheet 1 | Check in, check out (one per student)
- Lesson 4 Worksheet 2 | The cost of living (one per student)

Activity	Description	Timing
LO 1 Describe what inflation is and how it is measured		
Starter Changing price of shoes	Students explain why the price of Nike shoes has changed over time and consider other examples of products that have changed in price.	5 mins
Explanation of inflation	Teacher explanation of inflation and the Bank of England's target 2% rate of inflation.	3 mins
The basket of goods	Teacher walks through how inflation is measured.	4 mins
Optional stretch Added, remained or removed?	Optional student mini whiteboard activity where students estimate whether certain items have been added, remained or removed from the basket of goods. This is a stretch activity and may be used in a follow up form time for example.	(5 mins)
LO 2 Calculate how budgets are affected by inflation		
Check in, Check out	Student activity in two parts. First, students pick a shopping list and add the total of items in their shopping basket looking at 2015 prices. Second, students take their same shopping list and add the items looking at 2022 prices. Questions answered and discussed as a class. See worksheet 1	10 mins
Inflation and income	Play Ola's video. Students watch the video and answer the three questions on the screen	3 mins
Inflation through the years (optional)	Optional activity for the class to 'guesstimate' how much different amounts (example of £10) worth of goods and services have changed over time using the 'inflation calculator'	3 mins

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LO 3 Consider how inflation can affect people's cost of living

Factors contributing to living costs	Students have a go at defining what the pictures represent to work out some of the main factors that make up the cost of living. Additional factors are included in slide notes.	3 mins
Cost of living	Students watch the Newsround video (5:11) and the teacher pauses at key moments so that students can answer the questions on the board. Students discuss their answers with their neighbours before sharing and discussing as a class. Key answers found in slide notes. See worksheet 2	10 mins
Plenary - Learning Review	Students write down 3 things they have learnt in the session and one question they still have about inflation. This can be handed into the teacher as an exit ticket.	4 mins