

Case Study Oaklands Secondary School

Money Twist KS4 - My Choices

Poor numeracy skills have been consistently linked to poverty and subtract £20bn from the UK economy. 25-34 year olds are the most over-confident age group when using numbers in everyday life; they are also the most over-indebted age group.



Key Facts

Format: 3x100 minute sessions. Can be delivered over 2-3 separate sessions.

Target group: 11-14 year olds.

Group size: 12-30 young people.

73%

Of teachers think MyBnk training is more effective than being delivered by school staff

Substance 2018

MyBnk's Money Twist is a highly interactive financial education programme covering practical and relevant everyday financial matters.

Sessions are designed to get young people thinking and caring about their finances, both now and in their short and long-term futures. We also help build and connect numerical and financial capabilities by bringing maths and money to life for young people.

Abdullahi, 14

"I feel I don't need the calculator. Not all the time" says Abdullahi as he lends his much in demand piece of kit to one of his classmates. "It's the system. If I can figure it out, the numbers can be easy. Sometimes!"

This east London teenager has taken part in many MyBnk sessions over the years, connecting personal finance to the wider world of money and understanding how to become a savvy spender and choose services.

Today's lesson is the last of two 100 minute sessions, focussing on needs and wants, lifestyle choices, budgeting, household costs, insurance, pensions, investments, risk and saving.

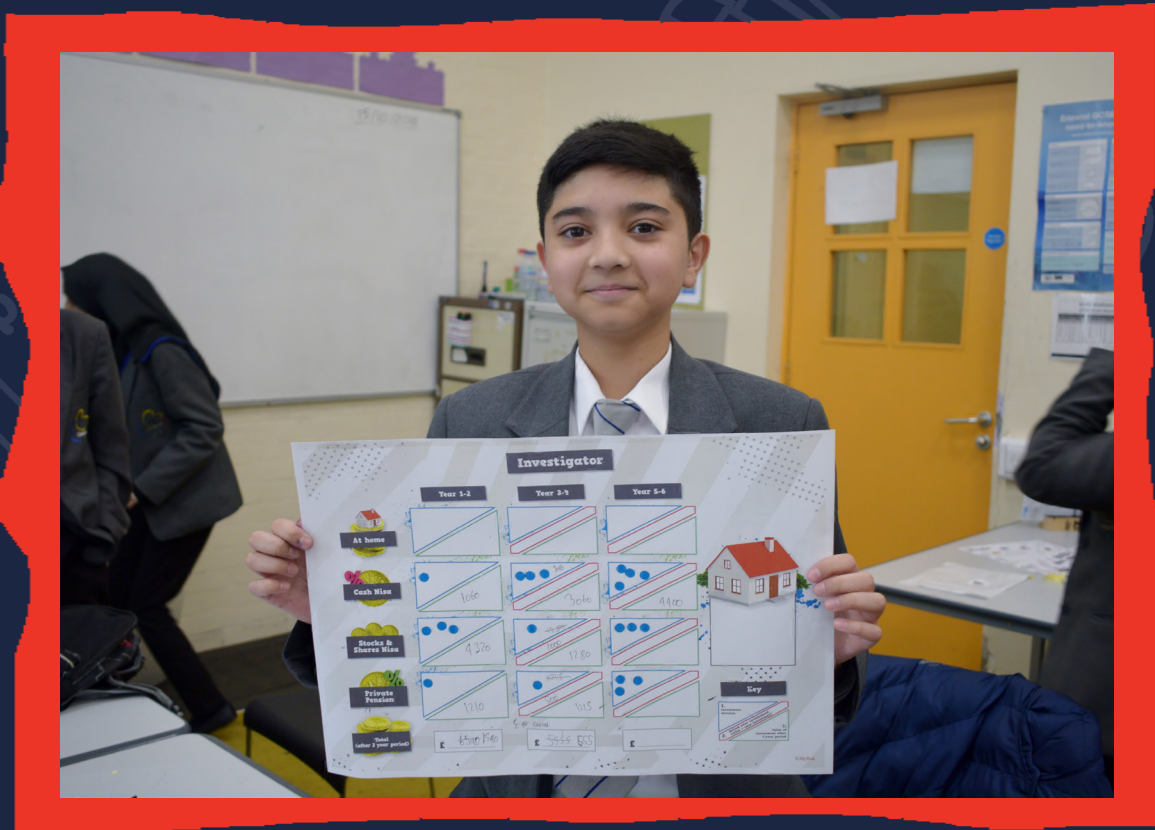
Numbers are first brought into the session via the 'Receipt Challenge'. Abdullahi has to define what a need and a want is, without using either word, and then add up the last five items he bought – giving each an N or W designation. Clothes and technology feature heavily, all wants, except his £11.50 splurge at Starbucks, a need. Originally he opted for a cheaper item but subsequently reverted to the pricey latte, and during discussions with the MyBnk trainer, changed it to a want on his receipt.

"I did that but thought about what we said. A need is something you can't live without. Once the numbers were added up it changed my mind a bit. I get pocket money and I'll think about that differently in the future" he says.

Budgeting

Our budgeting activity builds on this link between perception, behaviour and numbers. Using a video case study, Abdullahi and his classmates have to help a 19-year-old shop assistant save money. They cut her beauty and leisure spending, as well as her phone bill.





“It makes it easier to see, like this. Laying out the numbers, what she spends, what she gets up to, and seeing the savings. We helped her and some places she’s saving more now than what her bills were! If you want to save, you have to sacrifice” Abdullahi says.

So far we have focussed on problem solving, mental arithmetic, written calculations, and units of time and percentage. Our ‘Investigator Challenge’ will test all of these, including compound interest rates, division, appreciation, depreciation, order of operations and substitution (letters for numbers).

Investments

After a savings projection demonstration, Abdullahi must make a series of investment choices for a fictional young person over six years. Every two years he gets £5,000 to invest across a private pension, stocks and shares, a cash ISA or ‘under the mattress’. Every year they can ‘bank’, or roll over returns. However, video newswashes reveal risks between each period, e.g. ‘houses have flooded’, and ‘there is a recession’, and returns are affected with new percentages for each investment. Abdullahi avoids keeping his cash at home, placing most money in stocks. In the next tranche he invests heavily in a cash ISA and in the final run he tops up his investments with his gains and spreads £10,000 across these two systems, plus a private pension.

He calculates his percentage profit and loss and extra investments using parenthesis, exponents, multiplication, division, addition and subtraction. The key messages are: do not stash cash at home, it is good to spread your risk with a diverse portfolio, take calculated risks, engage with the system to understand it and make informed choices that you feel comfortable with.

Abdullahi sums up: “It makes Maths real. As the numbers go up and down I see the risk in the decision – just because you make an investment it is not a guarantee of profit. Low percentages mean low risk and low profit, I know why percentages are the way they are and what it means, I get it. That’s what I mean when I say I don’t always need the calculator. This helps me work it out.”

“Thank you. MyBnk, as always, fantastic sessions. The students over the past three to four years have built up a great rapport with some of the facilitators with whom they have worked with and recognise now! The students get a lot out of the workshops.”

Rodney Cobden, Head of RE/ PSHE, Oaklands School.