

Enabling ESOL clients to improve their financial health

Resources



Mary Ward
Legal Centre

People's rights have no meaning
without the means to enforce them

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About

Mary Ward Legal Centre

Mary Ward Legal Centre is an independent advice centre and registered charity based in Holborn in central London. It is part of the Mary Ward Settlement.

It gives free legal advice, casework and representation to people who live or work in London. It gives priority to people on a low income and its main services are in the following areas of law:

- Debt
- Housing
- Welfare benefits

The Centre was established over 100 years' ago as the Poor Man's Lawyer Services, a precursor to the post-war Legal Aid Scheme. It has a long history of helping people who are disadvantaged and does not charge clients for the advice it gives or the legal work it carries out.

These resources

These resources have been developed thanks to funding from the Money Advice Trust's Innovation Grants programme in 2017-2018. The aim of these resources is to contribute to the financial wellbeing of clients who have English as a second language in the UK.

Acknowledgments

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Financial capability
for frontline
workers dealing
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Lesson guide

Which bills to pay first? When you have little money

Guide for tutors

This is general guidance for tutors on how to deliver this session.

The aim of this session is to help tutors to introduce clients to financial capability matters in relation to their bills.

These resources are subject to a caveat: different individuals may need different approaches to the topic, that is, one size does not fit all clients given their cultural differences.

By the end of this workshop clients will:

- Understand the concepts of high priority and low priority.
- Understand the consequences of non-payment.
- Start thinking about their own understanding of bills and money management.
- Learn key money management concepts.

Consider completing start of course evaluation form with students (refer to Annex I).

TIME	ACTIVITIES	RESOURCES
5-10 min	<ol style="list-style-type: none"> 1 Introduce yourself 2 Ask the group to imagine that they were in a situation with very little money: which bills would they pay first? Why? The tutor may need to provide an example at the start. 	PowerPoint presentation
40-45 min	<p>Activity 1: which bills to pay first?</p> <p>Method:</p> <ol style="list-style-type: none"> 1 Divide the class in four groups. 2 Give each group a set of labels (high and low priority) and a set of flash cards. 3 Before starting the activity: go through each flash card/bill to ensure that they understand the meaning. Give them handouts 1 and 2 – on vocabulary. 4 Check that everyone is happy with the meaning of new words. 5 Ask them to divide the flash cards in two groups under the labels “bills that they would pay first” and “bills that they would pay later.” 	<p>4 sets of flash cards with bills</p> <p>4 sets of labels: low and high priority</p> <p>Vocabulary point: handouts 1 & 2</p>
5-10 min	Break	
15-20 min	<ol style="list-style-type: none"> 6 Give the consequences cards. Ensure that they understand the meaning. 7 Ask them to allocate each type of consequence to each type of bill. 8 Go through the consequences of non-payment of high priority bills. 9 Go through the consequences of non-payment of low priority bills. 10 Give them handout “What can happen?” <p>Give the homework for next workshop.</p>	<p>4 sets of consequences cards (high priority)</p> <p>4 sets of consequences cards (low priority)</p> <p>Handout: “What can happen?”</p> <p>Homework</p>

Flash cards 1/2



Phone



Electricity or gas



TV Licence



Rent or mortgage



Catalogue



Transport



Credit card



**Fine from
magistrates court**



Flash cards 2/2



Water charges



Council tax



Secured loan

(where your home is used to guarantee payment)



Personal loan

(for example: from a bank to buy a car)



Bank overdraft



Store cards



Maintenance



Labels

High priority bills

Bills to pay first

Low priority bills

Bills to pay later

Vocabulary handout 1: Money

Personal loans

Are you thinking of buying a car?
Maybe you need a new washing machine or sofa.
Or perhaps you want to travel home for a break.

Most of us cannot pay for these items from our salary.
Instead, we need to **borrow** the money – and a personal loan may be the answer.

[Adapted from: <http://www.moneysupermarket.com/loans/personal-loans/>]

Borrowing and lending

The following sentences have the same meaning. What do they mean?

I borrow money from you – you lend money to me.
I borrow money from the bank – the bank lends money to me.

Look at the structure:


I **borrow** money **from** you – you **lend** money **to** me.
I **borrow** money **from** the bank – the bank **lends** money **to** me.

Can you lend money to me? - Can I borrow some money from you?

Vocabulary handout 2: Bills

Match the words on the left column with the definitions on the right column.

Secured loan	Money that you borrow to buy a house.
Mortgage	Court for money disputes.
Maintenance	Money to pay as a penalty to a court.
Fine	A sum of money given in exchange for future repayment.
Magistrates' court	Loan in which the borrower gives property as guarantee. Money borrowed using a house or other property as a guarantee. <i>"John gave his home as a guarantee for the bank loan."</i>
County Court	The money paid to their spouse (husband, wife or partner) after separation or divorce.
Bailiffs	Someone employed by the court to collect the money that is owed.
Loan	Court for crime.



Consequences cards: High priority



Lose your home



Be cut off



Prison



Fine



**Money taken off your
benefits and wages**



Consequences cards: Low priority



**County court judgment
(CCJ)**



**No credit
(with a CCJ)**



No prison



**Bailiffs can take your
belongings**



Consequences handout: What can happen

High priority bills

If you don't pay these bills

Rent and mortgage



Secured loan



- You could lose your home.

If you don't pay these bills

Electricity and gas



Phone



- Your electricity supply could be cut off. (The water supply cannot be cut off).

If you don't pay these bills

TV Licence



Maintenance



Council tax



Fine from magistrates' court



- You could go to prison.
- Money could be taken off your benefits or wages.
- A bailiff could take away your belongings.
- You could get a big fine.

Low Priority Bills

If you don't pay these bills

Credit card



Store card



Bank loan



Bank overdraft



Catalogue



- You can be taken to a County Court and get a county court judgment.
- No more credit.
- Bailiffs could take your belongings.
- Court can make a charging order.

Homework: Vocabulary – budgeting

Do you know the meaning of these words?
Find their definitions and complete the column on the right.



Benefits	
Net	
Gross	
Budget	
To claim	
Expenditure	
Household	
Income	
Wages	

Workshop two: Budgeting and money planning

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Lesson guide

Budgeting and money planning

Guide for tutors

This is general guidance for tutors on how to deliver this session.

The aim of this session is to help tutors to introduce clients to financial capability matters in relation to their household budget.

These resources are subject to a caveat: different individuals may need different approaches to the topic given their cultural differences, that is, one size does not fit all.

By the end of this workshop clients will:

- Understand what goes into a household budget.
- Know how to calculate their budget.
- Use calculation formulae.
- Use new financial terminology related to the budget and planning.
- Better understand the way they manage their money.
- Feel empowered to start using the budget as a way to control their finances.

TIME	ACTIVITIES	RESOURCES
15-20 min	<p>Activity 1: Presentation of homework by students</p> <p>Allow time for the presentation.</p> <ul style="list-style-type: none"> • If they did not prepare the homework, give the exercise: Vocabulary – budgeting match words. • Give the exercise answer. 	<p>Homework from previous workshop</p> <p>Exercise 1: Vocabulary exercise answer</p>
10 min	<p>Activity 2: Changes in your lifetime</p> <ol style="list-style-type: none"> 1 Give handout 1 2 Ask them to answer it individually. 3 Check that they understand the vocabulary. 4 Discuss the results with the class. 5 Budgeting and financial planning: what is the difference? 6 Explain the difference between them – long term vs short term planning. 	<p>PowerPoint presentation – slide 1</p> <p>Handout 1: Money related idea</p> <p>Use flipchart to discuss their choices of planning</p>
10 min	<p>Activity 3: Rob's budget</p> <ol style="list-style-type: none"> 1 Show the case example: Rob's situation. 2 Divide the class into 4 groups. 3 Give out the charts showing Rob's income and Rob's expenditure (1 of each per group). <i>Give time to look at them.</i> 4 Ask: what does Rob need to do? <i>Ask them to look at money coming in – does he receive everything at the same time? Are there any complications?</i> 5 Ask: what is best? Answer: monthly 	<p>PowerPoint presentation - slides 2, 3 and 4</p> <p>4 "income" charts</p> <p>4 "expenditure" charts, or handouts 2 and 3</p>
5-10 min	Break	

Lesson guide

Continued

TIME	ACTIVITIES	RESOURCES
30 min	<p>6 Show conversions.</p> <p>7 Ask them to find on Rob’s <u>expenditure</u> what needs conversion.</p> <p>8 Give them handout “Organising bills” (handout 4).</p> <p>9 Ask them to see what needs conversion and to write on the template.</p> <p>10 Give them the calculators or ask them to use their phone calculators.</p> <p>11 Give them Rob’s budget template (handout 5).</p> <p>12 Ask them to do the conversions and write amounts on Rob’s template.</p> <p>13 Ask them to find on Rob’s income what needs conversion.</p> <p>14 Ask them to do the conversions and write amounts on Rob’s template.</p> <p><i>Check all calculations are correct and high/low priority are correct.</i></p>	<p>PowerPoint presentation Slides 7, 8, 9, 10</p> <p>Slide 11</p> <p>Handout 4</p> <p>Handout 5</p>
10min	<p>Activity 4: Calculating Rob’s budget</p> <p>1 Ask them to deduct total 1 – total 2 <i>There will be a surplus of £23.</i></p> <p>2 Discussing options <i>Ask them to state what they will do with the surplus.</i> <i>The answers should be around paying or not paying the catalogue bill: one solution could be to negotiate partial payment with the catalogue company.</i> <i>Ensure participants understand that they can/must speak to the creditor about their situation and if relevant, offer to send them their budget as proof of their financial situation.</i></p>	Use flipchart
5min	<p>Final activity: Check doubts</p> <p>Give the homework exercise for next workshop: Ask each participant to choose two/three words that they are going to research and present their findings orally to the class.</p>	<p>Homework – “How do you pay?” (depending on number and/or ESOL level of a participant use A (full version), or B (simplified version)).</p>

Exercise 1: Vocabulary – budgeting

Match the definitions on the left with the words on the right.

1	The total amount before anything is deducted.	Benefits
2	A plan to show how much money a person will earn and how much they will be able to spend.	Net
3	The money given by the government to people who need financial help, for example because they cannot find a job.	Gross
4	Person bringing up a child without a partner.	Budget
5	The total amount of money that a person spends.	To claim
6	Money that you have left when all your expenses and deductions have been taken away.	Expenditure
7	To make a written demand for money from a government or organisation because you think you have a right to it.	Household
8	The money earned by an employee, especially when paid for the hours worked.	Income
9	A group of people, often a family, who live together.	Lone/single parent
10	Money received on a regular basis.	Wages

Handout 1: Money related idea

What do you aim for and when you would like to achieve it.

For example:

- Holidays
- Increasing your money
- Reducing your bills
- Eating out
- Presents
- Saving for something special



By what date you would like to achieve it?

Things that would help to achieve it?

Things that would get in the way?

Vocabulary

To aim for	to intend to achieve something
To achieve	to succeed in doing something good, usually by working hard
To get in the way	to prevent someone from doing or continuing with something

Handout 2: Rob's income chart

Housing benefit and council tax reduction

Child Benefit

He receives £20.70 for the first child.
£13.70 + £13.70 for the second and third child
= £48.10 per week

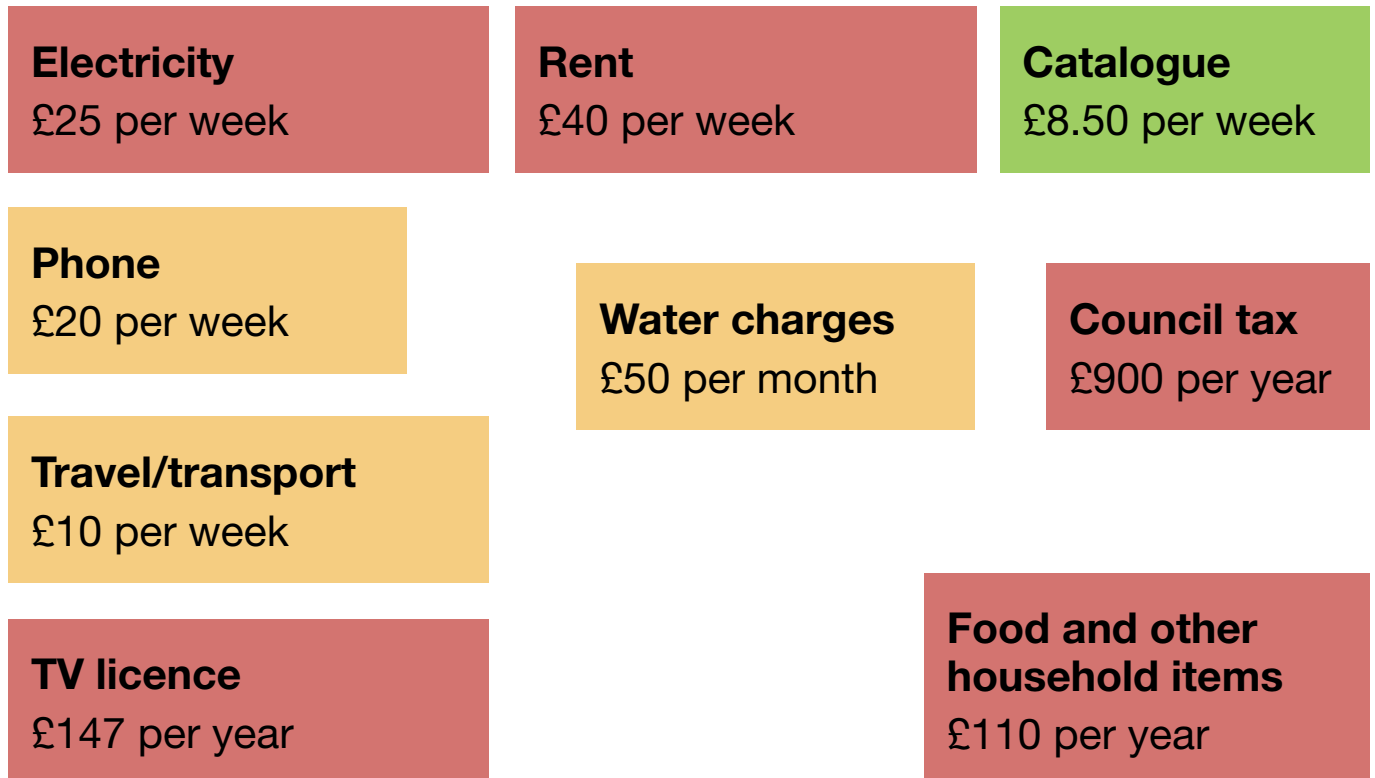
Wages

He works in a warehouse and earns £840 per month.

Tax credits

Rob did not know about this benefit. His friend told him to apply. He applied but he made a mistake on the form and is still waiting to hear from the HMRC.

Handout 3: Rob's expenditure chart



Handout 5: Rob's budget

Money coming in every month

Bills to pay every month

Essential outgoings

	£		£
	£		£
	£		£
	£		£
	£		£
	£		£
	£		£
	£		£
Total 1	£		Total 2
			£
			Low priority outgoings/debts
			£
			£
			£

Answers

Exercise 1: Vocabulary – budgeting

Match the definitions on the left with the words on the right.

ANSWER

1	The total amount before anything is deducted.	Benefits	3
2	A plan to show how much money a person will earn and how much they will be able to spend.	Net	6
3	The money given by the government to people who need financial help, for example because they cannot find a job.	Gross	1
4	Person bringing up a child without a partner.	Budget	2
5	The total amount of money that a person spends.	To claim	7
6	Money that you have left when all your expenses and deductions have been taken away.	Expenditure	5
7	To make a written demand for money from a government or organisation because you think you have a right to it.	Household	9
8	The money earned by an employee, especially when paid for the hours worked.	Income	10
9	A group of people, often a family, who live together.	Lone/single parent	4
10	Money received on a regular basis.	Wages	8

Homework A: How do you pay?

Find the definitions.



1	Standing order	
2	Direct debit	
3	Debit card	
4	Credit card	
5	Store card	
6	Cash	
7	Budget card	
8	Cheque	
9	Postal order	
10	Paypoint	
11	Pre-paid keys and cards	
12	Catalogue	
13	Shop credit	

Homework B: How do you pay?

Find the definitions.



1	Standing order	
2	Direct debit	
3	Debit card	
4	Credit card	
5	Store card	
6	Cash	
7	Catalogue	

Workshop three: **Banking**

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Lesson guide

Continued

TIME

(guide only)

ACTIVITIES

RESOURCES

20 min	<p>2 Activity 3: Types of bank account</p> <ul style="list-style-type: none"> • Discuss/ask what types do they know? • In groups, give them the accounts flash cards. • Ask/discuss: Do they know the type of facilities these accounts offer? • In groups, give the accounts facilities cards and ask them to place under each account card. • Exercise: Table on bank accounts (handout 3). • Exercise: Which account suits Rob? 	<p>Slide 11</p> <p>(4) sets of “Type of Bank Accounts” flash Cards</p> <p>(4) sets of “Accounts facilities” flash cards</p> <p>Handout 3: “Bank accounts table”</p> <p>Slide 13</p>
5-10 min	Break	
20 min	<p>3 Activity 4: Overdraft</p> <ul style="list-style-type: none"> • Ask participants what they know about an overdraft/what is it? • Discuss definition. • In pairs/groups: Give them the match words exercise. • In pairs/groups: Give them the overdraft exercise. • Discuss the overdraft example: Ask them to explain it. • Discuss with the class: Overdraft comparison. 	<p>Slide 14</p> <p>Slide 15</p> <p>Handout 4: Match words exercise</p> <p>Handout 5: overdraft exercise</p> <p>Slide 19</p> <p>Slide 21</p>
20 min	<p>4 Activity 5: Bank statement</p> <ul style="list-style-type: none"> • Ask them to explain slide 23. • Give them vocabulary exercise bank statement. • In pairs/groups: Give them exercise handout 6A (or 6B): Questions about the statement on slide 23. 	<p>Slide 22</p> <p>Vocabulary exercise bank statement</p> <p>Handout 6A: Bank statement exercise – if necessary use simplified version (handout 6B)</p>
15 min	<p>5 Activity 6: Bank accounts: advantages and disadvantages</p> <ul style="list-style-type: none"> • Discuss with the class doubts/difficulties in respect of bank accounts. • Present advantages. • Go through the difficulties and clear each one – see answers in “Dealing with disadvantages”. <i>(you can give this information to the participants as a handout).</i> • Give the homework exercise for next workshop: Ask each participant to choose two/three words that they are going to research and present their findings orally to the class. 	<p>Slides 25-32</p> <p>Slides 33-36</p> <p>Homework – “Vocabulary cost of debt”</p>

Handout 1A: How do you pay?

Match the two columns.

1 Standing order	Money goes out from your bank account to pay for something. It stops only when you tell the bank. The amount can change if the company changes its charges.
2 Direct debit	You can get this at the Post Office and use it to pay bills.
3 Debit card	An instruction you write to pay money from your bank account into another bank account.
4 Credit card	Some shops have deals (furniture) where you pay back the amount over a year or two.
5 Store card	Available from Post Offices – any value up to £250. It is a written instruction to pay to a named person/company.
6 Cash	Money goes out from your bank account. You determine what the amount is and how often. The amount stays the same until you tell the bank.
7 Budget card	You buy goods on credit from a brochure.
8 Cheque	Money in your wallet.
9 Postal order	A system to pay bills at convenience stores and petrol stations.
10 Paypoint	A plastic card which takes money from your bank account. You will need a PIN to use it.
11 Pre-paid keys and cards	A plastic card from a shop, not a bank. Use it only in a specific store or chain.
12 Catalogue	A plastic card that lets you spend money that the bank will loan you.
13 Shop credit	You need to “load” these with money and use it with gas or electricity.

Handout 1B: How do you pay?

Match the two columns.

1 Standing order	Money goes out from your bank account to pay for something. It stops only when you tell the bank. The amount can change if the company changes its charges.
2 Direct debit	You can get this at the Post Office and use it to pay bills.
3 Debit card	An instruction you write to pay money from your bank account into another bank account.
4 Credit card	Some shops have deals (furniture) where you pay back the amount over a year or two.
5 Store card	Available from Post Offices – any value up to £250. It is a written instruction to pay to a named person/company.
6 Cash	Money goes out from your bank account. You determine what the amount is and how often. The amount stays the same until you tell the bank.
12 Catalogue	A plastic card that lets you spend money that the bank will loan you.

Handout 2 quiz: Opening a bank account: true or false?

- 1 A letter from your friend who works at the hospital confirming your ID is enough to open a bank account.

True **False**
- 2 You need your employer to call the bank so they can confirm that you work for him/her.

True **False**
- 3 The bank needs to confirm who you are and where you live in order to open an account for you.

True **False**
- 4 Someone bankrupt can open a bank account.

True **False**
- 5 You need to be living close to the bank where you are opening the account.

True **False**

Flash cards 1: Type of bank accounts



Basic account



Current account



Packaged account



Savings account



Post Office card account



Credit Union account



Flash cards 2 1/2: accounts facilities

Direct Debit
Please complete
Please note the a

**Pay bills by direct debit
or standing order**



**It gives car breakdown
cover, Insurance
(phone, car)**



**You can't take out money
at cash machines**



**You can't pay
in wages or cash**



**Let you take out money
at cash machines with a
cash card**



**Receive payments such as
salary, wages or benefits**



Flash cards 2 2/2: Accounts facilities



No credit checks needed to open it




Can borrow at low interest, usually need to save for a few months first



Pay with a debit card and withdraw money from cashpoint machines



Handout 3: Bank accounts table

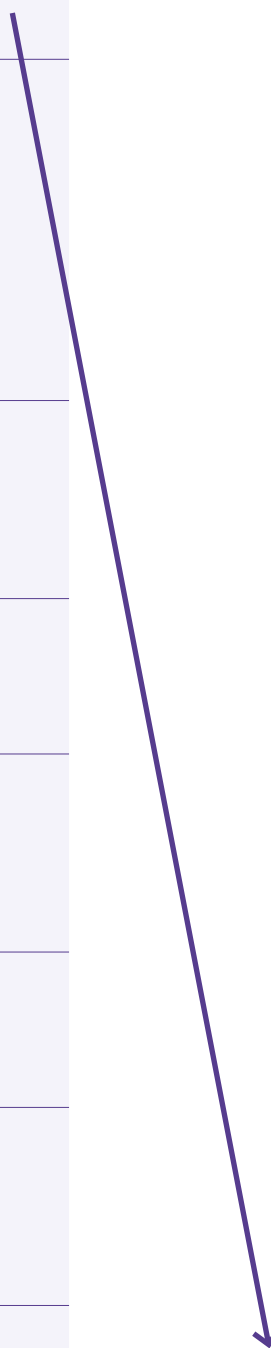


	Basic bank account	Current account	Savings account	Credit Union	Post Office card account
Cash card with PIN for cash machines					
Debit card					
Overdraft					
Allows direct debits and standing orders					
Credit checks to open the account					
Fees and charges					

Handout 4: Match words exercise

Match the words on the left column with the definitions on the right.

1	AER	What the bank charges.
2	Arranged overdraft	When you spend more than you have in your bank account without agreeing it in advance with your bank. Some banks may charge a monthly or a daily usage fee, which may be instead of interest or in addition to interest.
3	Buffer	Is applied to your account for any time throughout the month when you are overdrawn.
4	EAR	Amount of overdraft that you can use without having to pay interest.
5	Overdraft	Pre-agreed and allow you to go overdrawn (or borrow) up to a certain limit, normally at a set rate of interest.
6	Overdraft fees	Maximum amount of credit given to a bank account by the bank.
7	Overdraft interest	Equivalent Annual Rate is a representative interest rate that shows the rate you would pay if you remained overdrawn for a year.
8	Overdraft limit	Interest rate on savings – Annual Equivalent Rate.
9	Unarranged overdraft	It will allow you to borrow money through your current account.



Handout 5: Overdraft exercise

Rob has a bank account balance of £230. He pays £270 for clothing and shopping.

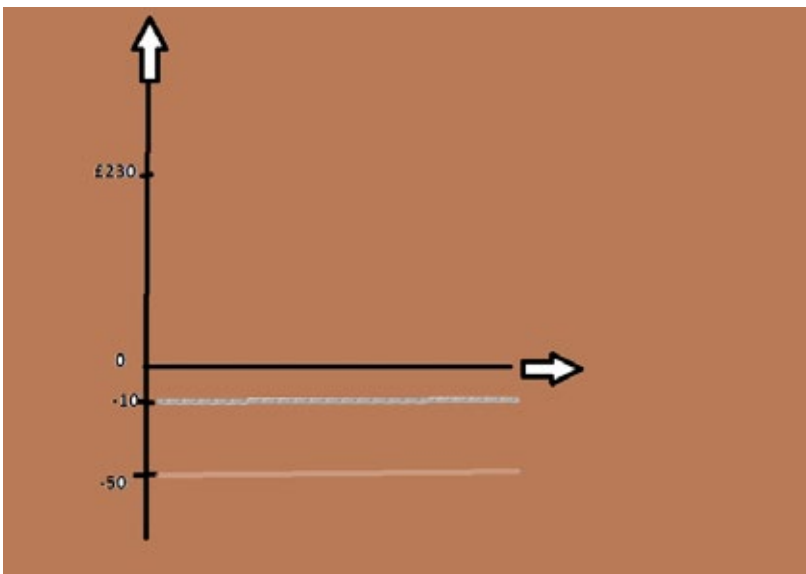
Q1. By how much is Rob overdrawn?



He has an arranged overdraft of £50 and a buffer of £10.

Q2. What happens to the money overdrawn?

Q3. Where are the buffer and the overdraft zones in the graph below?



Vocabulary Exercise: **Bank statement**

Match the two columns.

1	Balance	Cash withdrawal.
2	Credit	Person paying for goods or services.
3	Money in	Amount carried on from one business period to the following.
4	Money out	An order to a bank to pay a stated sum from the drawer's account, written on a specially printed form.
5	Opening balance	Putting money into a bank account.
6	Closing balance	Process to establish whether a payment made by cheque can be honoured by the bank it was drawn from. It normally takes five working days, which are Monday to Friday.
7	DD	System for making payments from one bank account to another.
8	CD/ATM - Automatic Teller Machine	The difference between credits and debits in an account; the amount of money held in an account.
9	SO	Person receiving payment.
10	(Balance) brought forward	An entry recording a sum received.
11	Paying in	The amount of money in a bank account when it is opened.
12	Cheque	Entry recording a sum owed.
13	BACS - bank automated clearing services	Direct debit.
14	Payer	An entry recording a sum received.
15	Payee	Standing order.
16	To clear/clearing system	Amount remaining in the account at the end of the business day.

Handout 6 A: Bank statement exercise

Answer the questions below using the bank statement example on the PowerPoint presentation.

1. What is the balance brought forward?



2. How much money is coming in/credited? Who is the payer?

3. On what date was the money paid in?

4. What is the balance on 22 May?

5. How does John pay for his TV Licence?

6. On what date was the cheque paid?

7. What is the closing balance?

Handout 6 B: Bank statement exercise

Answer the questions below using the bank statement example on the PowerPoint presentation.

1. How much money is withdrawn from cash machines?



2. How much money is coming in?

3. How much is the balance brought forward?

4. By 22 May John is overdrawn (true or false?)

Answers

Handout 1A: How do you pay?

ANSWER

1	Standing order	Money goes out from your bank account to pay for something. It stops only when you tell the bank. The amount can change if the company changes its charges.	2
2	Direct debit	You can get this at the Post Office and use it to pay bills.	7
3	Debit card	An instruction you write to pay money from your bank account into another bank account.	8
4	Credit card	Some shops have deals (furniture) where you pay back the amount over a year or two.	13
5	Store card	Available from Post Offices – any value up to £250. It is a written instruction to pay to a named person/company.	9
6	Cash	Money goes out from your bank account. You determine what the amount is and how often. The amount stays the same until you tell the bank.	1
7	Budget card	You buy goods on credit from a brochure.	12
8	Cheque	Money in your wallet.	6
9	Postal order	A system to pay bills at convenience stores and petrol stations.	10
10	Paypoint	A plastic card which takes money from your bank account. You will need a PIN to use it.	3
11	Pre-paid keys and cards	A plastic card from a shop, not a bank. Use it only in a specific store or chain.	5
12	Catalogue	A plastic card that lets you spend money that the bank will loan you.	4
13	Shop credit	You need to “load” these with money and use it for gas or electricity.	11

Answers

Handout 2 quiz:

Opening a bank account: true or false?

- | | |
|---|--|
| 1 | A letter from your friend who works at the hospital confirming your ID is enough to open a bank account.
False |
| 2 | You need your employer to call the bank so they can confirm that you work for him/her.
False |
| 3 | The bank needs to confirm who you are and where you live in order to open an account for you.
True |
| 4 | Someone bankrupt can open a bank account.
True |
| 5 | You need to be living close to the bank where you are opening the account.
False |

Answers

Handout 3: Bank accounts table

	Basic bank account	Current account	Savings account	Credit Union	Post Office card account
Cash card with PIN for cash machines	At cash points and sometimes Post Offices	At cash points and sometimes Post Offices	Depends on the account	At Credit Unions only	Only at Post Offices
Debit card	Sometimes	Yes	Sometimes	No	No
Overdraft	Some offer a buffer of £10-£15	Yes	No	No	No
Allows direct debits and standing orders	Yes	Yes	Sometimes	No	No
Credit checks to open the account	Sometimes	Yes	Not normally	No	No
Fees and charges	Fees and interest on overdrafts. Penalties for returning direct debits or standing orders.	Penalties for returning direct debits or orders.	Not normally	No	No

Answers

Handout 4: Match words exercise

1	AER	Interest rate on savings – Annual Equivalent Rate.
2	Arranged overdraft	Pre-agreed and allow you to go overdrawn (or borrow) up to a certain limit, normally at a set rate of interest.
3	Buffer	Amount of overdraft that you can use without having to pay interest.
4	EAR	Equivalent Annual Rate is a representative interest rate that shows the rate you would pay if you remained overdrawn for a year.
5	Overdraft	It will allow you to borrow money through your current account.
6	Overdraft fees	What the bank charges.
7	Overdraft interest	Is applied to your account for any time throughout the month when you are overdrawn.
8	Overdraft limit	Maximum amount of credit given to a bank account by the bank.
9	Unarranged overdraft	When you spend more than you have in your bank account without agreeing it in advance with your bank. Some banks may charge a monthly or a daily usage fee, which may be instead of interest or in addition to interest.

Answers

Vocabulary exercise: Bank statement

1	Balance	The difference between credits and debits in an account; the amount of money held in an account.
2	Credit	An entry recording a sum received.
3	Money in	An entry recording a sum received.
4	Money out	An entry recording a sum owed.
5	Opening balance	The amount of money in a bank account when it is opened.
6	Closing balance	Amount remaining in the account at the end of the business day.
7	DD	Direct debit.
8	CD/ATM - Automatic Teller Machine	Cash withdrawal.
9	SO	Standing order.
10	(Balance) brought forward	Amount carried on from one business period to the following.
11	Paying in	Putting money into a bank account.
12	Cheque	An order to a bank to pay a stated sum from the drawer's account, written on a specially printed form.
13	BACS - Bank automated clearing services	System for making payments from one bank account to another.
14	Payer	Person paying for goods or services.
15	Payee	Person receiving payment.
16	To clear/clearing system	Process to establish whether a payment made by cheque can be honoured by the bank it was drawn from. It normally takes five working days, which are Monday to Friday, excluding bank holidays.

Answers

Issues with bank accounts

Benefits/tax credits may make a mistake and stop payments.

Clients need to check their account regularly to make sure that the correct monies are going in and out.

Small print and jargon that are hard to understand.

Take the information away so that you can have a proper look and ask if you don't understand anything.

Difficulties getting acceptable identification.

Banks can accept a wider range of proof than it can first seem, sometimes you may have to talk to someone more senior or even the head office to sort this out.

Dealing with call centres.

Conversations over the phone can often be more difficult but having what you want to say prepared and any information you might need to refer to with you can help.

- If you are worried about how long it will take to get an account up and running, having the correct the correct information prepared can speed things up and it doesn't have to take long at all.
- Access to banks. Check out what's available locally and also consider online or telephone banking.

Fraud

What is ID fraud?

It is when a criminal steals your identity and uses it to apply for credit and services, leaving you to pay the bill.

How do criminals get the information?

In rubbish bags: finding your old letters and bank statements and then applying for financial products using your details.

Personal details from social media accounts such as Facebook, LinkedIn or Twitter.

They try to get your PIN or password by what is known as 'phishing'. This means they set up websites, or directly contact you by email, phone or post, claiming (and looking/sounding) like they are genuinely from your bank, and they ask you to enter/tell them your PIN.

What is the bank position once ID fraud has been detected?

Banks cover the cost of ID fraud as long as your negligence didn't let the fraudsters get the PIN.

Preventative measures:

- Keep your PIN safe.
- Get a shredder.
- Lock down your phone.
- Protect yourself online.
- Always check bank statements.
- Regularly check your credit reference files.

Homework: **Vocabulary cost of debt**

Find the meaning of these words and acronyms.



APR	
AER	
Average	
Cap	
Charges	
Credit	
Default fees	
Fees	
Instalments	
Interest	
Loan	
Repayment	
Rate	
Spread	
To borrow	
To lend	

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4

Lesson guide

The cost of borrowing

Guide for tutors

This is general guidance for tutors on how to deliver this session.

The aim of this session is to help tutors to introduce clients to financial capability matters in relation to the cost of debt.

These resources are subject to a caveat: different individuals may need different approaches to the topic, that is, one size does not fit all the clients given their cultural differences.

By the end of this session clients will:

- Understand what is interest.
- Understand what is APR.
- Have basic knowledge of different ways of borrowing.
- Have basic knowledge knowledge of different lenders.
- Feel empowered to shop around.

TIME

(guide only)

ACTIVITIES

RESOURCES

TIME	ACTIVITIES	RESOURCES
15-20 min	<p>Activity 1: Presentation of homework by participants</p> <p>Allow time for the presentation.</p> <ul style="list-style-type: none"> • If they did not prepare the homework, give the exercise vocabulary cost of debt match words. • Give the answer handout (handout 1). 	<p>Homework: Vocabulary cost of debt</p> <p>Handout 1: Vocabulary cost of debt Answer</p>
20-30 min	<p>Activity 2: Introduction of different lenders</p> <p>A Start by Rob' scenario</p> <ul style="list-style-type: none"> • Introduce Rob's situation. • Ask to answer the final question on slide 4. <i>Explain that we will look at six options.</i> <p>B Doorstep lender (slides 5-11)</p> <ul style="list-style-type: none"> • Show the information on slide 6. • Clarify the definition of APR. • Ask participants to draw a timeline of the problem. <i>Allow time to discuss and contribute their opinions.</i> • Go through: What really happens? 	<p>Slides 1 - 4</p> <p>Slide 6</p> <p>Slide 7</p> <p>Use flipchart Slides 8-11</p>
10 min	Break	
15 min	<p>C Go through lenders</p> <ul style="list-style-type: none"> • Credit card • Bank loan – exercise on reading financial information. Ask them to say what they conclude from the information on slide 13 – <i>The aim is to create awareness on the manipulation of the information. The participants should spot that the more they borrow, the less interest will be charged.</i> • Payday loan • Credit union • Catalogue <p>Discuss the comparison on slide 20.</p>	<p>Slide 12...</p> <p>Slide 13 (bank loan)</p> <p>Slides 14-16</p> <p>Slides 17-18</p> <p>Slide 19</p> <p>Slide 20</p>

Lesson guide

Continued

TIME (guide only)	ACTIVITIES	RESOURCES
20 min	<p>Activity 3: Lenders positives and negatives</p> <p>In groups (max four groups)</p> <ul style="list-style-type: none">• Give packs of cards and labels for groups to match up.• Ask them to place the positives and negatives of each lender.• Discuss results.	<p>(4) Packs each containing:</p> <p>Lenders flash cards</p> <p>Labels</p> <p>Lenders positives flash cards</p> <p>Lenders negatives flash cards</p>
10 min	<p>Final activity:</p> <p>Ask them to answer the question: which lender would be best for Rob? (slide 21).</p> <p>Give the handout on lenders consequences to take home.</p>	<p>Handout 2:</p> <p>Table on lenders pros and cons</p>

Exercise: Vocabulary cost of debt

Match the words on the left with the definitions on the right.

1 APR	A limit on the amount of money that can be charged or spent in connection with a particular activity.
2 AER	One of a number of payments that you make over a period of time to pay for something that you can use while you are paying for it.
3 Average	An amount or level of payment.
4 Cap	Annual Percentage Rate: the rate at which someone who borrows money is charged, calculated over a period of twelve months.
5 Charges	Take and use (money/something) from a person or bank under an agreement to pay it back later.
6 Credit	Distribute in a specified way.
7 Default fees	The money that you pay back.
8 Fees	Money that is charged by a bank or other financial organisation for borrowing money; or, money that you earn from keeping your money in an account in a bank or other financial organisation.
9 Instalments	Annual Equivalent Rate: the rate of interest that an investor will receive if they leave a particular amount of money in an account for one year.
10 Interest	An amount of money paid for a particular piece of work or for a particular right or service.
11 Loan	An amount of money that is borrowed, often from a bank, and has to be paid back, usually together with an extra amount of money that you have to pay as a charge for borrowing.
12 Repayment	Allow (a person or organisation) the use of (a sum of money) under an agreement to pay it back later.
13 Rate	A standard or level that is considered to be typical or usual.
14 Spread	A method of paying for goods or services at a later time, usually paying interest as well as the original money.
15 To borrow	To ask an amount of money for something, especially a service or activity.
16 To lend	The fixed amount that is charged if you do not change it intentionally by performing an action.

Flash cards 1: Lenders



Bank loan



Credit card



Store card



Doorstep lender



Catalogue



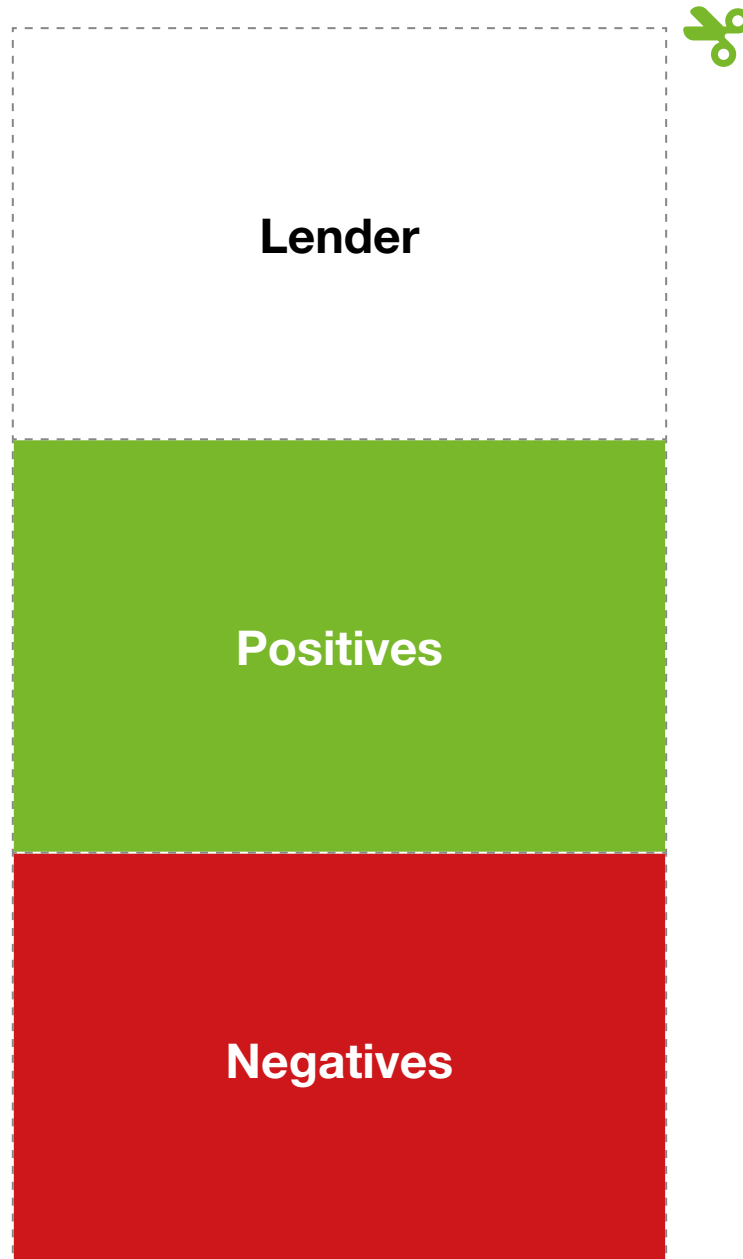
Credit Union



Payday loan



Labels: Lender



Flash cards 2: **Lenders positives**

Low interest rates.

Long time to pay it off.

Not very easy to get.

Can shop or get cash.

Leave you alone if you pay the minimum.

Easy to get.

Discounts.

Easiest to get.

Payments low and collected at home – easier to deal with.

Do not mind as much about poor credit ratings.

They may not charge interest sometimes, but they charge fees.

Easy to get and use.

Personal and fair treatment.

Quick solution before next payday.

Very quick transfer times, application and approval.



Flash cards 3: Lenders negatives

Do not usually lend less than £1,000.

Do not like poor credit ratings.

Charge more for borrowing cash

A long time to pay off and you end up paying more than you borrowed.
If defaulted £12 charges.

Usually charge more than credit cards – usually interest rate is 30%.

You can only use it to pay for items on that particular store/chain.

Interest rates are very high and you pay back a lot more than you borrowed.

Sometimes things are more expensive than in the shops.

Can become very expensive if you miss payments.

Some will ask you to do some saving before you can borrow.

Usually very expensive and monthly interests are very high APR, more than 1,000%.

If defaulted, borrowers will pay interest and a max. £15 default charge.



Handout 2: Table on lenders pros and cons

Lender	Positives	Negatives
Bank loan	<p>Low interest rates.</p> <p>Long time to pay it off.</p>	<p>Do not usually lend less than £1,000.</p> <p>Do not like poor credit ratings.</p>
Credit card	<p>Not very easy to get.</p> <p>Can shop or get cash.</p> <p>Leave you alone if you pay the minimum.</p>	<p>Charge more for borrowing cash.</p> <p>Paying takes a long time to pay off and you end up paying more than you borrowed.</p> <p>If defaulted £12 charges.</p>
Store card	<p>Easy to get.</p> <p>Discounts.</p>	<p>Usually charge more than credit cards – usually interest rate is 30%.</p> <p>You can only use it to pay for items on that particular store/chain.</p>
Doorstep lender	<p>Easiest to get.</p> <p>Payments low and collected at home – easier to deal with.</p> <p>Do not mind as much about poor credit ratings.</p>	<p>Interest rates are very high and you pay back a lot more than you borrowed.</p>
Catalogue	<p>They may not charge interest sometimes, but they charge fees.</p> <p>Easy to get and use.</p>	<p>Sometimes things are more expensive than in the shops.</p> <p>Can become very expensive if you miss payments.</p>
Credit Union	<p>Personal and fair treatment.</p>	<p>Some will ask you to do some saving before you can borrow.</p>
Payday loan	<p>Quick solution before next payday.</p> <p>Very quick transfer times, application and approval.</p>	<p>Usually very expensive and monthly interests are very high APR, more than 1,000%.</p> <p>If defaulted, borrowers will pay interest and a max. £15 default charge.</p>

Answers

Exercise: Vocabulary cost of debt

ANSWER

1	APR	A limit on the amount of money that can be charged or spent in connection with a particular activity.	4
2	AER	One of a number of payments that you make over a period of time to pay for something that you can use while you are paying for it.	9
3	Average	An amount or level of payment.	13
4	Cap	Annual Percentage Rate: the rate at which someone who borrows money is charged, calculated over a period of twelve months.	1
5	Charges	Take and use (money/something) from a person or bank under an agreement to pay it back later.	15
6	Credit	Distribute in a specified way.	14
7	Default fees	The money that you pay back.	12
8	Fees	Money that is charged by a bank or other financial organisation for borrowing money; or, money that you earn from keeping your money in an account in a bank or other financial organisation.	10
9	Instalments	Annual Equivalent Rate: the rate of interest that an investor will receive if they leave a particular amount of money in an account for one year.	2
10	Interest	An amount of money paid for a particular piece of work or for a particular right or service.	8
11	Loan	An amount of money that is borrowed, often from a bank, and has to be paid back, usually together with an extra amount of money that you have to pay as a charge for borrowing.	11
12	Repayment	Allow (a person or organisation) the use of (a sum of money) under an agreement to pay it back later.	16
13	Rate	A standard or level that is considered to be typical or usual.	3
14	Spread	A method of paying for goods or services at a later time, usually paying interest as well as the original money.	6
15	To borrow	To ask an amount of money for something, especially a service or activity.	5
16	To lend	The fixed amount that is charged if you do not change it intentionally by performing an action.	7

Workshop five: Welfare benefits basic information

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Lesson guide

Welfare benefits

Guide for tutors

This is general guidance for tutors on how to deliver this session.

The aim of this session is to help tutors to introduce clients to financial capability matters in relation to welfare benefits.

These resources are subject to a caveat: different individuals may need different approaches to the topic, that is, one size does not fit all clients given their cultural differences.

By the end of this session clients will be able to:

- Understand basic information about the main benefits: Child Benefit, Housing Benefit, Council Tax Support, Tax Credits, benefit cap, and Universal Credit.
- Be aware of a range of benefits that make up the benefits and tax credits system and who can claim them.
- Understand recent changes to the welfare benefits system.
- Know who is affected by Universal Credit.
- Think about how to maximise their budget using new elements.
- Know where to go for help.

TIME

(guide only)

ACTIVITIES

RESOURCES

TIME	ACTIVITIES	RESOURCES
10-15 min	<p>1 Introduce the topic</p> <p>Ask: Do they know ways of increasing their income?</p> <ul style="list-style-type: none"> • Explain: <i>After making the budget, they may need to think about increasing their income. Welfare benefits are one way to help them to have more money.</i> • Ask which benefits do they know? 	Use flipchart
15-20 min	<p>2 Explain: Benefits are changing – what does this mean?</p> <ul style="list-style-type: none"> • How they might be assessed? • Where to apply for them? • Who they might be paid to and when? <p>Allow time to answer the questions before introducing solution on Slide 5.</p> <ul style="list-style-type: none"> • Give handout 1. • Explain that benefits change will affect 	Slide 2, 3, 4, 5, Use flipchart to discuss each question Handout 1: What benefits are there?
20 min	<p>3 Welfare benefits basics & reform</p> <p><i>Aim: to create awareness of the range of benefits and of the present reform.</i></p> <ul style="list-style-type: none"> • Show Child Benefit and the other benefits. • Reform: benefit cap and Universal Credit. • Introduce Universal Credit definition: what is it? • Show benefits being replaced by Universal Credit. <p>Allow time for questions.</p> <ul style="list-style-type: none"> • Give handouts on Universal Credit and benefit cap. 	Slides 7 -11 Slide 12 - 13 Handouts 2 & 3: Universal Credit & Benefit Cap

Lesson guide

Continued

TIME	ACTIVITIES	RESOURCES
(guide only)	<p>30 min</p> <p>4 Increasing your income</p> <ul style="list-style-type: none">• Discuss checklist. Given them handout “Increasing income and help.”• In groups (maximum four): Vocabulary chart exercise poster. Divide the participants into four groups. Ask them to place the flash cards on the definitions. <p>Check results.</p>	<p>Slide 14</p> <p>Handout 4: Increasing income and help</p> <p>(4) charts on definitions</p> <p>(4) sets of flash cards to match definitions</p>

Handout 1: What benefits are there?

What are the main benefits?

- Jobseeker's Allowance (JSA)
- Universal Credit (UC)
- Council Tax Support/reduction
- Employment and Support Allowance (ESA)
- Income Support
- Personal Independence Payment (PIP)
- Disability Living Allowance Child
- Working Tax Credit
- Attendance Allowance
- Child Tax Credit
- Housing Benefit

When might they be paid?

- Daily
- Weekly
- Income Support
- Four-weekly
- Monthly
- Annually

Where do you apply for them?

- Online
- Job centre
- Over the phone

Who might they be paid to?

- You
- Your support worker
- Your probation officer
- Your landlord
- Your carer
- Your parents

Handout 2: What is Universal Credit?

Universal Credit (UC) is a single benefit that will replace several existing benefits, rolling them all into one single monthly payment. The benefits being replaced by UC are: Jobseeker's Allowance, Employment and Support Allowance, Child Tax Credit, Working Tax Credit, Income Support and Housing Benefit.

- You have to manage this benefit claim yourself, online.
- It will be paid monthly, in arrears, directly to the bank account of one member of the household.
- It includes your Housing Benefit, meaning that this is no longer automatically paid to your landlord.
- You will have to start paying your rent regularly yourself or you may lose your home.

To get this benefit you have to agree to a Claimant Commitment.

When does it start to come into place?

It already applies to all single people in England and Wales, and is being gradually introduced for couples and families too.

Where do I go for more information?

Money Advice Service

MAS – Universal credit (an introduction)

MAS – Who is affected by Universal Credit?

MAS – Action plan – Get ready for Universal Credit

MAS – Choosing a bank account for your benefits

Citizens Advice

Adviceguide – Universal Credit – When will it start?

Disability Rights UK

Child Poverty Action Group

Handout 3: What is the benefit cap?

The **benefit cap** means that the amount of benefit you can claim will have a maximum limit.

Only if you claim benefits of:

- **£442.31 per week** (£1,916.67 per month or £23,000 per year) for couples and lone parents in Greater London
- **£384.62 per week** (£1,666.67 per month or £20,000 per year) for couples and lone parents outside Greater London
- **£296.35 per week** (£1,284.17 per month or £15,410 per year) for single adults in Greater London
- **£257.69 per week** (£1,116.67 per month or £13,400 per year) for single adults outside Greater London

And you have to be of working age but not working.

Example:

If you get more than £442.31 a week in benefits in total (Greater London), then your benefits will be capped. This means you will be getting less money in the future. This reduction in benefits will first be taken out of any Housing Benefit you get, meaning you may have to pay your landlord more. The cap also applies to Universal Credit. Some people are exempt from the benefit cap, for example, if you, your partner or child receive a disability benefit.

Where to get more info

Citizens Advice Adviceguide: The benefit cap – who is exempt?

Citizens Advice Adviceguide: Benefit cap – what you need to know

Money Advice Service – Benefits cap

Turn2Us – Benefits calculator

Handout 4: Increasing your income and help

Things to check

- Are you getting benefits and tax credits or Universal Credit?
- Is your employer paying you at least the minimum wage?
- Are you paying too much tax?
- Can you get an advance, a budgeting loan or help from your local council?
- Can you cut your energy or water bills?

More info:

- **National Debtline:** www.nationaldebtline.org
- **Jobcentre Plus helpline:** 0800 055 6688
- **Tax credits helpline:** 0345 300 3900 - www.gov.uk
- **Citizens Advice:** www.citizensadvice.org.uk

Activity: Vocabulary chart poster

Suggestions about what or how someone should do something.	To make a judgement about quality, size, value, etc of something.	Money that you earn by working, investing, or producing goods.	To get bigger or to make something bigger in size or amount.
The amount of money a person regularly receives for their job.	With special permission not to have to do something or pay something.	In the place of someone or something else.	An amount of money that you owe someone.
To get money for doing work.	Not treating people in an equal way.	To ask officially for something, often online or by phone, but also in writing.	A person or organisation that someone owes money to.
A group of people who are elected to control a town, city, or area.	One of the movements you make with your feet when you walk.	To take action in order to achieve something or to solve a problem.	An official request for something, usually online or by phone, but also in writing.
		Money paid by a government to people who are poor, sick, or who do not have jobs.	How much there is of something.

Flash cards 1: Vocabulary exercise

Advice

Amount

Application

Council

Creditor

Debt



Flash cards 2: Vocabulary exercise

Exempt

Income

Instead

Steps

To apply

To assess



Flash cards 3: Vocabulary exercise

To deal

To earn

To increase

Unfair

Wages

Welfare benefits



Answers

Vocabulary on welfare benefits

Advice

Suggestions about what or how someone should do something.

Amount

How much there is of something.

Application

An official request for something, usually online or by phone, but also in writing.

Council

A group of people who are elected to control a town, city, or area.

Creditor

A person or organization that someone owes money to.

Debt

An amount of money that you owe someone.

Exempt

With special permission not to have to do something or pay something.

Income

Money that you earn by working, investing, or producing goods.

Instead

In the place of someone or something else.

Steps

One of the movements you make with your feet when you walk.



Answers

Vocabulary on welfare benefits

Continued

<p>To apply To ask officially for something, often online or by phone, but also in writing.</p>	<p>To assess To make a judgement about quality, size, value, etc. of something.</p>
<p>To deal To take action in order to achieve something or to solve a problem.</p>	<p>To earn To get money for doing work.</p>
<p>To increase To get bigger or to make something bigger in size or amount.</p>	<p>Unfair Not treating people in an equal way.</p>
<p>Wages The amount of money a person regularly receives for their job.</p>	<p>Welfare benefits Money paid by a government to people who are poor, sick, or who do not have jobs.</p>



Workshop six: Payslips

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EMPLOYER		DEPARTMENT		EMPLOYEE	
Tayler and Butler Limited		No Department		Mr. Malvin Hunt	
				N.I. NUMBER & TABLE	
				SP738355C	
YEAR TO DATE		RATE	HOURS	PAY	
Total Pay	20416.62	2916.66	1.00	Salary	
Taxable Pay	20416.62				
Tax	2980.80				
N.I. Employee	1905.96				
N.I. Employer	2190.67				
N.I. Pay	20391.00				
SSP					
SMP					
Pension Employee					
Pension Employer	0.00				

6

Lesson guide

Payslips

Guide for tutors

This is general guidance for tutors on how to deliver this session.

The aim of this session is to help tutors to introduce clients to financial capability matters in relation to their payslips.

These resources are subject to a caveat: different individuals may need different approaches to the topic, that is, one size does not fit all clients given their cultural differences.

By the end of this session clients will be able to:

- Have a better understanding of the elements present on a payslip.
- Understand basic information about income and taxation such as tax codes and personal allowance.
- Be aware of the calculations of deductions present on a payslip.

Consider completing end of course evaluation form with students (refer to Annex II).

TIME

(guide only)

	ACTIVITIES	RESOURCES
10 min	<p>1 Introduce the session</p> <ul style="list-style-type: none"> • Ask what do they know about payslips – income and taxation – <i>allow time for participants to put their views across.</i> • Explain that the session is on Income and taxation, tax code basics, and where to go for help. 	PowerPoint presentation (slides 1,2)
20 min	<p>2 Homework presentations</p> <p>Allow time for participants to present two or three definitions each to the class.</p> <p><i>If participants did not prepare their homework, give them:</i></p> <ul style="list-style-type: none"> • Exercise: Match words <p><i>After either presentations or match words exercise discussions,</i></p> <ul style="list-style-type: none"> • Give either the answer tax glossary or handout (1), whatever relevant. 	<p>Handout 1 - Match words exercise</p> <p>Answer tax glossary or handout 1: Match words exercise answer</p>
20 min	<p>3 Payslips</p> <ul style="list-style-type: none"> • Discuss definition right to a payslip: do they understand it? • Exercise: divide the class in groups/pairs Give the payslip exercise. • Check results are correct. • Give the payslip handout (handout 3). 	<p>Slide 3</p> <p>Slide 4</p> <p>Handout 2</p> <p>Slide 5 & handout 3</p>
20 min	<p>4 TAX code: what is it?</p> <p>Go through slides 6-9.</p> <p>Tax code exercise 1.</p> <p>Tax code exercise 2.</p>	<p>Slide 6</p> <p>Slide 6, 7, 8, 9</p> <p>Slide 10 and 11</p> <p>Slide 12 - 19</p>
10 min	<p>5 Where to go for help?</p> <p>Give handout 3: where to go for help.</p>	<p>Slide 20 and 21</p> <p>Handout 4</p>

Handout 1: Match words exercise

Match the words on the left column with the definitions on the right column.

1	Financial year	Student loans are taken out to fund tuition fees and other costs of further education. The loans are repaid by a deduction from your gross pay.
2	Gross pay	This shows you what personal allowance you are allowed and what rate of income tax will be deducted from your gross pay. It is sometimes known as the 'PAYE code'.
3	Income tax	These are deductions from your gross pay into your personal pension – this is different to your state pension.
4	National Insurance contributions (NIC)	Payments that you and your employer make through your working life that provide you with certain state benefits, including your state pension.
5	Net pay	The amount of income you can have each year before you pay income tax.
6	Pension contributions	The tax you pay on most types of income including your income from work – whether you are employed by someone else or self-employed.
7	Personal allowance	The amount of money you take home after income tax, National Insurance contributions, pension contributions and student loan repayments have been deducted. It's often called your 'take-home' pay.
8	Student loan repayments	From 6th April to 5th April the following year. It's also sometimes known as the 'tax year'.
9	Tax code	Your total earnings before any tax, National Insurance or pension contributions are deducted. It's also known as your 'salary' or 'wages'.
10	Value Added Tax (VAT)	A tax that is added to the sale of goods and services.

Handout 2: Payslip exercise

EMPLOYER		EMPLOYEE			DATE		
Tayler and Butler Limited		Mr. Malvin Hunt		No: 3	28/10/2013		
DEPARTMENT		N.I. NUMBER & TABLE	TAX CODE	PAY METHOD	PERIOD		
No Department		SP739355C	944L	BACS	M 7		
YEAR TO DATE		RATE	HOURS	PAY	DEDUCTIONS		
Total Pay	20416.62	2916.66	1.00	Salary	2916.66	PAYE Tax 425.80 National Insurance 272.28	
Taxable Pay	20416.62						
Tax	2980.80						
N.I. Employee	1905.96						
N.I. Employer	2196.67						
N.I. Pay	20391.00						
SSP							
SMP							
Pension Employee							
Pension Employer	0.00						
[T=Taxable, N=Nil'able, B=Both]							
		HOURS	1.00	TAXABLE PAY	2916.66	DEDUCTIONS	698.08
		EMPLOYERS N.I.	313.81	NON-TAXABLE PAY	5511.94	NET PAY	
				TOTAL PAY	2916.66	2218.58	

Look at the payslip and answer the following questions:

- 1 Who is the employer?
- 2 When will Mr Hunt receive the money?
- 3 How is the pay being paid to Mr Hunt?
- 4 How much pay will Mr Hunt receive this month?
- 5 How much has Mr Hunt earned this month?
- 6 How much has Mr Hunt earned so far this year?
- 7 What are the total deductions from Mr Hunt monthly pay?
- 8 What is his tax code?
- 9 How much of his pay this year has been taxed?
- 10 Which of his three deductions can he choose not to pay?

Handout 3: Payslip example

Employee's name and address field **Employer's logo**

TAX CODE/TAX BASIS: reflective of HMRC notification & how the amount of tax you pay is calculated

ANNUAL SALARY: Annual Basic Salary that reflects your working hours

PAYMENTS: Elements of pay due to you for the month, including UNITS for the number of hours, RATE for the applicable calculation, and AMOUNT

SUMMARY & YTD's: Pay details in the tax year to date, includes this month's entries

PAYROLL: Your unique payroll reference number, used when sending instructions to payroll

F/T SALARY: Annual basic salary for full time working

CONTRACT HRS: Minimum number of hours/week for this role

WORKING HRS: Minimum number of hours/weeks your contract stipulates you work

DEDUCTIONS: All deductions from pay for the month, voluntary and statutory including deductions due to HMRC

NET PAY: Amount of pay due to credit your bank account on PAY DAY

NAME		PAYROLL		PERIOD		DATE	
TAX CODE	TAX BASIS	NI NUMBER	NI	F/T SALARY	CONTRACT HRS		
PAYMENT METHOD		GRADE		ANNUAL	WORKING HRS		

PAYMENTS			DEDUCTIONS	
Units	Rate	Amount	Amount	
Total Payments			Total Deductions	

SUMMARY		NET PAY	
PAYE REF	TAX OFFICE	MESSAGES	
South Wales Area			
NI Ees YTD NI Ers YTD Pens Ees YTD Pens Ers YTD Pensionable YTD Tax Paid YTD Taxable PTD Taxable YTD			



Handout 4: Where to go for help?

- **Your employer**

- **Websites:**

www.hmrc.gov.uk

www.taxaid.org.uk (useful to resolve tax issues)

www.litr.org.uk (Low Incomes Tax Reform Group helps people on low incomes).

- **Fee-charging tax advisers**

If your income is too high to qualify for advice from a tax charity, you may need to consult a commercial firm of advisers, who will charge a fee.

The Association of Taxation Technicians

The Chartered Institute of Taxation

Contacting HM Revenue and Customs (HMRC)

If the problem cannot be sorted out by talking to your employer, or looking on a website, the next step is to contact HMRC. Usually, you will need to do this by telephone.

You can contact HMRC on the Taxes Helpline for individuals and employees, including pensioners and people on benefits, on 0300 200 3300 (textphone 0300 200 3319 for people who are deaf or hearing or speech impaired).

If you are newly self-employed, contact the **Newly Self-Employed Helpline** on **0300 200 3504** (textphone 0845 915 3296).

If you need help with Self Assessment, contact the **Self Assessment Helpline** on **0300 200 3310** (textphone 0300 200 3319).

For other HMRC helplines, see their website at **<http://search.hmrc.gov.uk>**.

TaxAid

TaxAid runs a national telephone helpline service and face-to-face advice sessions in London and some major cities for people on a low income. They define low income as around £20,000 per year or less. They provide free and independent advice, assistance and advocacy to people who need help with tax or tax debt. They can help with problems about tax allowances, PAYE codes, tax arrears, self-employment, tax returns and HM Revenue and Customs administration and complaints.

You should try to sort out the problem first with HMRC.

Tel: **0345 120 3779** (Mon to Fri 10am to 12 noon)

Email: **info@taxaid.org.uk**

Answers

Tax glossary homework

Financial year	From 6th April to 5th April the following year. It's also sometimes known as the 'tax year'.
Gross pay	Your total earnings before any tax, National Insurance or pension contributions are deducted. It's also known as your 'salary' or 'wages'.
Income tax	The tax you pay on most types of income including your income from work – whether you are employed by someone else or self-employed.
National Insurance contributions (NIC)	Payments that you and your employer make through your working life that provide you with certain state benefits, including your state pension.
Net pay	The amount of money you take home after income tax, National Insurance contributions, pension contributions and student loan repayments have been deducted. It's often called your 'take-home' pay.
Pension contributions	These are deductions from your gross pay into your personal pension – this is different to your state pension.
Personal allowance	The amount of income you can have each year before you pay income tax.
Tax code	This shows you what personal allowance you are allowed and what rate of income tax will be deducted from your gross pay. It is sometimes known as the 'PAYE code'.
Value Added Tax (VAT)	A tax that is added to the sale of goods and services.
P60	At the end of each tax year, employers must give a P60 to each of the employees who were working for them. A P60 includes totals of the pay, tax and national insurance accumulated during the tax year.
P45	A P45 is a form that is completed by an employer and given to an employee when they leave. The employee should then give the P45 to their new employer when they start a new job. The new employer uses the information from the P45 to ensure that the correct amount of tax is deducted.

Answers

Handout 1: Match words exercise

1	Financial year	From 6th April to 5th April the following year. It's also sometimes known as the 'tax year'.
2	Gross pay	Your total earnings before any tax, National Insurance or pension contributions are deducted. It's also known as your 'salary' or 'wages'.
3	Income tax	The tax you pay on most types of income including your income from work – whether you are employed by someone else or self-employed.
4	National Insurance contributions (NIC)	Payments that you and your employer make through your working life that provide you with certain state benefits, including your state pension.
5	Net pay	The amount of money you take home after income tax, National Insurance contributions, pension contributions and student loan repayments have been deducted. It's often called your 'take-home' pay.
6	Pension contributions	These are deductions from your gross pay into your personal pension – this is different to your state pension.
7	Personal allowance	The amount of income you can have each year before you pay income tax.
8	Student loan repayments	Student loans are taken out to fund tuition fees and other costs of further education. The loans are repaid by a deduction from your gross pay.
9	Tax code	This shows you what personal allowance you are allowed and what rate of income tax will be deducted from your gross pay. It is sometimes known as the 'PAYE code'.
10	Value Added Tax (VAT)	A tax that is added to the sale of goods and services.

Training course:
Financial capability for frontline workers.
Dealing with clients with low English skills
and low financial capability

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Lesson guide

Training for frontline workers

Guide for tutors

This is general guidance for tutors on how to deliver this session. The suggested minimum time for the training is 3.5 - 4 hours.

The aim of this session is to help tutors to introduce frontline workers to financial capability matters in relation to working with clients whose first language is not English and have low financial skills. For ease, we refer to these clients as 'ESOL clients'. And clarify that ESOL means 'English for speakers of other languages'.

By the end of this training frontline workers will:

- Have raised their awareness of the most common financial situations involving ESOL clients.
- Identify the challenges posed by vulnerable clients and how to deal with them.
- Acquire an ability to signpost and refer ESOL clients with financial issues to the adequate services/agencies.
- Identify documentary sources and electronic tools, which are of use to the client looking for financial information.

TIME

(guide only)

ACTIVITIES

RESOURCES

20-30 min

1 Activity 1: Financial abuse

- **Discuss with the class: What are the most common scenarios involving debt ESOL clients?** Ask them to give examples.
- **Explain:** *three very common scenarios in this area (slide 3) – this training will touch upon those.*
- **Ask** participants to discuss scenario 1 (slide 4)
- **Ask** to identify the main issues of the scenario (the aim is to list the main issues – *suggestions of Sonia's issues:*
 - *Poor English.*
 - *Married – (...children?).*
 - *Husband using her salary – (...is this happening always? How long has this been happening?).*
 - *Husband using their savings – (...do they have a joint bank account?).*
 - *Husband declared bankrupt – (...because they are married there will be consequences for her... renting a house?).*
 - *Husband angry – (... violent towards her?).*
- **Consider financial abuse...**
- **Discuss the definition of financial abuse in the Care Act... Is Sonia being financially abused?** (slide 5)
- **Ask: what a frontline worker would do in this situation?**
Allow time to discuss what to do, and introduce slide 6.
Consider signposting: to do this – assess among other areas:
 - *Is the client uncomfortable talking about their issue?*
 - *Is the client aware that everything they say is confidential?*
 - *Is the client able to contact the organisation by themselves?*
 - *Is the client happy for you to contact the organisation on their behalf?*
 - *Do they want to think about it?*

Give the handouts on help for financial abuse.

PowerPoint presentation

Use flipchart to make a list of the different issues

Handout 1: Help with financial abuse

Lesson guide

Continued

TIME (guide only)	ACTIVITIES	RESOURCES
20 min	<p>2 Activity 2: Vulnerable clients.</p> <ul style="list-style-type: none"> • <i>Back to Scenario 1 (slide 4) ask: Is Sonia vulnerable? Why? – allow time to discuss whether Sonia is vulnerable or not.</i> • Introduce definitions of vulnerability. • Discuss “who is at risk of detriment” and “particularly vulnerable clients.” • ...before showing slide 13 ask: what types of ESOL clients would be FINANCIALLY vulnerable? • In groups: Exercise “vulnerable client challenges.” • Discuss results. • Show/discuss referring and signposting vulnerable clients (slides 14 and 15). 	<p>Slide 9</p> <p>Slides 10 and 11 Slide 12</p> <p>Slide 13</p> <p>Exercise: “Vulnerable clients challenges”</p> <p>Slides 14 and 15</p>
30 min	<p>3 Activity 3: Bills and debts.</p> <ul style="list-style-type: none"> • Basic knowledge about debt: bills and consequences of non-payment: <i>the idea is to test actual knowledge of participants and to give an example of the main themes of “financial capability”, that is, bills and budgeting.</i> • Explain high priority and low priority – exercise with flash cards: <ol style="list-style-type: none"> 1 Divide the class into (maximum) four groups. 2 Give each group a set of labels (high and low priority) and a set of flash cards. 3 Ask them to divide the flash cards in two groups under the labels “bills that they would pay first” and “bills that they would pay later.” • Discuss results. <p>Go to slide 19 and give handout “Bills: what can happen.”</p> <p><i>Now, another scenario</i></p> <ul style="list-style-type: none"> • Show scenario 2 (slide 20) <ol style="list-style-type: none"> 1 Ask: <i>is there an emergency situation? What type of advice is needed? The idea is to introduce the main debt advice organisations.</i> 2 Show slides 21 to 24; 3 Explain that these are the main organisations helping with debt advice, but there are others such as StepChange.... Give handout “debt advice signposting.” 	<p>PowerPoint presentation: slides 16-23</p> <p>Slides 18-19</p> <p>(4) Sets of flash cards with bills</p> <p>(4) Sets of labels: low and high priority</p> <p>Handout 2: “Bills: what can happen”</p> <p>Handout 3: “Debt advice signposting”</p>
15 min	Break	

Lesson guide

Continued

TIME	(guide only) ACTIVITIES	RESOURCES
30 min	<p>4 Activity 4: Benefits issues - ESOL clients.</p> <p><i>Benefits overpayment/underpayment is the second most common query ESOL clients bring to the frontline.</i></p> <ul style="list-style-type: none"> • Ask What do they know about the reform? • Explain each of the benefits – not UC. • Give handouts of these benefits. • Scenario 3 – discuss. • Explain what changes with UC and slide 28. 	<p>PowerPoint presentation (slides 25-36)</p> <p>Handout 4: Welfare</p>
30 min	<p>5 Activity 5: Payslips - income and taxation.</p> <p><i>Payslips is another major query ESOL clients bring to the frontline.</i></p> <ul style="list-style-type: none"> • Introduce the topic – understanding payslips, tax codes, and signposting. • With the class: payslip exercise – give the participants 5-10 min and discuss results with the class. • Explain tax codes: definition (slide 41) and personal allowance (slide 44). • With the class: go through “tax code exercise” (slides 45-46). 	<p>PowerPoint presentation (Slides 37-48)</p> <p>Handout 5: “Payslip exercise”</p> <p>Handout 6: “Where to go for help”</p>
5-10 min	Break	
20-30 min	<p>Exercise – Reading letters from creditors to advise on emergency.</p> <p><i>The idea is for the participants to read the letters and to place them in order of priority/emergency. They can work in groups/pairs and the results should be discussed.</i></p> <p>Q&A</p>	<p>Handouts 7, 8 and 9: “Letters from creditors”</p>

Handout 1: Help with financial abuse

Women	<p>Women's Aid can offer help and support if your client is experiencing financial abuse.</p> <p>Your local Women's Aid organisation might also be able to recommend a suitable solicitor if your client needs one.</p> <p>You can find information on their websites or by calling their helpline:</p> <p>In England go onto the Women's Aid website or call the freephone 24 hour National Domestic Violence Helpline (run in partnership between Women's Aid and Refuge) on 0808 2000 247.</p>
Men	<p>Men's Advice Line provides emotional support, practical advice and can signpost to other services for specialist help.</p> <p>Call the Men's Advice Line on 0808 8010 327. It's free from landlines and most mobile phones.</p>

Exercise: Vulnerable client challenges

Discuss in groups:

- Why this might be challenging?
- How could you overcome the challenge?
- Write your thoughts (bullets points) in the right column

**CHALLENGES WHEN
ADVISING VULNERABLE CLIENTS**

WHAT COULD YOU DO?



1 Knowing where to refer clients with multiple needs.	
2 A lack of in-depth knowledge around benefits.	
3 Client is very anxious and worried about change.	
4 Identifying the level of help and support they need.	
5 Communication barriers.	
6 Discussing and asking about personal information.	

Handout 2: Bills: What can happen?

High priority bills and debts

If you don't pay these bills

Rent and mortgage



Secured loan
(money you have borrowed against your property)



- You could lose your home.

If you don't pay these bills

Electricity and gas



Phone



- Your supply could be cut off.

If you don't pay these bills

TV Licence



Maintenance for others



Council tax



Fine from magistrates' court



- Money could be taken off your benefits or wages.
- A bailiff could take away your belongings.
- You could get a big fine.
- You could go to prison.

Low priority bills and debts

If you don't pay these bills

Credit card



Store card



Bank loan



Bank overdraft



Catalogue



- You can be taken to a county court and get a county court judgment.
- No more credit.
- Further action:
 - bailiffs take your belongings,
 - court can make a charging order (your home or part of it now belongs to the creditor).

Handout 3: Debt advice, debt training and information

National Debtline

Freephone 0808 808 4000

Monday to Friday 9am to 8pm.

Saturday 9.30am to 1pm.

Giving free, impartial and confidential debt advice for over 25 years. It is an independent charity, dedicated to providing free debt advice by phone and online to people across the UK.

Citizens Advice

www.citizensadvice.org.uk

Wiseradviser

www.wiseradviser.org

Once registered on the Wiseradviser website you can:

- Book a free place on a face-to-face training course;
- Start an e-learning course;
- Find out about the latest money and debt advice news;
- Access the range of Wiseradviser training and resources for continued professional development

Money Advice Service

www.moneyadviceservice.org.uk

Money Advice Line on 0800 138 7777

The Money Advice Service is independent and set up by government to help people make the most of their money by giving free, impartial money advice to everyone across the UK – online and over the phone.

They give advice, tips and tools on a wide range of topics including day-to-day money management, savings, planning retirement and future, as well as advice and help for life changing events such as starting a family or losing the job.

Handout 4: Welfare

What is Personal Independent Payment?

Disability Living Allowance (DLA) is to be replaced by Personal Independent Payment (PIP), a new benefit.

The client will have to apply for it if,

- They are currently claiming or planning to claim DLA,
- If they are of working or working age (16-64)

When does it start?

- It's already in place and all new claims are now PIP.
- So, if the client is receiving DLA, he/she will have to re-apply for PIP soon.
- The rules are different and the client may end up receiving less.

Where to go for information:

Citizens Advice adviceguide

- "PIP – where to start"
- "PIP if you are getting DLA"
- "How to claim PIP"

Money Advice Service (MAS)

- "PIP – an introduction"
- "What to do about benefit sanctions"

What is the state benefit cap?

The benefit cap means that the amount of benefit a client can receive is capped at a maximum amount.

The cap cannot be appealed.

It is already in place and this also applies to Universal Credit.

The cap in London:

- couple or single parent £442.31 per week
- single person without children £296.35 per week

Who is affected?

Those claiming benefits of

- £442.31 per week (£1,916.67 per month or £23,000 per year) for couples and lone parents in Greater London
- £384.62 per week (£1,666.67 per month or £20,000 per year) for couples and lone parents outside Greater London
- £296.35 per week (£1,284.17 per month or £15,410 per year) for single adults in Greater London

Handout 4: Welfare

Continued

- £257.69 per week (£1,116.67 per month or £13,400 per year) for single adults outside Greater London

And

- of working age but not working.

How?

If the client is within the group above, their benefits will be capped soon. The clients will get less money. The reduction will affect housing benefit first.

Where to get more information?

Turn2us: benefits calculator and grants search
Adviceguide: “The benefit cap, who is exempt?”
Money Advice Service: Benefits cap

What is Universal Credit?

Universal Credit is a single benefit that will replace several existing benefits. It will be one single monthly payment.

Which benefits are affected?

- Jobseeker’s Allowance
- Employment Support Allowance (ESA)
- Income Support
- Child Tax Credit
- Working Tax Credit
- Housing Benefit

When?

It already applies to all single people in England and Wales and it is being gradually introduced for couples and families.

Where to get more information?

Money Advice Service:

- “Universal Credit (an introduction)”
- “Who is affected by Universal Credit?”
- “Action plan – Get ready for Universal Credit”
- “Choosing a bank account for your benefits”

Handout 4: Welfare

Continued

What is the bedroom tax?

The bedroom tax is a cut in housing benefit if the client lives in a council or housing association home and is classed as having a spare bedroom.

Who is affected?

Council or housing association tenants and if they:

- have more bedrooms than the rules allow
- are of working age

The bedroom tax doesn't apply If the client

- is of pension credit age and claiming housing benefit
- lives in private rented housing (local housing allowance is worked out using different rules)
- and to certain types of temporary or supported accommodation

When?

It already applies to all single people in England and Wales and it is being gradually introduced for couples and families.

Where to get more information?

Money Advice Service

- "Getting to grips to paying your own rent"
- "How to budget for a monthly benefit payment"

Money Saving Expert – benefit calculator

Shelter

- https://england.shelter.org.uk/housing_advice/housing_benefit/bedroom_tax_are_you_affected

Handout 5: Payslip exercise

EMPLOYER		EMPLOYEE			DATE
Tayler and Butler Limited		Mr. Malvin Hunt		No: 3	28/10/2013
DEPARTMENT		N.I. NUMBER & TABLE	TAX CODE	PAY METHOD	PERIOD
No Department		SP739355C	944L	BACS	M 7
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Taxable Pay	20416.62				
Tax	2980.80				
N.I. Employee	1905.96				
N.I. Employer	2196.67				
N.I. Pay	20391.00				
SSP					
SMP					
Pension Employee					
Pension Employer	0.00				
[T=Taxable, N=Nil'able, B=Both]					
		HOURS	1.00	TAXABLE PAY	2916.66
				DEDUCTIONS	698.08
		EMPLOYERS N.I.	313.81	NON-TAXABLE PAY	5511.94
				TOTAL PAY	2916.66
				NET PAY	2218.58

Answer the following questions:

- 1 Who is the employer?
- 2 When will the employee receive the money?
- 3 How is the pay being paid to the employee?
- 4 How much pay will the employee receive this month?
- 5 How much has the employee earned this month?
- 6 How much has the employee earned so far this year?
- 7 What are the total deductions from the employee monthly pay?
- 8 What is his tax code?
- 9 How much of his pay this year has been taxed?

Handout 6: Where to go for help

- **Your employer**

- **Websites:**

www.hmrc.gov.uk,

www.taxaid.org.uk (useful to resolve tax issues),

www.litr.org.uk (low income tax reform group helps people on low incomes).

- **Fee-charging tax advisers**

If your income is too high to qualify for advice from a tax charity, you may need to consult a commercial firm of advisers, who will charge a fee.

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The Chartered Institute of Taxation

Contacting HM Revenue and Customs (HMRC)

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If you need help with Self Assessment, contact the **Self Assessment Helpline** on **0300 200 3310** (textphone 0300 200 3319).

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You should try to sort out the problem first with HMRC.

Tel: **0345 120 3779** (Mon to Fri 10am to 12 noon)

Email: info@taxaid.org.uk

Handout 7: Letters from creditors



Welsh Power
PO Box 123
Cardiff

Our ref: ZO/111/22331

Final Notice
Immediate Action Required To Pay £216.45

You still have not paid your electricity bill even though we sent you a reminder giving you details of the different ways you can pay.

If you do not pay your account, or contact us, within the next 7 days we will take action to recover the debt. We will either fit a card prepayment meter or cut off your electricity supply. If you don't let us in when we call we will immediately ask a magistrate for a warrant which lets us enter your property even if you are not there. We can do this by law. If we do this it could mean you will also have to pay costs up to £31.30.

If you cannot pay, phone us free on 0800 xxx xxx. It is in your own interest to discuss a payment arrangement. Do not delay, call us now.

Credit account number	123 5678	Amount due:	£216.45
-----------------------	----------	-------------	---------

Signature _____	Date: _____
-----------------	-------------

Code: 11-22-33	Cash/Cheque total	<input type="text"/>
----------------	-------------------	----------------------

Handout 8: Letters from creditors



SPD Financial Services Ltd
33 Lombard Street
LONDON
XY12 4UL

FORMAL NOTICE OF LEGAL ACTION

Dear Mr D XXXXX

I regret to note that you are not making payments as agreed despite all our efforts to help you.

THIS SITUATION CANNOT BE ALLOWED TO CONTINUE

I now advise you of our intention to commence legal proceedings. I will remind you that, if a judgement is entered and the debt remains unpaid, we will have the right to take any or all of the following actions:

- Warrant of Execution against your belongings by a court appointed bailiff;
- Attachment of earnings against your current and future employers;
- Bankruptcy if the debt exceeds £750;
- A charging order against your property (if you are a home owner).

All judgements are recorded with the relevant credit reference agencies and will make it extremely difficult for you to obtain future credit facilities.

There remains one way to prevent the course of action I have described above. Contact me to discuss this option.

Yours Faithfully,

R. McDonald

Regional Manager 0111 223344

PS DO NOT IGNORE THIS SITUATION, IT WILL NOT GO AWAY UNLESS YOU HELP US TO HELP YOU

Handout 9: Letters from creditors

SMALLWOODS MAIL ORDER AND ON LINE SHOPPING
INTEREST FREE PAYMENTS

Smallwood House
Corporation Street
ROCHDALE
RZ 12 4UL

NOTIFICATION OF SERIOUS ARREARS

Dear Mr: D XXXXXXXX,

Despite our previous letters, your account is now in serious arrears:

- Outstanding balance on purchases: £160
- Contracted Four Weekly Rate: £40

We regret to inform you that, in addition to the balance given above, the following Default Charges are now due:

- Failing to pay the contracted Four Weekly Rate on two instances: £24
- Your bank failing to honour your cheque dated xx/yy/zz: £25

The outstanding balance on your account is now:£209

You must re-commence payments immediately and bring your account up to date. The minimum required is the sum of the outstanding Four Weekly Rate payments and the Default Charges.

Unless your account is brought up to date within 7 days of your receipt of this letter, we will have no alternative other than to transfer your debt to a Debt Collecting Agency. This will incur a further Default Charge of £20 and possibly result in legal action being taken against you.

Yours faithfully,

R D Davidson
Managing Director

FREE DELIVERY AND FREE RETURN

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Annex I: Evaluation survey - start



HOW CONFIDENT ARE YOU...

1	Knowing which bills to pay first			
2	Knowing about the budget			
3	Understanding how much you will have to pay back when you get credit/loan			
4	Understanding the consequences if you don't pay back			
5	Knowing what to do if you get into debt			
6	Knowing where to get advice about debt			



HOW CONFIDENT ARE YOU...

1	Making your monthly/weekly accounts			
2	Knowing how to reduce your monthly costs			
3	Knowing how to increase the money you receive			
4	Getting the best deals (such as on your phone and electricity)			

Annex II: Evaluation survey - end



HOW CONFIDENT ARE YOU...

1	Knowing which bills to pay first			
2	Knowing about the budget			
3	Understanding how much you will have to pay back when you get credit/loan			
4	Understanding the consequences if you don't pay back			
5	Knowing what to do if you get into debt			
6	Knowing where to get advice about debt			



HOW CONFIDENT ARE YOU...

1	Making your monthly/weekly accounts			
2	Knowing how to reduce your monthly costs			
3	Knowing how to increase the money you receive			
4	Getting the best deals (such as on your phone and electricity)			

Annex II: Evaluation survey - end

Continued

	STRONGLY AGREE	AGREE	DISAGREE	STRONGLY DISAGREE
1 Were the course materials useful?				
2 Was the course the right length of time?				
4 The course helped you to feel able to manage money				
5 The course helped with you debts				
	TOO EASY	EASY	HARD	TOO HARD
5. Was this course?				
Would you recommend the course to a friend?	YES	NO		

Any other comments/suggestions:

How could the course be improved?

Annex III: Evaluation survey after six weeks

1 As a result of the course did you do anything different with money?

2 Did you organise your bills differently, that is, according to priority for example?

3 Did you change the way you calculate your budget? Or did you start calculating your budget?

4 Do you understand more about financial information (reading for example)? If so, what financial information have you read lately?

5 Did you try to increase income/reduce expenditure since the course?

6 As a result of the course, have you changed anything in the way you deal with your bank?
Or have you opened a bank account?

7 Based on the information you received in the course do you feel more in control of your money?
How?

Annex IV: Money personality quiz

1 Do you know which bills to pay first when you have little money?

- A. Yes
- B. No
- C. I have a vague idea

2 Do you know how to budget?

- A. Yes, I know
- B. Yes, I have an idea
- C. No

3 If you get a loan you

- A. Know how much you will have to pay back
- B. Only know that there may be interests charged
- C. Don't care about how much you have to pay back

4 You receive the money from a loan and

- A. You plan not to miss any payment because you know the consequences
- B. You don't understand very well the consequences of non payment but you are going to pay back anyway
- C. You don't understand the consequences and may not pay back

5 You have not paid your bills and now have debts

- A. You don't worry because you know what to do with your debts
- B. You are worried because you need to start dealing with it and are not sure
- C. You are worried and you don't know what to do

6 A friend didn't pay her debts. You

- A. Tell her where to go for helps
- B. Believe that on the internet she can find some help.
- C. Don't know where she can go for help

7 You receive your monthly income/wages/salary and you

- A. Make your accounts
- B. Spend all of your money and sometimes a bit more than you can really afford to
- C. No idea how much money you have

Annex IV: Money personality quiz

Continued

8 You are now working part time and earning less. You know how to reduce your monthly costs:

- A. Yes
- B. I have a vague idea
- C. Not at all

9 You receive £1,500 monthly and have a surplus of £150. Do you?

- A. Invest the £150 surplus
- B. Leave the extra money in your account or at home
- C. Buy something you really want

10 When it comes to saving money

- A. I know how to get the best deals with my phone and electricity
- B. It takes me a lot of time to get information about saving
- C. I have trouble saving money, and I worry about it sometimes

Annex IV: Money personality quiz answers

Mostly A

You seem to be careful with your money.

Mostly B

You intend to do the right thing but for some reason you don't do it.

Mostly C

You are not worried about the future. You like the present... but this can result in problems later.

Annex IV: Money personality quiz vocabulary

Accounts	An official record of all the money a company or organisation has received or paid.
Bills	A piece of paper that tells you how much you must pay for something you have bought or for a service you have used.
Budget	A plan that shows how much money you have and how you will spend it.
Credit	A way of buying something in which you arrange to pay for it at a later time.
Dealing with	1. To do business with a person or company. 2. To be about or be on the subject of something.
Deal(s)	An agreement or an arrangement, especially in business.
Debts	Something, especially money, that is owed to someone else, or the state of owing something.
Income	Money that is earned from doing work or received from investments.
Interest	Money that you earn from keeping your money in an account in a bank or other financial organisation.
Loan	An amount of money that is borrowed, often from a bank, and has to be paid back, usually together with an extra amount of money that you have to pay as a charge for borrowing.
Pay back	To return money to someone from whom you have borrowed it.
Surplus	An amount that is more than is needed.
To afford	To be able to buy or do something because you have enough money or time.
To borrow	To take money from a bank or other financial organisation and pay it back over a period of time.
To charge	To ask an amount of money for something, especially a service or activity.
To earn	To receive money as payment for work that you do.
To invest	To put money, effort, time, etc. into something to make a profit or get an advantage.
To save	To keep something, especially money, for use in the future.
To worry	To think about problems or unpleasant things that might happen.