



# ABOUT THE MONEY CHARITY

The Money Charity is the UK's Financial Capability charity, providing Financial Education, information and advice to young people and adults throughout the UK.

Our vision is for everyone to be on top of their money as a part of everyday life. So we empower people across the UK to build the skills, knowledge, attitudes and behaviours to make the most of their money throughout their lives.

We are most known for providing high-quality support to teachers by delivering fun, engaging and interactive Financial Education Money Workshops in schools and colleges across the UK. The Workshops inspire and motivate young people to take control of their finances and prepare for their futures. We hope that our Teacher Resource Packs will help us expand this reach.

If you and your young people enjoy using this Teacher Resource Pack, please do check our website <https://themoneycharity.org.uk> to see what other packs are available.

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## What is Financial Education?

Financial Education aims to provide people with the ability to manage their money well and to make the most of it so that they are financially capable. Financial Education improves and develops people's skills and knowledge, motivation and attitudes around money and financial products. With the rising cost of living, high house prices and the increase of zero-hour contracts, it has never been more important to ensure our young people are financially capable and set up for managing their money effectively.



# USING THIS RESOURCE PACK

This Teacher Resource Pack is designed to give you the tools and the confidence to help you to teach your students about key financial topics in a fun and engaging way. You do not need to already have any special skills or knowledge and most of the required resources are provided in the pack. These packs are mapped to the national curriculum, to support you in delivering Financial Education in your school.

This pack is designed to be flexible so you can adapt it to the requirements of your school and students. We have split the lesson into three 20-minute sections, which can be run together or independently. This gives you the choice to run it as a full-hour lesson or run it as 2 or 3 consecutive lessons if time is limited e.g. if Financial Capability is taught during form-time.

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## Talking about Money

At The Money Charity we focus on positive messaging, attitudes and behaviours. Talking about money can be difficult, especially as it can be something people have strong opinions about but, in reality, there aren't necessarily right or wrong answers. There can be lots of different options and their suitability will depend on the situation. We don't know what young people's experience with money is like at home, so it's important to avoid judgement when delivering Financial Education. The most important thing is to get young people excited about planning for how they will manage their money in the future.

This Teacher Resource Pack covers getting paid for 14-16 year olds.

**The learning outcomes of this pack are for students to be able to:**

- Understand terms around getting paid.
- Understand how earnings can be impacted by Tax, National Insurance (NI) and other factors.
- Understand how to read a payslip.

**Resources included in this pack:**

- 1x Teacher Notes
- 1x Starter Sheet (photocopy for number of students)
- 1x Set of Getting Paid Term Cards
- 1x Definition Decoding Sheet
- 1x Payslip

# STARTER

## FINDING OUT WHAT WE KNOW



### TIME NEEDED

5 minutes



### AIM

Students will fill in the before side of the Starter Sheet.



### LEARNING OUTCOME

Recognise their current strengths and weaknesses in this topic.



### RESOURCE

- Starter Sheet

### ACTIVITY

1. Give each student a Starter Sheet.
2. Instruct each student to answer the statements on the 'before' side of the sheet.
3. **Red** = low confidence/knowledge  
**Orange** = medium confidence/knowledge  
**Green** = good confidence/knowledge
4. Get the students to hold up their sheets or put their hands up for each colour to see where the students feel their understanding is before the session.

### Tip

If you are doing each activity as a separate lesson, ask the students to write their names on the sheets and collect them in at the end as they will need them again later.

### DISCUSSION

Suggested discussion starters:

- What do you think this module will cover?
- Why do you think it's important to know about this?
- What different things affect pay?
- Are any of you currently working? What has been your experience with pay?

# ACTIVITY 1

## DEFINITION DECODING



### TIME NEEDED

15 minutes



### AIM

Students will match terms to definitions and then answer a question about it.



### LEARNING OUTCOME

Understand terms around getting paid.



### RESOURCE

- 1 x Definition Decoding sheet (photocopy per number of groups)
- 1 x Set of Term Cards (per group)
- Appendix 1 (in this booklet)

### ACTIVITY

1. Split students into small groups.
2. Explain that you will give each group a Definition Decoding sheet and a set of Term Cards to do with getting paid. If the Cards are too big for the spaces on the sheet, it is fine for them to overlap.
3. Explain that the sheet has definitions and that they should match the terms to the correct definition by placing the Term Cards over the empty boxes on the left.
4. Explain that next to each definition is a box with a question about that term. Tell them that as a group they should discuss and then answer the question.
5. Give them some time to do this and try to go around and have discussions with each group.
6. When they have finished, go through each definition as a class and ask each group which term they chose (answers can be seen in Appendix 1 of this booklet) and how they answered the question.
7. Use the discussion questions below to facilitate a class discussion.

### Tip

If you are short on time, you can just get groups to match definitions to terms and answer the questions as a class discussion.

### Tip

The students may get stuck on how to answer the questions. It doesn't matter if they don't know the answer, encourage them to try.

### DISCUSSION

Suggested discussion starters:

- Which of these terms had you heard of before?
- Are there any that you will go and research further? Which ones?
- Why is it important to understand these terms?
- What could be some of the possible consequences if you didn't understand these terms or definitions? e.g. if you didn't know about the minimum wage, you might not realise if you are being under paid by an employer.
- Do you think there will be a state pension when you retire?

# ACTIVITY 2

## CASE CRUNCHING



### TIME NEEDED

15 minutes



### AIM

Students will discuss case studies that are read out by the teacher in groups and then have a class discussion about them.



### LEARNING OUTCOME

Understand different factors that may affect earnings.



### RESOURCE

- Appendix 2 (in this booklet)

### ACTIVITY

1. Split the class into groups for discussion (ideally groups of 4, but it depends on your class.)
2. Explain to the class that there are a few factors that may affect your take-home pay. Tell them that it is good to know about these things before they start working.
3. Explain that you will read out a case study and a question. The class will then have a discussion in their groups about what the answer may be and why.
4. When groups have discussed, ask a few to feed back their ideas.
5. When you have gone through all of the cases, use the discussion questions below to facilitate a class discussion.

### DISCUSSION

Suggested discussion starters:

- Did anything about the case studies surprise you?
- Did you know about any of these and their impact on take-home pay before this activity?
- Why do you think minimum wages are different depending on age? Do you think this is fair?

### Tip

If you took a break between Activity 1 and 2, start with the Revision Activity and then proceed with Activity 2.

#### Revision Activity 1

Students have 60 seconds to list in pairs every term they can remember about getting paid.

The pair that can name the most and define them are the winners.

### Tip

If you are short on time, you could read each case out and have them discuss it as a class rather than in groups first.

### Tip

If students ask you questions you're not sure about, you can refer them to [gov.uk](http://gov.uk) to answer most of their questions.

# ACTIVITY 3

## PAYSLIP PREP



### TIME NEEDED

20 minutes



### AIM

Groups produce a guide to show a friend how to read a payslip.



### LEARNING OUTCOME

Understand how to read a payslip and what the information on it means.



### RESOURCE

- Payslips
- Appendix 3 (in this booklet)

### ACTIVITY

1. Split the class into groups.
2. Explain that you are going to give each group a payslip. This is a friend's payslip, and they are struggling to understand the information shown on it.
3. Tell them that in their groups they should write down a guide for their friend on understanding their payslip.
4. Tell them that the guide should include what is being shown and why it is useful.
5. They can present this guide however they would like e.g. a poster, a mind map, a 'how to' leaflet etc.
6. Once everyone has finished, or when the time is up, ask each group to present their guide to the class.
7. Use the discussion questions below to facilitate a class discussion.

### DISCUSSION

Suggested discussion starters:

- Why might it be a good idea to keep your payslips?
- Why is it useful to check your payslip?
- Did anything on the payslip surprise you?
- Do you think the payslip was easy to understand?
- Do you think you receive a payslip for all jobs?

### Tip

If they are stuck, or do not know how to read the payslip, use Appendix 3 to talk them through it before they start the activity.

# PLENARY

## WHAT HAVE WE LEARNT?



### TIME NEEDED

5 minutes



### AIM

To sum up the learning and to see if students have made progress in their understanding of, and confidence in, this topic.



### LEARNING OUTCOME

Evaluate what they have learnt and how it might be useful to them in their lives.



### RESOURCES

- Discussion questions
- Starter Sheets from the beginning

### ACTIVITY

1. Have the students work individually.
2. Use the discussion questions below.
3. Ask the students to think about each question for a few minutes. Then discuss these as a class.
4. Give students the Starter Sheet from the beginning of the lesson.
5. Get them to fill in the 'after' section to see how/if their confidence and knowledge has changed.

### DISCUSSION

Suggested discussion starters:

- Has anything from these activities surprised you? What and why?
- How do you think these activities may change your spending habits for the future?
- How do you think having done these activities might help you in the future?

Do let us know how you found the resources and fill out our survey: <https://forms.gle/gBUwwYZurG8ErqhKA>

If you have any questions or feedback on these resources please contact [hello@themoneycharity.org.uk](mailto:hello@themoneycharity.org.uk)



# APPENDIX 1

## DEFINITION DECODING

TERM	DEFINITION	QUESTION AND POSSIBLE ANSWERS
<b>TAX</b>	Money deducted from your earnings that goes to the government to pay for national services such as education and benefits	<p><b>Why do you think this is done?</b> So public services are funded and everyone can use them regardless of income.</p>
<b>NATIONAL INSURANCE (NI)</b>	Money deducted from your earnings that goes to the government to pay for some benefits including the state pension	<p><b>Is state pension a benefit or entitlement?</b> The amount of state pension received depends on how much National Insurance you have paid, but everyone gets a minimum regardless.</p>
<b>PAYSLIP</b>	Document given to an employee showing information about their earnings such as when it was paid and the amount paid	<p><b>What other information is included on this?</b> A range of information including company name, payment method, total pay before deductions, total pay after deductions and total deductions.</p>
<b>MINIMUM WAGE</b>	From a certain age your employer can't pay you less than this	<p><b>Why do you think this exists?</b> The students may have a number of ideas around this. It is mainly to ensure workers are paid fairly. There isn't necessarily a right or wrong answer around this. Minimum wage rates tend to change annually and can be found at: <a href="https://www.gov.uk/national-minimum-wage-rates">https://www.gov.uk/national-minimum-wage-rates</a>.</p>
<b>GROSS PAY</b>	The amount you earn before any deductions, such as tax, have been made	<p><b>In what circumstances would it be useful to know this?</b> Examples could be when looking for jobs as they'll show gross pay, when negotiating a pay rise, to see if you are being taxed correctly etc.</p>
<b>TAX BRACKETS</b>	The salary ranges where different amounts of tax apply	<p><b>Do you pay the same amount of tax on your whole salary?</b> You do not pay one percentage of tax on your whole salary. You pay a certain percentage on part of your salary, then a higher percentage on the higher earnings. Tax brackets change each year and can be found at: <a href="https://www.gov.uk/income-tax-rates">https://www.gov.uk/income-tax-rates</a>.</p>
<b>NET PAY</b>	The amount you earn after any deductions, such as tax, have been made	<p><b>In what circumstances would it be useful to know this?</b> Examples could be when figuring out your monthly budget, when looking at how much you can put into savings etc.</p>
<b>LIVING WAGE</b>	A wage that is enough to live on	<p><b>Why is this different from minimum wage?</b> The minimum wage is enforced by law, whereas the living wage is not.</p>
<b>PERSONAL ALLOWANCE</b>	The amount you can earn before you have to start paying tax	<p><b>Why does this exist?</b> To ensure that those who can't afford it don't pay tax. This changes each year and can be found at <a href="https://www.gov.uk/income-tax-rates">https://www.gov.uk/income-tax-rates</a>.</p>

# APPENDIX 2

## CASE CRUNCHING

Case Study	Answers
<p>A group of friends meet up for dinner. They all have different jobs. They start discussing money and realise they all pay different amounts of tax. One doesn't pay any tax.</p> <p><b>Why is this? Why is it useful to know about this? Do you think this is fair?</b></p>	<ul style="list-style-type: none"> <li>The amount of tax you pay depends on your earnings.</li> <li>For example, you would pay no tax on your personal allowance and then different percentages for the next thresholds.</li> <li>It's useful to know to make sure you are paying the right amount of tax on your earnings: <a href="https://www.gov.uk/income-tax-rates">https://www.gov.uk/income-tax-rates</a></li> </ul> <p><b>Encourage debate in a non-biased and non-judgmental way.</b></p>
<p>A 16 year old works as a barista in a café. She is the youngest employee; every other barista is over 18. She recently found out that she is paid less than her colleagues even though she does the same job as them.</p> <p><b>Why is this? Why do you think minimum wages are different? Do you think they should be paid the Living Wage? What are your views on this? Is it fair?</b></p>	<ul style="list-style-type: none"> <li>In the UK there are different legal minimum wages for different age groups.</li> <li>Apprentices, 16-17 year olds, 18-20 year olds, 21-22 year olds and those over 23 all have different minimum wages per hour.</li> <li>Minimum wage rates often change annually.</li> </ul> <p><b>Encourage debate, there is no right or wrong answer.</b></p>
<p>A 14 year old would like to work and earn some money. Someone has told them that they can't work if they are under the age of 16.</p> <p><b>Is this true? Can you think of jobs that people under 16 can do? What are they? Is there a minimum wage for under 16s?</b></p>	<ul style="list-style-type: none"> <li>In the UK children can work from the age of 13.</li> <li>In certain performance jobs (e.g. modelling, acting), children can work from a younger age.</li> <li>There is no minimum wage until you are 16 years old.</li> <li>The jobs young people can do depend on local council rules; can include paper round, babysitting, glass collecting etc.</li> </ul> <p><b>Encourage debate around why those under 16 don't have a minimum wage.</b></p>
<p>A university student is doing a year in industry as part of their course. This means they work for a year and earn money. They are earning more than the personal allowance.</p> <p><b>Do they pay tax? Why? Do you think this is right?</b></p>	<ul style="list-style-type: none"> <li>If anyone earns above the personal allowance, they must pay tax.</li> <li>If they drop below the personal allowance threshold they stop.</li> </ul> <p><b>Encourage debate around whether it is fair to pay tax while they are studying.</b></p>
<p>Someone has received a pay rise at work. When they get paid, they have less money paid into their account than they expected.</p> <p><b>Why is this? When would you need to take this into consideration?</b></p>	<ul style="list-style-type: none"> <li>This is because tax, NI and student loan repayments (if applicable) have been deducted.</li> <li>They may now be earning enough to pay a higher percentage of tax on a higher portion of their wages.</li> <li>It is important to take this into account when budgeting.</li> </ul> <p><b>Encourage them to consider possible consequences of not considering earnings.</b></p>

# APPENDIX 3 PAYSLIP WALKTHROUGH

## 1. Name of Company

This shows the full name of the company the person works for

## 2. Name of Employee

The title and name of the employee being paid

## 3. Date

Date payment is made

## 4. NI Number

Unique code everyone gets when they turn 16. It is used to track tax payments, pensions etc

## 5. Tax Code

The code showing how tax is calculated

## 6. Pay Method

Indicates how payment has been made

## 7. Period

The month of payment in the financial year (e.g. April-March)

Name of Company		Name of Employee		Date
ABC Company		Ms. Alison A Adams		31 May Year
N.I. Number		Tax Code	Pay Method	Period
AB 12 34 56 C		1257L	Bank Credit	Month 2
Totals Year To Date		Gross Pay	Deductions	
<b>Gross Pay</b>	£3,000	£1,500	PAYE Tax	£90.50
<b>Tax</b>	£181		Employee NI	£45.25
<b>Employee NI</b>	£90.50		Student Loan	£0
<b>Pension</b>	£200		Pension	£100
Total Deductions		Net Pay		
£298		£1,264.25		

## 9. Gross Pay

Monthly payment before deductions

## 11. Total Deductions

Shows the total amount deducted from the person's pay for the month

## 12. Net Pay

The final payment the employee receives

## 8. Totals Years To Date

**Gross Pay:** the total pay before deductions this financial year

**Tax:** total tax paid this financial year

**NI:** total National Insurance paid this financial year

**Pension:** total the employee has paid into their pension this financial year

## 10. Deductions

The breakdown of each deduction in the month

**PAYE Tax:** the income tax paid

**NI:** the National Insurance contribution

**Student Loan:** the amount repaid for a student loan

**Pension:** the amount the employee has paid into pension