



MAKE MONEY MAKE SENSE



Debt Lesson plan Key stage 4

Teaching aims of the session	Possible teaching activity	Learning outcomes
<p>To explain the concept of debt, what it is and how to avoid it.</p> <p>To explain the consequences of debt.</p> <p>To explain to students the importance of money management and the potential consequences if money is not managed properly.</p> <p>To enable students to understand the possible influences and reasons for debt and what to do if they get into debt.</p>	<p>What is debt? <i>Brainstorm, class work or pair work</i></p> <p>Why would people get into debt? <i>Brainstorm, class work or pair work</i></p> <p>How can we avoid debt? - money management-budgeting etc <i>Brainstorm, class work or pair work</i></p> <p>What influences people into borrowing money? - advertising, peer pressure <i>Brainstorm, class work or pair work</i></p> <p>Why would a consumer not be able to pay money back? - unemployment, illness, overspending, interest rates have increased <i>Brainstorm, class work or pair work</i></p> <p><u>Consequences of debt</u> Discuss with the class the consequences of debt. What are they? Are they different depending on who is owed and what it is for? <i>Brainstorm, class work or pair work</i></p> <p>Priority debts- what are these? What is the consequence of not settling priority debts?</p> <p>Non-priority debts- what are these? What is the consequence of not settling non-priority debts?</p>	<p>Students will understand what debt is and how to avoid it.</p> <p>Students will be able to identify the possible reasons for getting into debt.</p> <p>Students will understand the difference between essential spending and non-essential spending.</p> <p>Students will understand the importance of budgeting and the potential consequences of not.</p> <p>Students will understand what steps need to be taken if they do get into debt.</p>



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Reminders
Debt collectors
Court action
Bailiffs

Credit rating
Credit reference agencies
Credit repair agencies

Bankruptcy
What are the effects of bankruptcy?
Explain what bankruptcy is and what it means.

What to do if you get into debt.
Brainstorm, class work or pair work

Suggested handouts
Dealing with debt