

<b>Unit Title:</b>	<b>Learning to be financially capable</b>
OCR unit number:	Unit 10
Level:	Level 1
Credit value:	3
Guided learning hours:	26
Unit reference number:	M/505/3845

## Unit aim and purpose

This unit will provide learners with understanding of how money can be used including how it helps achieve personal aspirations, the benefits of financial services and a range of payment methods. Learners will gain knowledge of United Kingdom (UK) state benefits including the ways groups of people might gain from different UK state benefits and the consequences to an individual of getting in to debt. Learners will be able to plan and adjust a personal budget; make payments for products/services and open a financial account.

Learning Outcomes	Assessment Criteria	Teaching Content i.e. – must be covered e.g. – suggestions for coverage
<p><b>The Learner will:</b></p> <p>1 Understand how money is used</p>	<p><b>The Learner can:</b></p> <p>1.1 Outline different uses of money, to include:</p> <ul style="list-style-type: none"> <li>• making money</li> <li>• regular spending</li> <li>• non-essential spending</li> <li>• saving</li> <li>• borrowing</li> <li>• gambling</li> </ul> <p>1.2 Identify financial services used by individuals</p>	<p>Different uses of money, i.e.:</p> <ul style="list-style-type: none"> <li>• gaining money e.g. pocket money</li> <li>• essential regular spending e.g. food</li> <li>• non-essential spending e.g. vet bills</li> <li>• saving money e.g. ISA</li> <li>• borrowing money e.g. mortgage</li> <li>• gambling e.g. betting on horses</li> </ul> <p>Financial services e.g.:</p> <ul style="list-style-type: none"> <li>• insurance protection/policies</li> <li>• loans</li> <li>• credit and debit cards</li> <li>• pension schemes</li> <li>• bank accounts (e.g. savings/current accounts, ISAs)</li> <li>• online/telephone banking</li> </ul>

Learning Outcomes	Assessment Criteria	Teaching Content i.e. – must be covered e.g. – suggestions for coverage
	<p>1.3 Describe aspects of financial services, to include:</p> <ul style="list-style-type: none"> <li>• financial risks and rewards</li> <li>• importance to individuals</li> </ul> <p>1.4 Describe advantages and disadvantages of different payment methods</p> <p>1.5 Describe how money can help achieve personal aspirations.</p>	<p>Financial risks, e.g.:</p> <ul style="list-style-type: none"> <li>• increases in interest rates when borrowing</li> <li>• unexpected change of circumstances resulting in inability to meet loan repayments</li> </ul> <p>Financial rewards, e.g.:</p> <ul style="list-style-type: none"> <li>• higher interest rates on long-term savings</li> <li>• secure income for retirement</li> </ul> <p>Different payment methods, e.g.:</p> <ul style="list-style-type: none"> <li>• cash (notes and coins)</li> <li>• credit, debit or store cards</li> <li>• standing orders or direct debits</li> <li>• electronic e.g. PayPal</li> </ul> <p>Advantages and disadvantages of payment methods could be considered in relation to:</p> <ul style="list-style-type: none"> <li>• convenience</li> <li>• security</li> <li>• speed/delay in payment</li> <li>• limitations on use</li> <li>• cost of use</li> </ul> <p>Personal aspirations, e.g.:</p> <ul style="list-style-type: none"> <li>• learn to drive a car</li> <li>• go on holiday</li> <li>• become self employed</li> </ul> <p>Ways in which money might help, e.g.:</p> <ul style="list-style-type: none"> <li>• paying for insurance</li> <li>• deposit for a mortgage</li> <li>• buying property and equipment</li> </ul>
<p>2 Know about United Kingdom (UK) state financial benefits</p>	<p>2.1 Outline different United Kingdom (UK) state financial benefits</p> <p>2.2 Describe how different groups of people might gain from United Kingdom (UK) state financial benefits</p>	<p>UK state financial benefits as listed on UK government websites.</p> <p>Candidates should understand the difference between a benefit and an entitlement.</p> <p>Groups of people. e.g.:</p> <ul style="list-style-type: none"> <li>• Parents (of children under 18, in education, income related)</li> </ul>

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		<ul style="list-style-type: none"> <li>• unemployed people</li> <li>• carers</li> </ul> <p>Ways in which people might gain from state financial benefits, e.g.:</p> <ul style="list-style-type: none"> <li>• offers financial support while unemployed</li> <li>• offers financial support for those who provide care for someone</li> </ul>
3 Be able to plan personal spending for a week	<p>3.1 Identify total income for one week</p> <p>3.2 Identify the cost of different items to be paid for in one week</p> <p>3.3 Calculate the difference between income and expenditure</p> <p>3.4 Describe actions to help budgeting</p>	<p>Learners may use their own income, realistic estimated income or income figure provided by the teacher/tutor</p> <p>Cost of items may be actual, based on past experience or estimated</p> <p>Items may come under headings such as:</p> <ul style="list-style-type: none"> <li>• accommodation</li> <li>• utility</li> <li>• food</li> <li>• travel</li> <li>• personal care and hygiene</li> <li>• other e.g. mobile phone</li> </ul> <p>Calculations must accurately identify whether the income is sufficient or insufficient to cover expenditure</p> <p>Actions, e.g.:</p> <ul style="list-style-type: none"> <li>• identifying ways to spend less</li> <li>• set up regular savings</li> <li>• set up direct debits/standing orders</li> <li>• set up e-alerts or mobile alerts</li> </ul>
4 Understand financial documents	4.1 Outline the purpose of routine financial documents	<p>Routine financial documents, e.g.:</p> <ul style="list-style-type: none"> <li>• receipt</li> <li>• wage/payslip</li> <li>• bank statement</li> <li>• bill e.g. utility, mobile phone</li> </ul> <p>Purpose, e.g.:</p> <ul style="list-style-type: none"> <li>• to show amount paid for an</li> </ul>

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	4.2 Outline the importance of information found on routine financial documents	item and change given <ul style="list-style-type: none"> <li>• to show wage/salary and any deductions</li> <li>• to show usage and amount due</li> </ul> Information, e.g.: <ul style="list-style-type: none"> <li>• personal details</li> <li>• account number</li> <li>• VAT rate</li> </ul> Importance of information, e.g.: <ul style="list-style-type: none"> <li>• recording details</li> <li>• checking information</li> <li>• checking accuracy</li> </ul>
5 Be able to carry out financial transactions	5.1 Demonstrate making and checking payments, to include: <ul style="list-style-type: none"> <li>• cash</li> <li>• debit/credit cards</li> </ul> 5.2 Research features of a financial account           5.3 Identify documentation required to open a financial account	Make real <b>or</b> simulated payments  Checking, e.g.: <ul style="list-style-type: none"> <li>• reviewing the amount on the display screen before entering PIN</li> <li>• counting change</li> <li>• reading through a receipt</li> </ul> Financial accounts, e.g.: <ul style="list-style-type: none"> <li>• current/savings account</li> <li>• credit/store card account</li> <li>• e-savings account</li> </ul> Features, e.g.: <ul style="list-style-type: none"> <li>• type of account</li> <li>• interest rate/benefits</li> <li>• restrictions</li> </ul> Documentation required, e.g.: <ul style="list-style-type: none"> <li>• application form</li> <li>• proof of address</li> <li>• proof of identity</li> </ul>
6 Understand the consequences of getting into debt	6.1 Describe different ways of getting into debt           6.2 Outline problems that getting into debt may cause for an individual and family	Ways debt may arise, e.g.: <ul style="list-style-type: none"> <li>• spending more money than you earn</li> <li>• gambling and losing</li> </ul> Problems of getting into debt, e.g.: <ul style="list-style-type: none"> <li>• insufficient income</li> <li>• repossession of goods</li> <li>• personal wellbeing</li> </ul>

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	6.3 Identify sources of help for people in debt	Sources of help, e.g.: <ul style="list-style-type: none"> <li>• Citizens' Advice Bureau (CAB)/Money Advisory Service (MAS)</li> <li>• Bank/building society</li> <li>• Credit union/community lenders</li> </ul>

## Assessment

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All units are centre-assessed and externally moderated by OCR. Centres may use the evidence booklets supplied by OCR, but these are not mandatory. Any centres choosing not to use the OCR booklets will need to produce evidence that enables candidates to meet all of the learning outcomes and assessment criteria in the units. When submitting centre devised evidence to OCR an evidence checklist must be completed and attached.

When candidates complete a task, the centre assessor (usually the teacher/tutor) assesses their work. When the assessor is satisfied that the candidate has met all the requirements for a unit, they must confirm this by signing the cover of the evidence booklet (or by completing the evidence checklist) for that unit to show that the assessment process is complete.

Results will be graded Pass or Fail.

## Evidence requirements

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Evidence can be produced either through real work or by means of simulated activities.

In order to achieve this unit the candidate must demonstrate that they have met all of the stated learning outcomes and assessment criteria. OCR has produced specific assessment guidance for each unit which centre assessors must follow to ensure the evidence meets all the requirements of the units.

## Guidance on assessment and evidence requirements

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The unit content describes what has to be taught to ensure that candidates are able to access the highest grade.

Anything which follows an i.e. details what must be taught as part of that area of content.

Anything which follows an e.g. is illustrative, it should be noted that where e.g. is used, candidates must know and be able to apply relevant examples to their work though these do not need to be the same ones specified in the unit content.

You should refer to the '*Admin Guide: Vocational Qualifications (A850)*' for *Notes on Preventing Computer-Assisted Malpractice*.

You should refer to the JCQ document: *Access Arrangements, Reasonable Adjustments and Special Consideration 2012-2013* for information on how to assist candidates with special access requirements.

## Functional skills signposting

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This section indicates where candidates may have an opportunity to develop their functional skills.

Functional Skills Standards					
English		Mathematics		ICT	
Speaking and Listening	√	Representing	√	Use ICT systems	√
Reading	√	Analysing		Find and select information	
Writing	√	Interpreting		Develop, present and communicate information	

## Resources

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Access to sources of under-pinning knowledge such as centre teaching materials, books, journals, etc., might be of help.

Websites with free resources include:

[www.teachingfc.co.uk](http://www.teachingfc.co.uk).

<http://moneysmartworld.com/>

<http://www.tes.co.uk/teaching-resource/Free-online-financial-capability-resource-KS1-5-6037945/>

However candidates are not expected to reproduce other people's written work.

The following resources are available on the OCR website [www.ocr.org.uk](http://www.ocr.org.uk):

- Unit specification
- Candidate evidence booklets, evidence checklists and assessment guidance for each unit
- Worked examples of tasks from evidence booklets
- Employability Skills Glossary
- Employability Skills support pack
- Tutor Support Sheet - Skills and attributes
- Frequently Asked Questions (FAQs)
- Introduction for Tutors in the evidence booklet
- Administration documents: Submission Cover Sheet, internal standardisation form

## Additional information

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For further information regarding administration for this qualification, please refer to the OCR document '*Admin Guide: Vocational Qualifications*' (A850) on the OCR website [www.ocr.org.uk](http://www.ocr.org.uk) .