

Unit Title:	Learn how to manage money
OCR unit number:	10
Level:	Level 1
Credit value:	3
Guided learning hours:	25
Unit reference number:	T/506/9609

Unit aim and purpose

This unit will provide the opportunity for learners to develop their understanding of money matters. Learners will understand the uses of financial documents that they come across in working life. Learners will gain knowledge and understanding of basic banking, budgeting and the use of different methods of payment. Learners will also consider problems caused by debt and the sources of help. Learners will also gain knowledge of the importance of a good credit rating.

Learning Outcomes	Assessment Criteria	Teaching Content i.e. – must be covered e.g. – suggestions for coverage
<p>The Learner will:</p> <p>1 Understand the uses of financial documents</p>	<p>The Learner can:</p> <p>1.1 Explain the uses of financial documents</p> <p>1.2 Define key terms used on a wage slip and a bank statement</p>	<p>Learners must explain the uses of routine financial documents, e.g.</p> <ul style="list-style-type: none"> • Bank statement – to identify income and expenditure. • Wage slip – to identify income and deductions. <p>e.g.</p> <ul style="list-style-type: none"> • Payroll number • National Insurance • Net Pay • Gross Pay • Tax • Sort Code • Account Number <p>e.g.</p> <ul style="list-style-type: none"> • sort code – branch identifier • gross pay – total paid before deductions • net pay – total received after deductions.

Learning Outcomes	Assessment Criteria	Teaching Content i.e. – must be covered e.g. – suggestions for coverage
2 Know about basic banking	<p>2.1 Outline why it is important to open a current account when you start earning an income</p> <p>2.2 Explain why it is important to research different current accounts</p> <p>2.3 Identify the key steps taken to open a current account</p>	<p>Learners must understand the need to open a current account, e.g.</p> <ul style="list-style-type: none"> • to have wages paid in • to have benefits paid in • to build up a good credit rating • security. <p>Research different accounts, e.g.</p> <ul style="list-style-type: none"> • to ensure that they access the right account for their circumstances/needs. <p>Learners must be aware of the key steps needed to open a current account, e.g.</p> <ul style="list-style-type: none"> • contact chosen bank • go for an interview • take advice • take two types of ID with you (e.g. photo ID, proof of address) • await confirmation of account from the bank (e.g. letter, credit card, debit card, cheque book).
3 Understand how to budget	3.1 Explain income	<p>Learners must understand that income is any money received on a regular basis (daily, weekly, monthly, annually), e.g.</p> <ul style="list-style-type: none"> • wages/salary (either employed or self-employed) • interest paid on savings • pensions • pocket money/allowance • various benefits.

Learning Outcomes	Assessment Criteria	Teaching Content i.e. – must be covered e.g. – suggestions for coverage
	<p>3.2 Explain expenditure</p> <p>3.3 Explain how to manage surplus</p> <p>3.4 Explain the advantages and disadvantages of different payment methods</p>	<p>Learners must understand that expenditure is anything that they pay for on a regular basis, e.g.</p> <ul style="list-style-type: none"> • food • clothes • utility bills • loan/credit card payments • mobile phone bill. <p>Learners must explain the options they have available to save/spend any surplus (between income and expenditure), e.g.</p> <ul style="list-style-type: none"> • pay loans/credit cards • open an ISA • join a savings club at a local shop • buy premium bonds. <p>Learners should understand that there are advantages and disadvantages for payment methods, e.g.</p> <ul style="list-style-type: none"> • cash • hire purchase • bank loans • credit card • debit card • Paypal <p>e.g. using a credit card:</p> <ul style="list-style-type: none"> • advantage – secure, as you don't have to carry cash and you are covered by payment protection if something goes wrong. • disadvantage – if you don't pay the full amount off the credit card when the first statement is received, you will be charged interest.

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	3.5 Review alternative payment methods for a product	<p>i.e. Learners review different payment methods and evaluate which is the most appropriate,</p> <p>e.g.</p> <ul style="list-style-type: none"> • paying for a mobile phone ‘up front’ versus entering into a contract • paying for furniture in full versus utilising interest free options of credit.
4 Know about the problems caused by being in debt	<p>4.1 Outline the problems that being in debt may cause an individual and the family</p> <p>4.2 Identify people or organisations that could help individuals or families in debt</p> <p>4.3 Outline how people or organisations can help individuals or families in debt</p>	<p>Learners must be able to outline the problems caused by debt to an individual and the family.</p> <p>Problems of being in debt, e.g.</p> <p>Family:</p> <ul style="list-style-type: none"> • repossession of goods or home • arguments caused • breakdown of family unit. <p>Individual:</p> <ul style="list-style-type: none"> • spiralling debt • lack of funds for essentials • ill health caused by stress. <p>People or organisations that can help, e.g.</p> <ul style="list-style-type: none"> • Citizens Advice Bureau • Money Advisory Service • Financial Advisor • Bank Manager or their staff. <p>Outline how organisations can help – help for individuals or families, e.g.</p> <ul style="list-style-type: none"> • how to negotiate with creditors • help with budgeting • access to legal services.

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	4.4 Identify how these people or organisations can be accessed	Identify how these services are accessed, e.g. <ul style="list-style-type: none"> • 24 hour helpline • website • in person • telephone.
5 Know about credit rating	5.1 Outline why it is important for an individual to have a good credit rating	Learners must be able to outline why it is important to have a good credit rating, e.g. <ul style="list-style-type: none"> • to access credit • to gain approval for hire purchase • to be eligible for a mortgage • to be able to rent a property through an estate agent.

Assessment

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, these are available on the qualification webpage.

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 annotating the candidate work and 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

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 evidence requirements 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

The unit content describes what has to be taught to ensure that candidates are able to access a pass.

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 2014/15' for Notes on Preventing Computer-Assisted Malpractice.

You should refer to the JCQ document: Access Arrangement and Reasonable Adjustments 2014-2015 for information on how to assist candidates with special access requirements.

Functional skills signposting

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

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

The following resources are available on the OCR website www.ocr.org.uk:

- Unit specification
- Candidate evidence booklets, evidence requirements and evidence checklists for each unit
- Delivery guides and lesson elements for each unit
- Administration documents: Submission Cover Sheet

Additional information

For further information regarding administration for this qualification, please refer to the OCR document 'Admin Guide: Vocational Qualifications 2014/15' on the OCR website www.ocr.org.uk.