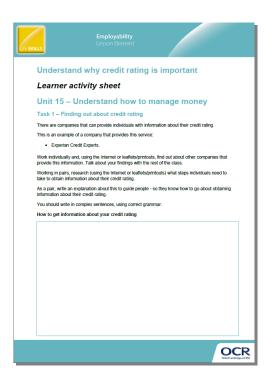


Understand why credit rating is important Unit 15 – Understand how to manage money

Instructions and answers for teachers

These instructions should accompany the OCR Lesson Element 'Understand why credit rating is important', which supports OCR Awards and Certificates in Employability Skills Unit 15 – Understand how to manage money.



Associated files

Lesson Element Activity - 'Understand why credit rating is important'

Expected duration

Task 1 - 40 minutes

Task 2 - 50 minutes

Task 3 - 50 minutes



EmployabilityLesson Element

Task 1 - Finding out about credit rating

Explain to the learners that there are companies that can provide individuals with information about their credit rating.

Write this example of a company that provides this service on the whiteboard:

Experian Credit Experts

Ask the learners to work individually and, using the Internet or leaflets/printouts, find out about other companies that provide this information. Ask them to feedback their findings to the class.

Ask the learners to work in pairs to research what individuals need to do to obtain information about their credit rating.

Ask the learners to write an explanation about this to guide people - so they know how to go about obtaining information about their credit rating.

Encourage the learners to write in complex sentences, using correct grammar.

Task 2 - Getting a good credit rating

Explain to the learners that there are many ways that an individual could improve their credit rating.

Show the learners a short video about how a person could improve their credit rating.

Ask the learners to make notes while they watch the video.

http://www.telegraph.co.uk/finance/personalfinance/money-saving-tips/10073919/How-to-boost-your-credit-rating.html

Ask them to use the Internet or leaflets/printouts to find out more about how an individual could improve their credit rating.

Ask the learners to work in pairs to discuss their findings and write a list of '10 top tips' to help people obtain a good credit rating.





EmployabilityLesson Element

Task 3 - The importance of a good credit rating

Explain to the learners why it is important to have a good credit rating, e.g. a person needs a good credit rating to be able to rent a property.

Ask the learners to find out more about this by looking at the Money Saving Expert website.

Ask the learners to work in pairs to discuss why a good credit rating is important for five financial areas, to include:

- Mortgages
- Credit cards
- Energy bills
- Mobile phones
- Loans

Ask the learners to write one complex sentence that explains why a good credit rating is important for each of the five financial areas. Encourage the learners to use correct grammar.

Ask the learners to read out their explanations to the class.





We'd like to know your view on the resources we produce. By clicking on the 'Like' or 'Dislike' button you can help us to ensure that our resources work for you. When the email template pops up please add additional comments if you wish and then just click 'Send'. Thank you.

If you do not currently offer this OCR qualification but would like to do so, please complete the Expression of Interest Form which can be found here: www.ocr.org.uk/expression-of-interest

OCR Resources: the small print

OCR's resources are provided to support the teaching of OCR specifications, but in no way constitute an endorsed teaching method that is required by the Board, and the decision to use them lies with the individual teacher. Whilst every effort is made to ensure the accuracy of the content, OCR cannot be held responsible for any errors or omissions within these resources.

resources.

© OCR 2015 - This resource may be freely copied and distributed, as long as the OCR logo and this message remain intact and OCR is acknowledged as the originator of this work.

OCR is aware that third party material has been used within these resources, but it has not been possible to acquire permission for use of this material.

