



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.

The screenshot shows a learner activity sheet with the following content:

Employability Lesson Element

Understand why credit rating is important

Learner activity sheet

Unit 15 – Understand how to manage money

Task 1 – Finding out about credit rating

There are companies that can provide individuals with information about their credit rating.
This is an example of a company that provides this service:

- Experian Credit Experts.

Work individually and, using the Internet or leaflets/printouts, find out about other companies that provide this information. Talk about your findings with the rest of the class.

Working in pairs, research (using the Internet or leaflets/printouts) what steps individuals need to take to obtain information about their credit rating.

As a pair, write an explanation about this to guide people – so they know how to go about obtaining information about their credit rating.

You should write in complex sentences, using correct grammar.

How to get information about your credit rating

[A large empty rectangular box is provided for writing the explanation.]

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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

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.

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.



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