Ten Things to Know About Money by the Age of Fourteen

THIS RESOURCE IS PRODUCED AS PART OF A PROJECT

Building the Money Springboard: How to provide money learning at the moments young people need it

QUAKER SOCIAL ACTION

St CHRISTOPHER'S CREATING BRIGHTER FUTURES

Money & Pensions Service

Welcome to ‘Ten Things to Know About Money by the Age of Fourteen’

Read the introduction below or watch it here.

We hope you find this resource helpful and fun to use. How does it work?

You’ll see that there are 10 sections in each resource. Each section describes a piece of money learning, with a couple of key points to learn, and ways that you could bring it up with this age group, in everyday life.

There are easy tips, conversation starters, fun activities and links to follow for simple information for you and the young person, when either of you wants more info*. Feel free to add your own games and activities that will help bring the learning to life!

It is designed to be used informally, not in formal learning sessions with young people.

We suggest you use it:

- **Little and often.** A couple of good comments, when someone is interested, have more impact than a long explanation.
- **However it suits you.** Pick out the bits that feel most helpful, you definitely don’t need to work through it in order.
- **Use it sensitively.** Talking about money can be hard and young people may have experiences that make it very difficult for them. Use your judgement about if and when the young person is relaxed and ready to have this conversation.

And if you or the young people you care for are finding these conversations difficult, do use the support that’s available in your organisation.

Best wishes,

— The Made of Money Team.

* We know some links will change over time, we will be checking them regularly, but please check your own settings as some work computers have restrictions on sites like YouTube and social media.

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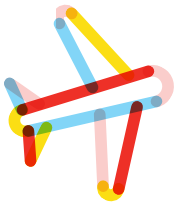

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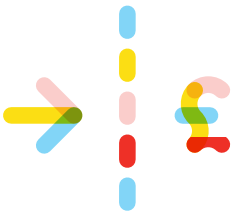

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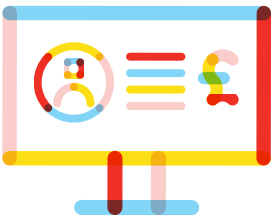

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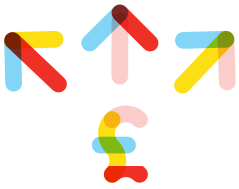

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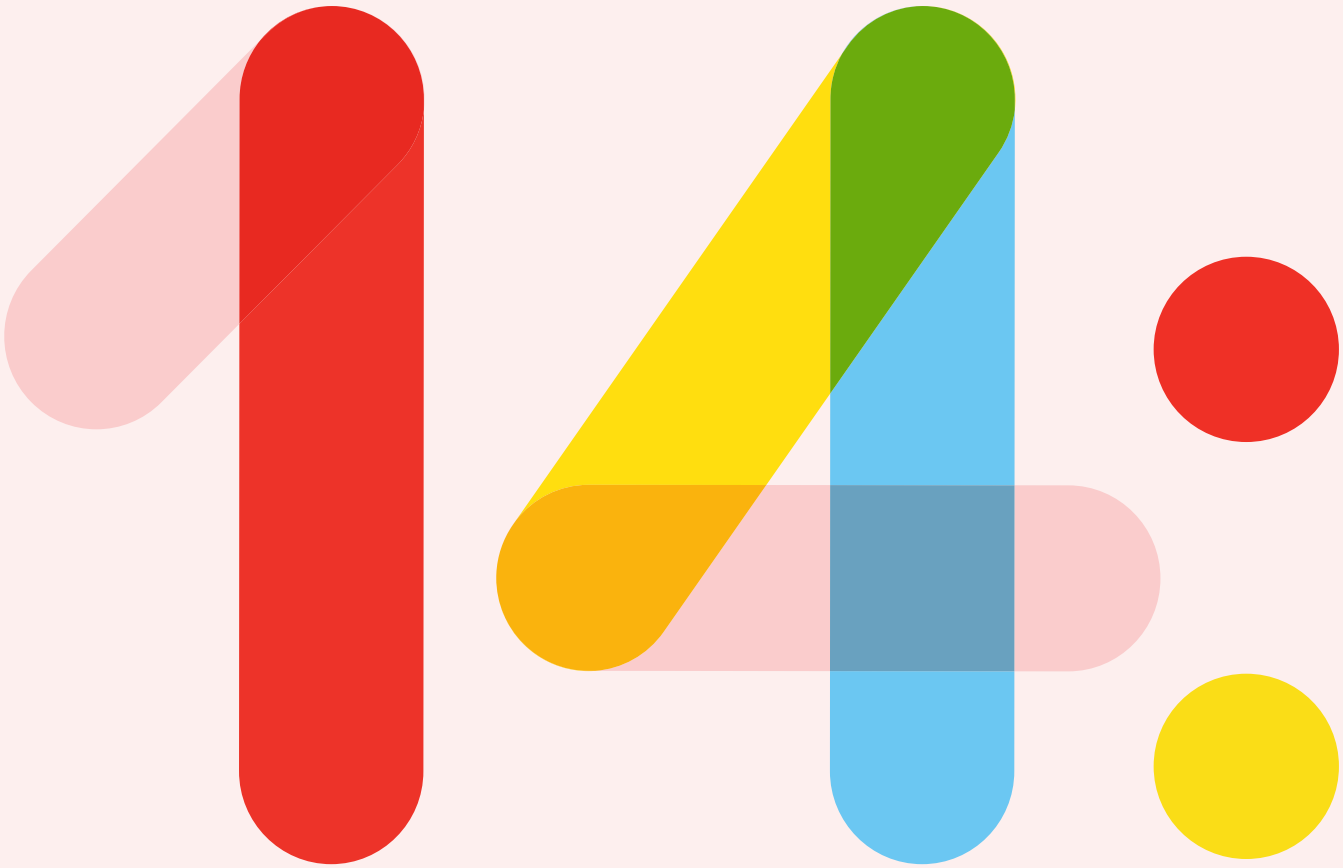
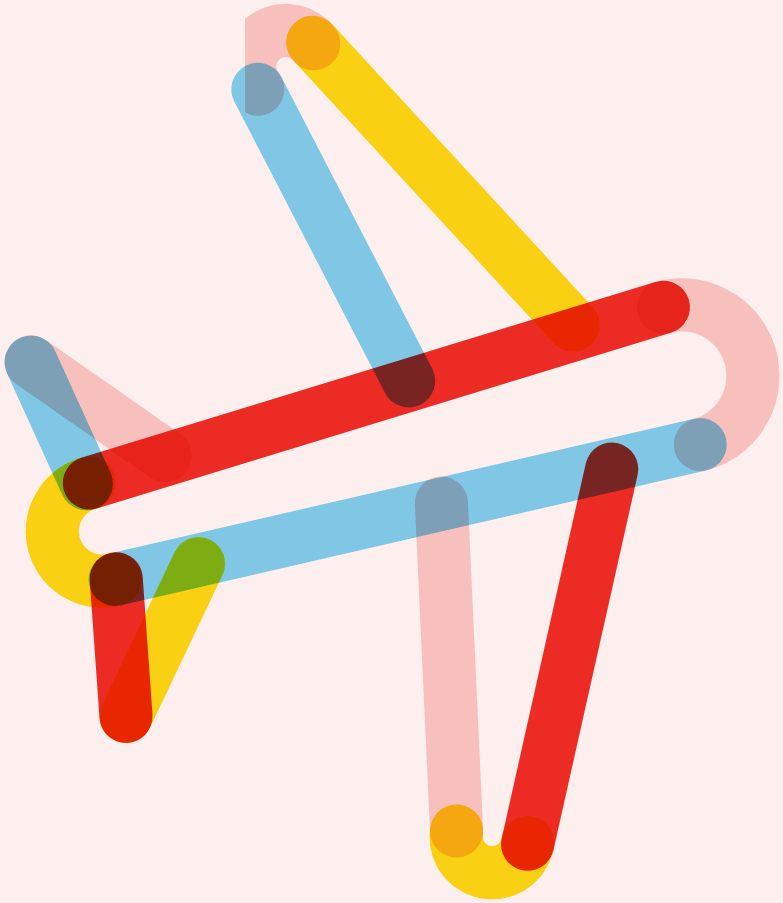


1. Making plans for the future involving money



TIP: It's almost always easiest to open a savings account at a bank you already have an account with, so if young people have a current account that could be a simple place to open a savings account.

Key things to learn

- **To plan a goal or experience and achieve it by saving up**
- **To practise thinking about the future by planning things like days out and holidays**
- **To know if they have a child trust fund and if so, where it is.**

Where are the opportunities to bring this into everyday life?

Most people don't have a clue what job they want to do when they are 12, but thinking about other long-term aspirations and interests, like sharing a home with friends, studying, visiting a particular country, taking part in sport or going to games conventions can help young people identify goals.

When young people do have access to money, goals can help them know what they need their money to do and that helps them know how to manage it. Adverts, TV and general conversation can provide lots of opportunities to chat with young people about which goals might appeal to them. Even free online games where they try out real life scenarios, like Minecraft or Roblox, can spark ideas of things to try in real life. The goals will probably be 'about' something that isn't money (e.g., an activity) and that's fine. Most plans will involve money in some way.

Encourage the young person to plan to save up for something more immediate, like trips and holidays, or a significant item. Asking questions can help them polish their plan and it's an opportunity for young people to experience the positive emotions involved in planning something for the future.

> ***Where would you like to go?***
> ***What would you like to buy?***
> ***How much will it cost?***
> ***What would you like to do when you get there?***
> ***How much will that cost?***
> ***What else might you need money for?***
> ***How much will you put aside each week? Where will you keep the money you are saving?***

Where to find out more?

Check out these tips to help goals be effective and achievable.

Here's a link to find a child trust fund.
You'll need an account with gov.uk

Want something you can show to young people?

This is a fun take on goals.

This straightforward animation outlines the reasons for budgeting and making plans.

2. How to open a bank account, even without all the usual documents

TIP: *If you have the young person's ID and other official documents available, you can help them act quickly when they show an interest in opening an account.*

Key things to learn

- **How to open a bank account, even if they do not have their ID etc**
- **The age at which they can sign a contract and borrow money.**

Useful info

- Young people can open a bank account from age 11
- Young people can borrow money and sign a contract in the UK when they are 18
- Some high street banks will offer a basic bank account, even if you don't have formal ID or proof of address
- All banks and building societies will have an application form, and will ask for identification, which they must do by law. Some banks are more flexible than others with identification and have different processes.

See the 'How to open a bank account guide' for ways to work around missing documents.

Where are the opportunities to bring this into everyday life?

Having a bank account is a great way to learn about money. If the young person you care for doesn't have one, these ideas might help build enthusiasm.

Seeing banks on the High Street and noticing the banking ads on the TV and on the street can start a conversation.

> ***Try asking: 'How old do you think someone needs to be to have a bank account?' 'When would you like to open your own bank account?' 'Would you rather go into a bank to open your account or open one online?'***
>
> ***'How many people do you think are keeping their money safe in that bank we saw today?'***

If a young person has quite a bit of cash (pocket money, gifts from relatives, money from chores), or has lost some cash, this can prompt the idea of opening a bank account to keep it safe.

You can offer to get them started with a bank account if they are interested in saving up for something significant.

Where to find out more?

Citizens Advice have guidance on the law and bank accounts **here.**

This video from Shelter is targeted at homeless people but gives useful information on how to manage without the right documents.

This video goes through their process of how one bank supports care leavers to open a bank account without access to the usual forms of ID.

Want something you can show to young people?

This website compares different bank accounts designed with teenagers in mind.

3. Getting & having a mobile phone

Key things to learn

- **To be able to work out how much they can afford to pay before they buy it**
- **How to manage 'pay as you go'**
- **How to keep a phone safe**
- **Understanding that when they are using data or minutes, they are spending money.**

Where are the opportunities to bring this into everyday life?

Everyday life provides lots of opportunities to equip young people for buying a phone. If the young person you care for needs a phone, use the 'making a budget' section in the under 11's guide to plan what they can afford. If you need a new phone, take the young person along with you to a shop or look online. You could also use adverts you see to spark conversations.

> ***Try asking: What do you think is important in a phone? What do you think the best deals are for those phones or for the phone you are buying? Why do you prefer this phone over that phone?***

When someone finds or replaces the phone they have lost, it's a great time to talk about keeping it safe. Keeping their phone safe is important because it's an expensive object, but it's also an important way to keep their data, money and identity safe. Where will they keep it? And it may be an act of self-care to keep their phone safe by getting a phone case and screen protector, because it helps the young person avoid unnecessary stress.

Young people talk about running out of data & credit on phones all the time, so there's lots of chances to raise it. Pick up on how they feel when they run out – you could share three ways to avoid feeling that way by making the most of their data:

- Phone provider webpages have free ways to check how much credit and data they have left.
- They can often access free Wi-Fi in places like cafés (you could talk through the security risks on a public internet connection).
- Set an alert on their phone when it is getting low on data/credit (this is free).

If the young person is planning to go somewhere, encourage them to think about what data they may need and how to get it.

Buying a refurbished phone can be less reliable, but cheaper, and often better for the environment. Tips include using a reputable site and going with someone if picking the phone up in person. See the 'Where to find out more' link for more tips.

Where to find out more?

Here's some tips that could save you money as well as your teen.

Want something you can show to young people?

This money saving expert page is a simple way to work out what phone might be right for you, including pay as you go options

4. The importance of keeping documents and ways to store them safely

Approach this subject with sensitivity and gentleness

Key things to learn

- **That having the right documents will help them get access to all kinds of services and opportunities, financial and otherwise, so keeping them safe is important**
- **The risks involved in storing documents, and what a safe storage place looks like (e.g., watertight, private)**
- **To have chosen a safe place for important documents and got in the habit of putting them there straight away.**

Where are the opportunities to bring this into everyday life?

We know documents can be a painful subject for young people and that important documents may be missing. And we know you put a lot of work into supporting young people to handle those difficulties, and that we can't solve them here. But alongside this, young people can be supported to build positive habits in keeping the paperwork they will have as they get older. It's much easier to handle your money if you know how to keep important documents safe (like bank statements). This section looks at how to help young people build that habit.

There are different ways to introduce young people to systems for keeping information. When you are going through the post, let them know which letters you need to keep safe and why, and which ones can be recycled or shredded. If appropriate, let them see you put them away. If you are a foster carer, you can let young people know when you are using your documents to arrange or prove something, or to complete administrative tasks.

You can help the young person choose a small document box, with a handle, so they can keep track of and organise their documents as they accumulate more. Offer to help them work out a safe place to keep the document box.

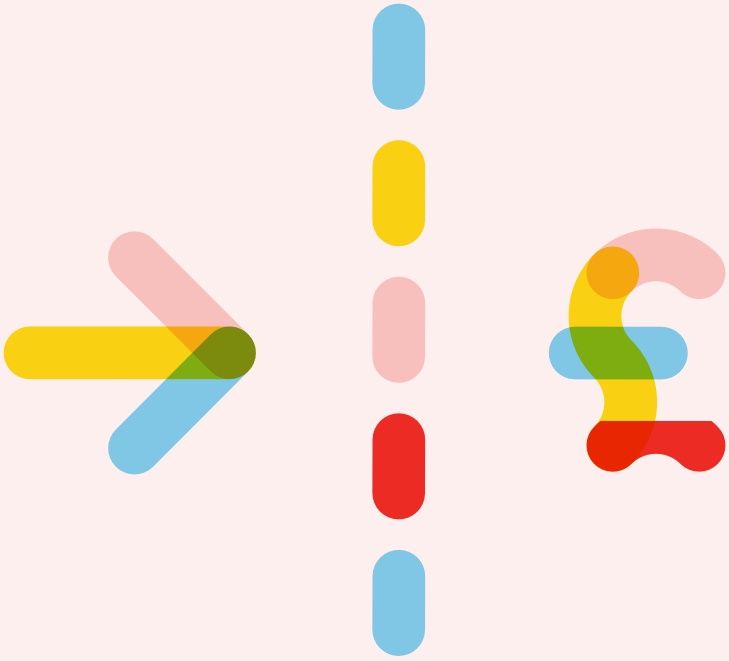
Where to find out more?

Check out this simple guide for storing paperwork. You can use files or a document box with labels instead of the filing cabinet.

Want something you can show to young people?

A funny approach to filing, but it has drawbacks!

5. Managing boundaries around money and personal relationships



Key things to learn

- To know their own money priorities and boundaries. It's not rude to let people know what their boundaries are!
- To build confidence by using and sharing their money in a way that feels right for them
- To be able and prepared to challenge people, including friends who don't respect their boundaries around money & possessions (or themselves!)
- Other people will spend differently to them and make different choices. This is OK.

Where are the opportunities to bring this into everyday life?

Watching tv and other media offers lots of opportunities to talk about situations where money has an impact on relationships. You could pick up money themed storylines or examples like:

- people being taken advantage of financially.
- people being pressured to make decisions about money (or other things) that aren't in their best interests.
- friendships between people who have very different amounts of money.
- people who consistently take without giving.

There are all kinds of questions you can ask to start a conversation when you watch together.

> ***What will happen with the characters if a favour or money isn't returned? Is it ever ok not to pay money back that you owe? What would be fair in this situation? Where could the character go if they want help? What do you think the characters should do for the best? What makes unequal friendships harder? Does it have to be hard?***

These conversations can help young people become aware that obligations around money often start with a favour. Being clear at this point about what is expected in return helps you decide if this is a fair deal.

Conversations don't have to be directly about money to be useful. When young people are talking about arguments and tensions in friendships, thinking with them about ways to resolve conflicts without being rude can help them build the calm, assertive skills they will need to hold money boundaries.

If you would like a fun way to help young people learn how to do this, you could both list all the different ways of saying no that you can think of (on paper or just out loud), regardless of how rude or ineffective they seem. Think about which way of saying no might work in different circumstances. The way they might say no to their best friend could be very different to how they might say no to a shopkeeper– or you!

Messages you give in these conversations can help young people learn that it's ok to say no to any unreasonable requests people may make of them.

Where to find out more?

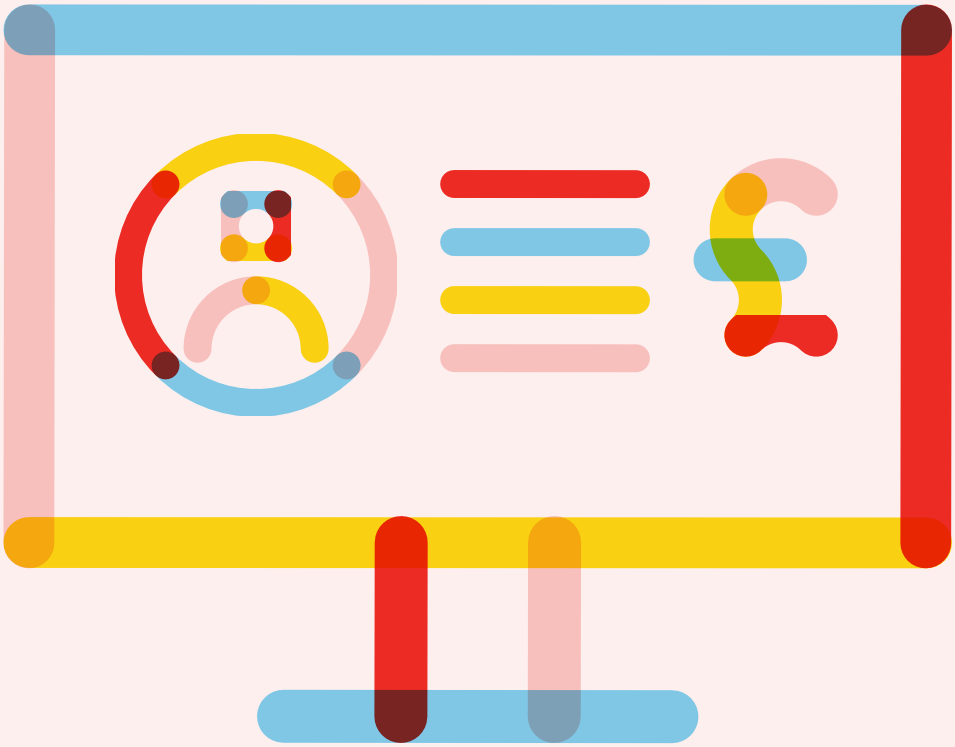
Here's an **article that talks through the reality of having money boundaries**.

Want something you can show to young people?

Share this TikTok of **some easy ways to handle money boundaries in your social life**.

TIP: Putting this learning into practise is much easier if the young person has worked out how much money they have and what they want it to do (see Section 1, 'Making plans for the future involving money' and the section on making a budget in the 'Up to 11' guide). It's easier to feel clear about money when you know how much you have, whether you can afford to share, give, or lend it.

6. Making the most of a bank account



Key things to learn

- **To have a system for checking/ keeping statements**
- **To know how to check their balance online or at an ATM**
- **To know how to get money out and spend money using a card**
- **To have developed a system for keeping bank details, pin and money secure, both online and in real life, and to know why that's important**
- **To know that on-line and high street banking can offer different services**
- **To understand that however money is paid, (phone, card, watch transfer etc), it always comes from an account.**

Where are the opportunities to bring this into everyday life?

Learning to manage personal banking while you still have the safety net of a home is a low pressure, low-stakes way to build confidence. It helps when the young person has a bank account, so encouraging them to get one and helping them overcome any hurdles when setting it up is really valuable. Supporting young people to think about how to manage their bank account when they set it up is great, but you can start helping them learn how to manage their account at any point.

When you are buying anything together, if you share how you are choosing to pay for something and why you have chosen that way to pay, you can help young people understand the pros and cons of the different methods – eg paying with a debit or a credit card.

You can put into words the things we all do with banking: for instance, how we keep our money safe by using a wallet, and by storing financial documents securely. You can also point out how we expect and give space for privacy when we use cashpoints.

Talk about the differences between online and high street banking and how this has changed the way we handle money. If you have experience managing money through an online bank with an app, share appropriate thoughts on how that is different from using a high street bank.

Where to find out more?

The Which? website has a great teen bank account guide here.

Want something you can show to young people?

This is a really simple HSBC video about what you can do in a current account. All banks differ a little, but this covers most of the essentials.

7. Using cards to pay for things and services

Key things to learn

- **How to use cards**
- **How to keep cards safe**
- **How and where to check spending on cards.**

Where are the opportunities to bring this into everyday life?

If you're giving a gift to the young person, Amazon or Love2Shop cards are relatively simple to use, so you can focus on helping the young person to get used to card shopping and look after the card until it is spent.

Zip cards and other travel passes work the same way as a debit card, in that it's a card we use to pay for something. As the young person does more independent travel, you can highlight for them how their zip card or bus pass works. Maybe when you are travelling together you can ask questions to get them thinking about this:

> ***How much do you think might be left on your zip card after today?***
> ***How much do you think this journey will cost? I guess £2!***
> ***How does the money get put onto your zip card?***

When you are shopping with a young person and using a card, in person or virtually, you can talk about how easy it would be for someone else to pay using your card or card details, if they got hold of them. For example, PIN numbers, card details and security codes can all be used by someone else if you write them down, say them aloud in public or let someone see you use them. You can show where you put your cards to keep them safe, e.g., a wallet.

Once the young person has a debit card connected to their own bank account, they can use apps to check what they are spending, and even to help them budget and save. Why not challenge them to use the app to find out how much they spent in the last month on snacks, travel or clothes?

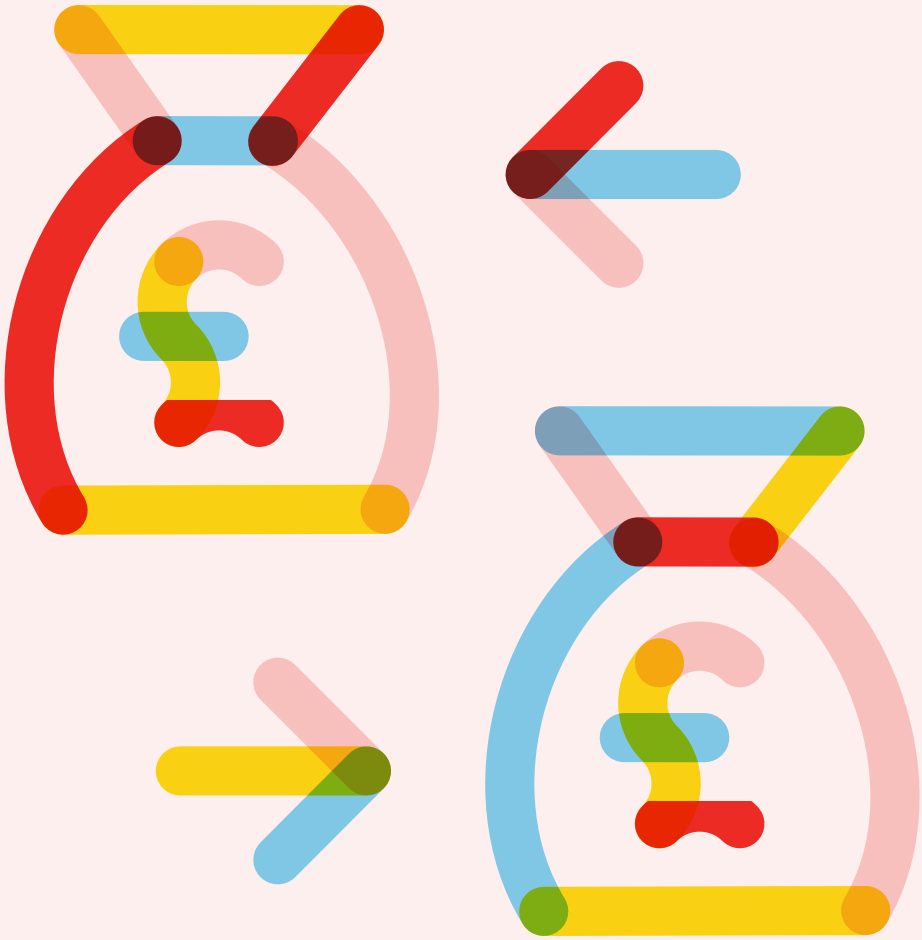
Where to find out more?

This website has a clear guide to using a debit card, if that's helpful in talking about this.

Want something you can show to young people?

Dissolving a debit card in acetone is a great way to make the point that your card is not your money! This video shows what the tech is inside a debit card. (This is an extract from a longer programme about bank cards)

8. Understanding the idea of paying to borrow money



Key things to learn

- **That people generally pay money to borrow money**
- **Debt can be stressful, and it can also give opportunities**
- **It's important to know what's expected in return, and to have a record of that, even if the agreement is with someone they trust.**

Where are the opportunities to bring this into everyday life?

Although young people can't take out a loan or legally borrow money until they are 18, studies show that young people leaving care are more vulnerable to building up debt that becomes a problem. Understanding that you pay to borrow money can be a gentle way to give young people the learning that will support them to manage credit.

If a young person wants something they can't afford, you can point out that this is a situation when people might choose to borrow money. This can help you talk about these points:

- Borrowing usually means you end up paying more than if you wait and save up.
- There are lots of questions you can ask:

> ***How might you borrow money?***
> ***How much do you think it would cost?***
>
> ***Could you save up for the item?***
> ***How could you manage your feelings whilst you save?***

When the young person wants to borrow money from you, or from the home, you have a good opportunity to show what good borrowing looks like by:

- Agreeing the terms by which they will pay it back and making a note of the agreement.
- Let them know that if they were borrowing from a bank, the bank would charge them interest, and work out with them how much that would cost. (e.g., if they borrowed £10 at 10% interest the bank would ask them to pay back £11).

Sharing appropriate stories of borrowing that becomes difficult can show the stresses of borrowing as well as showing how borrowing can be positive.

Where to find out more?

This quiz from Made of Money shows what your options are if you need to borrow money in an emergency, by imagining that your washing machine has broken down.

Want something you can show to young people?

The real life story in this short clip from the BBC does end with a parent helping out financially, but we've included it because it is such a good example of how debt can spiral – but you might want to bear this in mind if you share it.

9. Money and self-care

Key things to learn

- **That having a pot of money for a 'rainy day' can reduce anxiety**
- **How they can make themselves feel good in ways that are healthy and that don't involve money**
- **That sometimes spending money can be an important way to take care of themselves or invest in themselves longer term e.g. study, fitness or relaxation**
- **Putting your needs at the heart of your money plans is not selfish, it's self-care.**

Where are the opportunities to bring this into everyday life?

Prepare for and share your own, (or the home's) micro 'rainy day' savings, to show how to prepare for a future need. Keeping it small but relevant means you can help young people build the habit of financial self-care without suggesting that disaster is just around the corner. Things as well as money can be good examples, like having a backup of essentials you wouldn't want to be without, such as toilet paper or sanitary towels.

When planning a budget for an outing with a young person, think with them about what small emergency they might need cash for. They might need enough money to cover a last-minute change of plans for an outing with friends.

You can also help them notice where their spending is supporting their wellbeing- e.g., a young person going to football training is using the money to invest in their physical and mental wellbeing, and a young person visiting the cinema with friends after a week putting fresh effort into schoolwork is rewarding themselves for having a go at something difficult.

You can pull out learning for a young person after a free and positive activity by chatting with them about it being fun as well as free, or very low spend. This could be going to a sleepover, spending time with a pet, reading a good book from the library, doing some craft activities, or just having a laugh with friends.

Keep and add to a list on the fridge of 'free & low-cost things that make me feel good' – it could be for each individual and/or for the household in general (the list can be as long as you like).

Where to find out more?

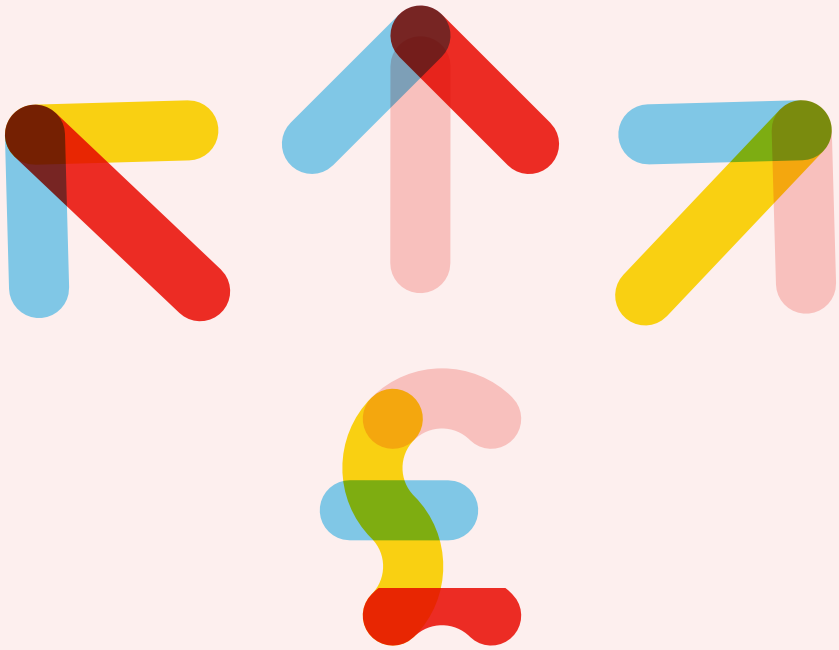
This article makes the connection between taking care of money and taking care of yourself.

Want something you can show to young people?

A quick video from a bank showing how to save for a treat or rainy day.

Here are some **free meditation videos** from Headspace with friendly animations.

10. Making money decisions that support you



Key things to learn

- That managing their money to meet their goals can help them have a fulfilling life
- That repeating the same small money decisions over time can affect their money as much as one big decision
- That money decisions are about their life, not just how much they spend. People think about health, happiness, relationships, security, and values when they choose how to use their money, even though they might not notice making those choices.

Where are the opportunities to bring this into everyday life?

Help young people manage their money to meet their goals by thinking with them about their short term plans. Perhaps they want to go somewhere with friends, visit family or try a new club or activity. They might want to buy something important to them. Together you can think about the different ways their money can help them make that experience go well. You can ask:

> ***"What do you want to do this week? How can your money help you do that? How much money would you need to make your journey go smoothly? Would you buy or bring a snack to keep your energy going? What other costs might you want to allow for?"***

If a young person feels nervous, ask:

> ***"How can you use your money to help you feel comfortable?"***

Share appropriate things that you want in your own life and how you can use your money to support you with that.

Help young people become aware of how they make money decisions by choosing an appropriate example of something very small you or they bought e.g. a snack. Talk about why you made the choice you did to show how our choices are driven by various reasons when we buy things – like wanting to be healthy, to treat someone, accommodate a dietary preference, religious or allergy-free options, or just because we were hungry in that moment. Price is usually only part of the story.

A good way to support young people to explore how they use their money for positive goals, is by noticing and drawing their attention to the positive things they do with their money, like getting meaningful gifts for friends, choosing healthy food, or saving up for something special.

You could highlight when they're using money to:

- take care of themselves
- prepare for something ahead,
- support their learning in some way,
- enjoy their life
- or help them feel more confident.

You could talk about how small choices like these can create a positive impact in the future:

> ***"If you keep saving that amount each week, how much money you would have in a year?"***

Where to find out more?

This article has some useful things to say about what to consider in making choices for your future.

Want something you can show to young people?

The MSE demotivator is a simple tool that shows you the impact of small spending over time. You can calculate how much your seemingly innocent coffee habit costs over a year!

Try this flow chart to help decide whether to buy something or not.

How to open an account without the usual documents

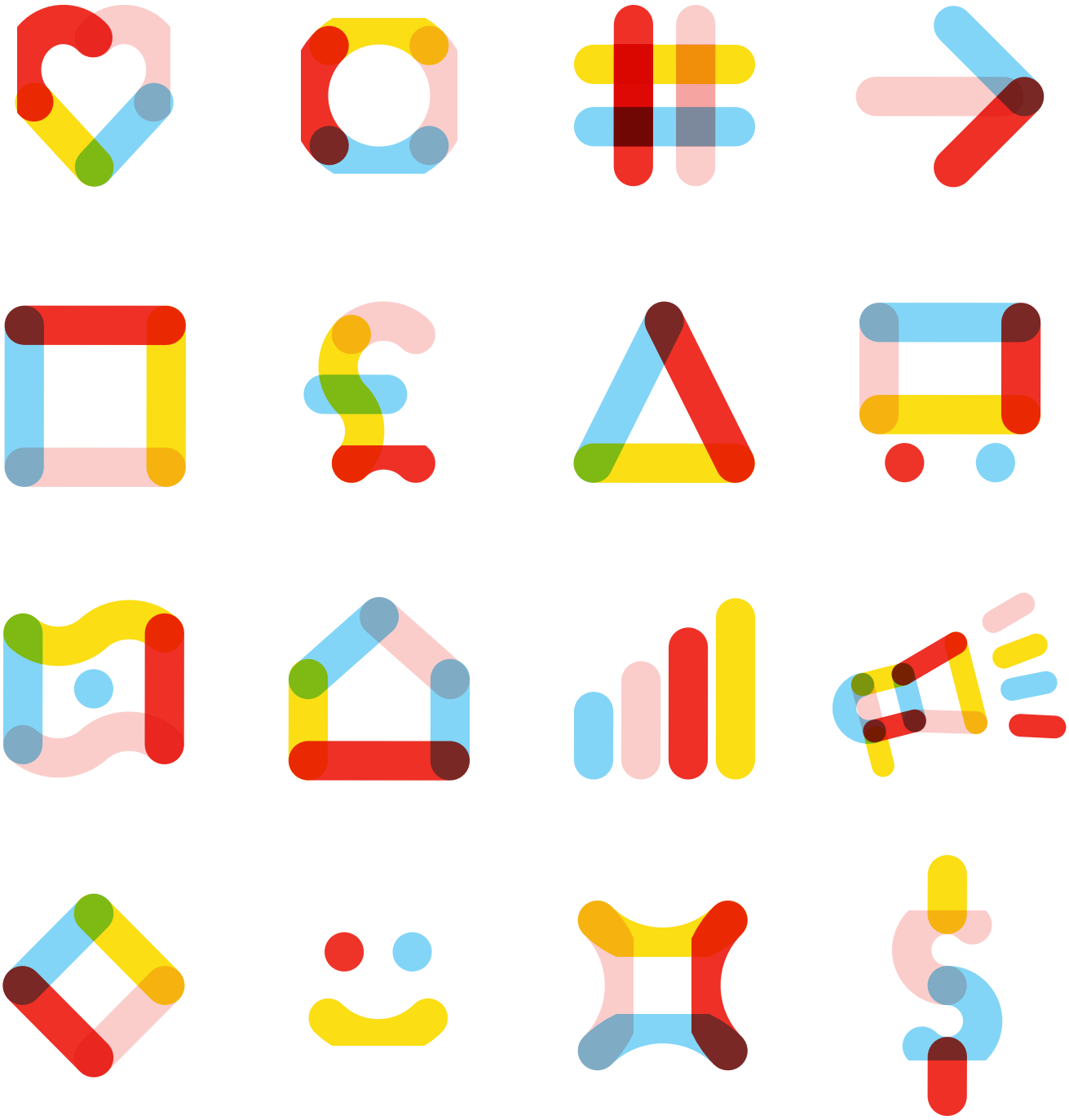
It can be difficult to open a bank account without standard ID, but some high street banks accept alternative documentation.

To open a bank account, you need to provide proof of ID and verification of ID.

- **Proof of ID**
  This is usually something like a driving licence, birth certificate or passport. If the young person does not have access to their birth certificate or a passport, they can use their care order from the LA.

- **Verification of ID**
  This could be a utility bill, bank statement, or council tax bill which gives proof of address. It is not always possible for young people to provide these, so instead you can use one of the documents below:
  · A headed letter from the children's home confirming the young person's identity.
  · Foster carer's proof of address (utility bill, driving licence, bank statement etc).
  · NHS letter addressed to the young person with their current address.

You may well be aware that proof of identity and proof of address can be very painful topics for young people in care. It could feel very exposing for the young person to have to go through the situation with a cashier and then a manager in the middle of the bank in front of other customers, so you can phone the bank beforehand, ask what documents the bank will accept and arrange a private appointment to open the account instead.



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QUAKER SOCIAL ACTION

St CHRISTOPHER'S CREATING BRIGHTER FUTURES

Money & Pensions Service