



LESSON PLAN 2

THINKING 'LONG-TERM'

Financial Education Secondary Planning Framework links:

I know there are different ways to save for the long-term and for my retirement, and the key facts about contributing to and benefiting from a pension, including through National Insurance contributions **14-16**

I can use my skills as a critical consumer to compare different options for long-term saving, including pensions, that I and other people may need in the future **14-16**

I understand the important role financial planning plays in helping me achieve my personal goals, and that starting a pension sooner rather than later could help me enjoy retirement **16-19**

MATERIALS:

- A3 paper

ACTIVITY 1

LONG TERM SAVING

20
min



This activity will encourage students to start thinking about what long-term saving and investment means to them.

Introduce the activity by asking the students what the word 'long-term' means to them? Responses might include, 'the future', 'for a long period of time', 'planning' etc.

You may wish to provide the Cambridge English Dictionary definition of **'long-term': 'continuing a long time into the future'**

Ask the students to work in pairs and give them 2 minutes to come up with a list of items that people might save for. Ask the groups to share their ideas and write these on the board. Then as a class, decide which of these items will require long-term saving.

Items are likely to include: a holiday, a car, university or education, a house/flat, a wedding, retirement, a pension, child savings account etc.

Discuss which of the items on the long-term savings list the students consider to be investments for the future. Why do the students think that those particular items are investments?

Are there any items that the students don't think are investments? Students may not all necessarily agree – explain that 'investment' means different things to different people.

E.g. Is a holiday an investment? Some students may argue yes, as a holiday can enrich your life and provide you with good memories. Other students may disagree, and argue no, a holiday is a one-off event, and by saving up for a holiday, you are possibly not able to save up for more important items that will impact your future.



ACTIVITY 2 PLANNING FOR THE FUTURE

20
min



This activity will help students consider how they might start planning for the future.

Start the activity by asking the class to discuss this quote from John Turney, the author of *The Rough Guide to the Future*:

“Planning for the future means making conscious decisions now”.

<http://www.theguardian.com/lifeandstyle/2012/jan/28/planning-future-conscious-decisions>

Use the following questions to guide their discussions:

1. What decisions might young people need to start thinking about now?
2. Are there decisions that relate to money?
3. What plans can we make now to help us in the future?

Encourage students to think about financial planning e.g. savings accounts, pensions.

You could refer to pg. 20 and pg. 90 in [*Your Money Matters*](#) for further information.

1 The second part of this activity can run over several sessions or over the whole of My Money Week.

For young people to plan for their future, which will include making long-term saving plans, they will need to understand the different options available and choose the ones that are most suitable for their specific needs.

Explain to the students that their challenge is to work in teams to design a new tool that young people can use to help them when planning for their future. The tool should:

- help young people create a long-term saving plan
- help them understand the different actions they'll need to take to achieve their goals
- highlight the support that already exists and signpost where to access this

Encourage the students to consider the following questions when designing their new tool:

1. What challenges do we face when saving for something?
2. What challenges might we face when saving for something over a long period of time?
3. What support do you think it would be good to have when saving for something over a long period of time?

Teams can be as creative as they wish, they could design an app, a website, a book or even a robot or AI they could talk too. Encourage students to think about how their tool will work, how young people will access it and what the outcomes for young people using it will be.

PLENARY DEBATE

10
min



As a class, decide on the three strongest reasons why young people should start thinking about planning for the future.

EXTENSION OPPORTUNITY



You could expand students' learning about long term savings and investments by using pg. 104-6 of [*Your Money Matters*](#).

Discuss other ways we can prepare for our futures. Futureproofing isn't just about ensuring we're financially secure in the future. What else should we consider investing in? Our health, our environment, our local communities?

