

Year 8 Citizenship lessons

Lesson 1: What is parliamentary democracy?

Where does the word Parliament come from?

The word 'Parliament' comes from the French word 'parler' which means **to talk**. Early parliaments in Britain were all about 'talking' to help kings make decisions. It has taken hundreds of years to form our parliamentary democracy...
...and it has not always been a peaceful journey.

There have been wars, violent protest and civil disobedience, along with debate, argument and goodwill.

Today, we will look at some of the earlier events that have helped to shape the parliamentary democracy that we have in Britain.

TASK: Try to put the events into the correct order

- A. In 1215, King John was forced to sign the Magna Carta to restrict the powers of the king.
- B. The House of Commons was established by Edward III, consisting of knights and rich merchants and sat separately from the king and the nobles.
- C. The Witan (a council of leading advisors and nobles) was used by Anglo-Saxon kings.
- D. After 1066, medieval kings had a 'Great Council' of the most powerful nobles, but the king still made all the decisions.
- E. Simon de Montfort defeated Henry III in 1265 and called his own parliament, including barons, bishops and representatives from counties and large towns.

Event highlight:
The Magna Carta

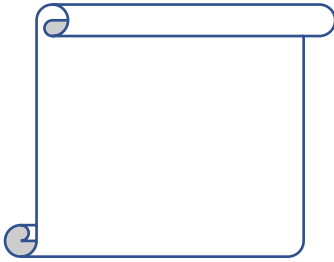
- In 1215 King John was forced to sign the **Magna Carta**. This restricted the power of the king and stated that freemen could not be put in prison without a trial.

- It also elected 25 barons to make sure that the king was following these rules and that he was listening to the advice of the **Great Council**.

[Magna Carta and the emergence of Parliament - YouTube](#)



TASK: Create your own Great Charter for students and staff to follow at Cowley International College.



Remember, the aim of the Magna Carta was to restrict the powers of the king and increase the freedom of the English people.

How could this be applied to a school?

How did Britain's Parliament develop?

In 1642, King Charles I went to war with Parliament, leading to the English Civil Wars. Parliament won and Charles I was executed. England became a **Republic** (a country without a Royal Family). In 1660, the Monarchy was restored, but things had changed. The King now had to get Parliament's approval to make laws and the King had to ask Parliament for any money he needed.

TASK: Copy out and complete the following sentence...

The English Civil Wars were important in the development of parliamentary democracy because...

[Watch the following clip:](#)

[Houses of History - Explore the story of Parliament and democracy - YouTube](#)

Discussion: Which of the events (after the English Civil Wars) do you think was the most important in the development of parliamentary democracy

EXTENSION TASK: How might things have been different today if we had not had the English Civil War?

Lesson 2: What role does the monarchy play in the UK?

Monarchy is one of the oldest forms of government. It means being ruled by a king or queen. In the past, monarchs claimed that God had given them the right to rule.

Most countries in the world have got rid of their monarchies and become **republics**.

TASK: Can you think of 3 countries that are republics?

Some, like Britain, have become **constitutional monarchies**, where the monarchs have given up most of their power to parliaments elected by the people.

Jobs undertaken by the monarch:

- Opens and closes Parliament
- Gives royal assent to new laws
- After an election, asks the party that has the most MPs to form a government
- Meets leaders of other countries
- Is the symbolic head of the Commonwealth
- Hands out honours
- The monarch is also a symbol of Great Britain and a figurehead for the nation.

TASK: Which of these jobs do you think are the most important and why?

Study the following photographs and decide which of the different roles our monarch is fulfilling, or explain how she is a symbol or figurehead.

For example,

A - meeting leaders of other countries

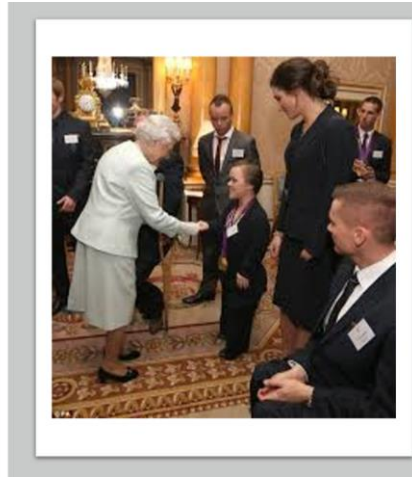


A



B

•C



D

•E



F



Discuss:

- Do you think the monarchy serves a useful purpose in today's society?
- Should we remain a constitutional monarchy or become a republic?
- Make sure you explain your views when discussing with your class.



Is it time for the monarchy to change?

The future of the monarchy in our society is an important issue to debate as we move further into the 21st century. In recent years the monarchy has become very popular, so some people would like to keep it as it is. Prince William and his wife, Kate, are very popular and are often praised for their down to earth nature and charity work.

Some would like to keep the monarchy but change its role in a modern society.

Others would like to see this country become a republic. Scandals like Harry and Megan and Prince Andrew are used as arguments for removing the monarchy altogether

Choose one argument from below:

1. Keep the monarchy as it is
2. Get rid of the monarchy and make Britain a republic
3. Change the monarchy

Write out your argument as a title and then explain your argument, using some of the points from below to help you.

The monarchy brings a huge amount of money to this country through tourism. The royal palaces and the parades and ceremonies are a major tourist attraction.

The monarchy is not democratic; nobody voted for them.

Having a royal family creates a system where some people are seen as better than others. Our society should be more equal.

The monarchy acts as a symbol of national unity in difficult times. Everybody can unite behind them, whatever political party they support.

Millions of pounds of our money goes to pay for the upkeep of the palaces, for royal visits, ceremonies and banquets.



Has the Pandemic changed our views on the monarchy?

- ['We will meet again' - The Queen's Coronavirus broadcast | BBC - YouTube](#)

- How do you think this speech affected the nation?
- Did it help people?



- Write down your final thoughts on the monarchy - should Britain have a monarchy?

Lesson 3: How does the government work?

- Read each of the statements and decide which of the following it relates to.
- The Prime Minister
- Head of State
- The Cabinet
- The House of Commons
- The House of Lords
- The Judiciary
- Civil Servants

1. It makes laws, questions the government and examines what it is doing.
2. Their job is to carry out the instructions of government ministers and put the government's policies and ideas into practise.
3. 650 MPs sit here.
4. Head of the government and the armed forces.
5. They look critically at the work of the government and debate important issues
6. Independent of the government
7. Main function is to uphold the law.
8. Represents the UK in international affairs.
9. Approximately 800 members, called Peers (life and hereditary), sit here.
10. The highest court is the Supreme Court which is the final court of appeal for civil and criminal cases and can hold the government to account if it does not act within the law.
11. Has no real power, but does have influence.
12. The most important ministers in the government, in charge of big departments, such as the Foreign and Commonwealth Office.
13. They act as a check on the House of Commons to make sure that new laws are discussed thoroughly and not rushed through
14. It keeps a check on the amount of money that the government spends.
15. There are thousands of these.

How did the government respond to the Global Pandemic?

[\(10\) Boris Johnson announces complete UK lockdown amid coronavirus crisis - YouTube](#)

- Watch the clip and then discuss the following:
 1. Did you watch this at the time?
 2. If you did, how did it make you feel?
 3. How do you feel watching it now?
 4. Why was this government decision to introduce a national lockdown so important?
- 5. Do you think different people might react differently to watching this? (e.g. adults and children)

What did the government actually do?

- Enforced a National Lockdown, beginning on 23rd March 2020, with 2 more Lockdowns announced in November 2020 and January 2021
- Enforced the wearing of face masks in all public spaces (e.g. shops, on public transport)
- Job retention schemes - 80% of a furloughed employee's wages was paid by the government
- An employment support scheme targeted at those aged 16-24 who have been claiming Universal Credit and are at risk of long-term unemployment.
- Coronavirus Business Interruption Loan Schemes
- £750m coronavirus fund for frontline charities, including hospices and those supporting domestic abuse victims. £360 million was directly allocated by government departments to charities providing key services and supporting vulnerable people during the crisis.
- Vaccination Programme, beginning in December 2020



Discussion Point:

- How have the government been viewed by the British people during the Pandemic?
- Did they do a good job?

Lesson 4: Do we have freedom of speech?

1. What does the word freedom mean to you?
2. What freedoms do we have in Britain?
3. Come up with a **Top 5** list
4. Create a poster / collage with images that represent the **Freedom**s that we have in Britain today.
- 5.

We live in a democratic society. These are the three basic principles of democracy:

1. Freedom of speech, belief and association (joining groups) for everyone.
2. The rule of law and everyone is equal under the law.
3. The government represents the people of the country and is accountable to the people of that country.

Do we really have freedom of speech?

Does free speech exist? BBC News - YouTube

We like to think that we live in a free country where we have the right to say and do what we like.

But in reality, we can't do this. **Why?**

Some people say that we should have more freedom and less control by the authorities. Others argue that these controls keep us safe and our country strong.

What do you think? Write down your ideas.

The freedom to protest

One of the most important principles of our democracy, and an example of freedom of speech, is the right of people to disagree with the elected government and peacefully protest about the things they disagree with.

Peaceful protests allow people to come together and stand up for what they believe in. Protest can take a number of forms.

TASK: Research one peaceful protest that has taken place in Britain, and create a factfile, including:

- Date
- Location
- What the protest was about
- What form the protest took
- How many people were involved
- Whether the protest was successful or not
- Any other interesting facts

Choose one of the following issues:

- Animal cruelty
- Cyber bullying
- Eating disorders / body image for teenagers
- Gender discrimination
- Poverty in the North West of England

Explain how you would stage a peaceful protest to raise public awareness of this issue and bring about change.

You can use pictures and writing to help you.

Lesson 5: What are the political parties in the UK?

TASK: Choose one UK political party, preferably one that you don't know much about. Using the internet, research the following information and create a fact file on your chosen party:

- Name of political party:
- Leader of the party:
- Other key people in the party and their jobs:
- Party manifesto / main things that they want to do:

Find a party political broadcast from your chosen political party on YouTube to watch

Why do people join political parties?

One way of getting your views heard in a democracy is by joining or supporting a political party. A political party is an organised group of people with a leader and members. It has a particular set of views and beliefs. People join the party because they agree with what it stands for. Parties put up **candidates** at elections so that these people can be voted into positions of power. If they win the election then the party can put its ideas into practise.

TASK: Create your own political party.

You want to make this country a better place in which to live.

Choose three things that you would like to change.

Use the ideas on the next slide and try to come up with some of your own too:



Example



- Give your party a name and elect a leader.
- Complete the table.

| Our three issues | What we want to achieve (our aims) | How we can do it (our policies) |
|-------------------------------------|--|---|
| Make sure young people can get jobs | Provide more courses to give young people the skills they need to do jobs Make sure young people have the right skills Make more apprenticeships available Provide more jobs for young people | Give schools and colleges money to provide courses in job skills Set up schemes that encourage schools and colleges to work closely with employers and provide training Give grants to firms and companies to set up apprenticeships Give employers tax breaks and financial benefits if they take on young people |
| | | |
| | | |



Lesson 6: How does voting work in the UK?

General Elections

Key word - Constituency = the voters in a particular area who elect an MP to Parliament

Elections must be held every five years. The UK has 650 constituencies which vary in size but contain, on average, about 69,000 people. One MP is elected for each constituency. Any British citizen aged 18 or over can vote, unless:

You are a member of the House of Lords

You have committed certain crimes

Do you think this is fair?

[How does the General Election work? - YouTube](#)

Discussion: Who has the most power:

A) the Prime Minister?

B) the Cabinet?

C) the House of Commons?

D) the voters?

Copy and complete the sentence:

I think the _____ has the most power, because...

What voting systems are in the UK?

In the UK, the system used for parliamentary elections is called the **first past the post system**. This means that the person who wins the most votes in a constituency is elected as the MP. Some people think this is the best system because:

- It is simple to understand
- People know clearly who represents them in their area
- It usually (but not always) creates a clear winner, with one party having the majority of MPs and this leads to strong government.

Other people think that this system is unfair because the votes of those who voted for other candidates are not taken into account. They prefer a system called **proportional representation (PR)**. This is where the seats in Parliament would be shared out by all the parties according to the total vote they received in the election. This system often leads to a coalition government.

If no one party has a majority in the House of Commons, it is called a **Hung Parliament**. This means that the government has to work with other parties to run the country. Sometimes two or more parties work together to form a government - this is called a **coalition government**.

When did we last have a coalition government in the UK? What two parties was this made up of?

The two parties have to agree policies the government is going to follow.

Why might this lead to problems?

General election 2019: The voting system explained - BBC News - YouTube

Why vote?

Some people don't bother to vote in general elections. In some countries, like Australia, it is compulsory to vote - you are fined if you do not vote.

Read the following statements and decide whether you agree or not:

People in the past have fought for the right to vote and we should take our responsibility seriously. In some countries, people are not allowed to vote and have no way of changing or influencing their governments.

All the main parties are the same. It does not make any difference who wins the elections.

MPs are only out for their own personal gain, for money or for power and influence, so I won't vote for them.

I don't understand what they are going on about and I am not that interested, so I won't bother to vote.

If you don't vote, you can't complain about the government when it does things you don't like.

MPs in Parliament make laws and decisions that affect our lives in a big way. We should take part in electing these MPs.

Once MPs get elected, they don't listen to us and do what they want, so there is no point in voting.

Should 16 year olds be given the vote?

In the UK, at present, you have to be 18 to vote.

There are an increasing number of people who think that the voting age should be lowered to 16.

What do you think?

Read the following statements and then decide what your views are:




Lesson 7: What does an MP do?

All citizens of the United Kingdom, over the age of 18, are eligible for election to Parliament - unless they are, or have been, in prison, have certain kinds of mental illness or are members of the House of Lords.


YOU could be an MP when you are older!

Starter Task: Study the pictures and try to put them into the correct order.


A Anna Cassidy joins a political party. She works for the party, attending meetings, helping out at election time and raising funds.




B After the vote has ended, all the **ballot boxes** in the constituency are collected and the votes are counted. The **Returning Officer** then announces that Anna is the candidate with the most votes. She is now the MP for her constituency and will go to the House of Commons.




C A general election is called. Anna and her supporters run a **campaign**. Party volunteers canvass for her; they knock on doors asking the voters to vote for Anna. They use posters, leaflets and public meetings to set out the ideas and policies of Anna and her party.



D The day of the election arrives. The voters go to a **polling station**. They are each given a **ballot paper** with the names of the candidates on it. They take their paper to a polling booth (where no-one can see what they are writing) and put an 'X' next to the candidate they want to vote for. Then they put their ballot paper in a sealed metal box.



E Anna puts her name forward to be an MP. Along with several other people, she is interviewed by a selection committee. She is chosen to be her party's candidate at the next election.



The job of an MP is a very demanding one.

They need to have a wide range of skills and knowledge to be able to do it ...

IN the House of Commons

- Making laws
- Working on Committees (researching and discussing issues and then reporting them to the House of Commons)
- Representing the people in the constituency
- Making speeches and taking part in debates

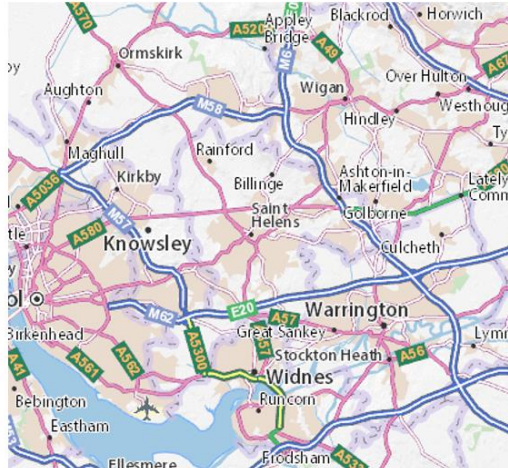
OUTSIDE the House of Commons

- Meeting constituents to discuss issues
- Visits and fact finding (schools, hospitals) to report back to Parliament
- Travelling abroad to investigate international issues (poverty, debt, women's rights)

Read each of the following categories and write down the THREE qualities that you think are the most important for an MP to have.

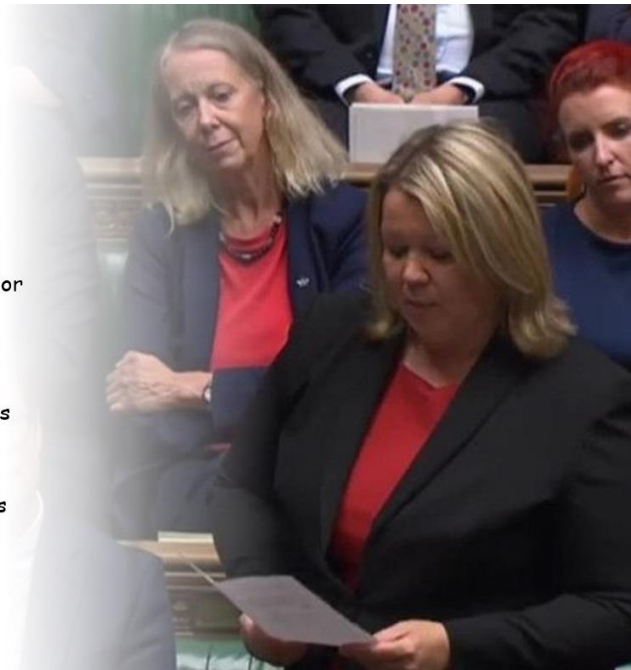
Knowledge of:

- The local area
- How to get things done in the Party
- Local issues
- National issues in the UK
- World issues
- How Parliament works



Skills:

- Speaking in public
- Being interviewed for television / radio
- Fundraising
- Negotiating
- Chairing committees
- Putting across a message
- Managing a business



Personal qualities:

- Honesty
- Straightforwardness
- Able to get on with all kinds of people
- Cheerful and amusing
- Can mix with people socially
- Able to be positive at all times
- Hard working
- Perseverance
- Dedicated



Experience:

- Has run a business or organisation
- Worked in a profession
- Worked in campaigns
- Married with children
- Lived in local area for several years
- Served as a local councillor

What your MP does all day | BBC Newsbeat - YouTube

Make a list of the jobs carried out by an MP.

Who is your MP?

If you could interview your MP today, what would you ask them?

Write down at least 5 questions that you would ask your MP.

Lesson 8: How do I stay in control of my money?

Are you a saver or a spender?

1. You have received a large amount of money for Christmas. Do you:
 - A) spend it all straight away?
 - B) spend it slowly over the next few weeks?
 - C) put aside some and some for saving?

2. There is something you really want but you don't have enough money to buy it. Do you:
 - A) borrow the money you need so you can get it right away?
 - B) get extra work (chores around the house, a part time job) to earn the money?
 - C) save up for it, even if it means waiting a while?

3. The monthly allowance of data on your phone has been used up. Do you:
 - A) just carry on using it, no matter what the extra costs?
 - B) carry on using it but cut back your use to a minimum?
 - C) stop using your phone until next month's allowance arrives?

4. You run out of money but need some to go out with friends. Do you:
 - A) borrow money from family members or friends so you can go out?
 - B) borrow a small amount and tell your friends you can only spend a limited amount of money?
 - C) say you can't afford to go out on this occasion?

5. You have borrowed money from friends. Do you:
 - A) always wait for them to ask for it back and say you'll return it when you get some spare sometime in the future?
 - B) pay it back in stages when you can?
 - C) make a point of paying it back when you say you will?

6. Do you like to:
 - A) buy things on impulse?
 - B) think carefully before you buy things and get the best deal?
 - C) make sure you can afford what you want to buy?

7. A new track from one of your favourite singers has just been released. Do you:
 - A) buy it immediately online and worry about the money later?
 - B) wait for a friend to buy it and get the tracks you want from them?
 - C) buy it from your savings?

Mostly A's

You are very free with your own and other people's money. This might lead you into financial trouble in the future.

Mostly B's

You like spending but you are careful and have a healthy attitude to money

Mostly C's

You are a saver and are cautious about spending money but you know when to spend and when to save

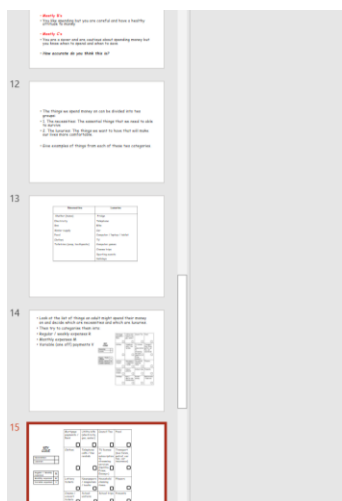
How accurate do you think this is?

The things we spend money on can be divided into two groups:

1. The necessities: The essential things that we need to be able to survive
2. The luxuries: The things we want to have that will make our lives more comfortable.

Give examples of things from each of these two categories.

| Necessities | Luxuries |
|-------------------------------|----------------------------|
| Shelter (home) | Fridge |
| Electricity | Telephone |
| Gas | Bike |
| Water supply | Car |
| Food | Computer / laptop / tablet |
| Clothes | TV |
| Toiletries (soap, toothpaste) | Computer games |
| | Cinema trips |
| | Sporting events |
| | Holidays |

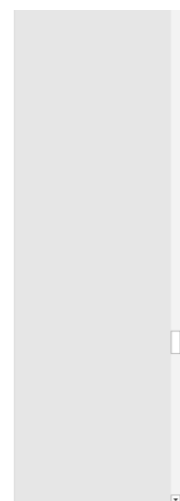


KEY CODE

| | |
|-------------|--|
| Necessities | |
| Luxuries | |

| | |
|---------------------------|---|
| Regular / Weekly expenses | R |
| Monthly expenses | M |
| Variable expenses | V |

| | | | |
|--------------------------|---|--|---|
| Mortgage payments / Rent | Utility bills (electricity, gas, water) | Council Tax | Food |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Clothes | Telephone calls / line rentals | TV license or subscription to streaming services (Netflix, Prime, Disney+) | Transport (bus fares, petrol, car tax, car insurance) |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Lottery tickets | Newspapers / magazines / books | Household cleaning items | Flowers |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Cinema / concert tickets | School uniform | School trips | Presents |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| Holidays | Gym / sports club membership | Pocket money | Restaurants / take out |
| <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |



Now do the same for your expenses.

Write down all the things that you spend money on and try to categorise them:

**KEY
CODE**

| | |
|-------------|--|
| Necessities | |
| Luxuries | |

| | |
|---------------------------|---|
| Regular / Weekly expenses | R |
| Monthly expenses | M |
| Variable expenses | V |

| | | | |
|--------------------------|--------------------------|--------------------------|--------------------------|
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Are there any luxuries that you would be prepared to give up?

Petra's Problem

Petra doesn't think she's particularly extravagant. She's got three special friends and they enjoy hanging out together. So when she's not with them, she likes to keep in touch with them and she's always either texting them or chatting to them on her mobile. They go into town together on Saturdays and Petra often can't resist buying herself something new. She likes to keep up with all the gossip about her favourite bands, so she buys a magazine too. Because she likes music, she regularly downloads new tracks onto her iPad. She enjoys dancing and goes to a dancing class. But she's always short of money, so she's thinking of giving it up, even though the dance teacher says she's one of the best in the class.

What advice would you give to Petra so that she does not have to give up her dancing class?

How can your money make you more money?

As well as cutting down on how you spend, you can also increase your income by investing your savings. You can also make money by working, or selling items you no longer want.

Read the advice, then choose one of these areas and create a poster that advises others on how to make money safely and effectively.

Invest your savings

Don't just keep the money that you are saving in a piggy bank. Pay the money into a bank or building society each week or month. Look for a savings account that will pay you a good rate of interest. That way you are less likely to dip into it if you find yourself suddenly short of cash.

Find a job

There are various jobs that a young person can do to make money. It may involve you giving up part of the weekend or getting up early. It may even be boring and repetitive. But you need to keep positive and to remind yourself that if you want something in life you must be prepared to make sacrifices and to work for it.

Among the jobs young people can do are:

- Chores for your parents, such as mowing the lawn, cleaning the car or vacuuming the carpets. It may be that you can negotiate a pocket-money rise in return for doing extra chores.
- Babysitting for relatives or neighbours.
- Helping an older person by doing jobs they find difficult, such as carrying groceries, heavy lifting or sorting out simple problems they are having with the computer.
- Taking dogs for walks or looking after pets for neighbours who may be unable to do so, because they are ill or away from home.
- A paper round or helping a stallholder at a local market or an event, such as a car boot sale.

Whatever work you do, it is important to be punctual, polite and reliable.

Sell items you no longer want

You may be able to make some money by selling items that you no longer want. You can put an advert in a local shop window, sell items on the internet, or take items such as DVDs or games to a shop that will accept them either in part-exchange or will give you cash for them.

Some tips about selling

- Only sell things that you own personally. Don't sell things that are shared by the family – unless you have the permission of your parents, brothers or sisters.
- Be careful of selling things on the internet. Make sure you only use sites that are safe and secure and that can offer protection for buyers and sellers.
- Don't sell items at school. It's usually against the school rules.
- Don't try to sell items that are damaged or don't work properly without making it clear to the buyer that they are not in perfect condition.
- Don't overprice an item. Find out what the item is worth by researching how much other people are charging for a similar item, then set a fair price that you are willing to sell the item for.
- Be prepared for the buyer to try to bargain with you. You may, therefore, want to set an asking price that is slightly higher than the price you are willing to accept.
- Make sure that the buyer pays for the item before you hand it over. If necessary, let them try it out to check it works, but make sure they don't take it away without giving you the money, even if you are selling it to a friend.
- If you are made an offer and are unsure whether or not to accept it, say you'll think it over. Then ask an adult you trust what they think you should do.

Choose one of these areas and create a poster that advises others on how to make money safely and effectively.

Lesson 9: What affects my choices about money?

Read each of the following pieces of advice and give it a mark out of ten according to how useful it is.

Top Tips

Making the most of your money

Erica Stewart explains how to make the most of your money

- ✓ Follow the 80/20 rule**

However much money you get from your parents, grandparents or other sources, always follow this rule. Only spend 80% of your weekly or monthly income on your needs and wants. Put the other 20% aside for savings. By following this rule, you'll always have the back-up of a savings account that you can dip into when you have extra expenses, such as birthday presents you need to buy or spending money that you want for holidays.
- ✓ Set yourself realistic goals**

For example, if you want to buy yourself a new mobile phone, work out how much money you will need to save and how long it will take you to save it. Be realistic: don't choose a model that is beyond your means. Work out what is affordable on your income.
- ✓ Skip going out every time you are asked**



If you really want something, be prepared to give up something so that you can save towards it. This may mean not doing something you'd really like to do. But at least you'll have the satisfaction of knowing that you are making a real effort to increase your savings.
- ✓ Do a deal**

If you show that you are really making an effort to save money yourself, you may be able to do a deal with your parents or some other close relative. Perhaps you have a birthday coming up and they will agree to pay half the cost if you save up the other half.
- ✓ Research before you buy**

Make sure you are getting the best value for your money, especially if you are buying a big item. Find out all you can from reviews in magazines or on websites about the quality of what you are buying and the reputation of the manufacturer. Talk to people who are knowledgeable about the product and who you can trust to give you an honest opinion.

Go into different stores and check online to compare prices. See where you can get the best deal. Comparison shopping can often result in big savings. You may also be able to take advantage of special offers, store coupons or vouchers.
- ✓ Take care of what you buy**

Look after your gadgets, especially if they are expensive. You don't want to have to pay for the same item twice. Also, if at some time in the future you want to upgrade to a newer model, then you will get a better price for an item that is in good condition than if you had not looked after it.



✓ Avoid impulse buying

Whenever you go shopping, have a clear idea of what you plan to buy. If you are going shopping to help a friend choose a new item of clothing, don't be tempted into buying something for yourself when you hadn't planned to do so.



✓ Set yourself a spending limit

If you are planning to buy something for yourself, set a spending limit before you go out and stick to it. Don't be tempted to go over your limit or to buy something else that you see instead which costs more.

✓ Keep tabs on your spending

Keeping a check on what you are spending is important. It needn't be time-consuming or complicated. Simply, keep a notebook and write down everything you buy each week. Set aside a regular time for doing it each week, so that it becomes a habit. By looking at the pattern of your spending, you can then make changes, for example, if you discover you are spending too much on snacks and magazines.

✓ Don't lend money that you can't afford to lose

When a friend asks you to pay for them to do something or to borrow money from you, think carefully before you agree. Are they always short of money? Will they be able to pay you back? Can you do without the amount of money they want? Never lend money that you can't afford to lose – even to your closest friend.

✓ Don't borrow money that you can't afford to pay back

Think carefully before you borrow money. Will it create a problem for you in the future? Will you be able to pay it back? Would it not be better to wait until you had saved up the amount yourself? When you borrow money, you are agreeing to give away part of your future income. Don't borrow money that you can't afford to pay back.



✓ Don't rely on your parents to help you out

You aren't being fair to your parents or yourself if you rely on them for handouts when you have overspent. Good money management skills are essential if you are going to get the most out of your money.

How does the government affect my choices about money?

It's easy to think of the economy as a big complicated mess that only people in suits should know about.

But it's actually not that bad...

...and it most definitely affects **you**.

So what is it?

Simply put, the economy is all about **buying and selling**.

It is made up of people and organisations trading goods and services for money.

You are a part of the economy. Every time you buy something, you are a part of the economy. When you get a job and earn money, you are a part of the economy.

Why should YOU have a job?

1. Earning money means that you have some to spend - this gives you *freedom and control* over your life.
2. When you spend money, the people and businesses that receive it, use it to pay wages to others.
3. You will also be able to pay taxes, which helps the government to help everyone (more on this in a bit).
4. When you save money, banks can lend it to people and to businesses.
5. Finally, one of the first things strangers ask when they meet is "what do you do for a living?" Being able to give an answer like mechanic, hairdresser, or doctor, gives you a clear purpose in life and is good for your self esteem.

Discuss with your classmates the types of jobs that you hope to have in the future.



What taxes do you have to pay?

Nobody likes having their hard earned money taken away from them as **tax** - and that is often what it feels like.

But really, you should see your tax money again, because it is supposed to be spent on public services, like the NHS and the police force.

The government essentially raises money to pay for public services through taxes.

What taxes will you have to pay?

Direct tax

This is charge directly out of your income:

1. **Income tax and National Insurance** are deducted from your salary and interest on savings.

The more you earn, the more you pay.

2. **Inheritance tax** is collected from part of the amount of money left to someone in a will (if it is worth more than £325,000).

3. **Capital gains tax** is collected from your profit when you sell things like buildings, land or company shares.

4. **Corporation tax** is collected from the profits of businesses.

Indirect tax

This is charged on things that you buy:

1. **VAT** (Value Added Tax) is added to the price of many goods and services. At present, the standard rate of VAT is 20%.
2. **Excise duty** is an extra tax on the price of alcohol, tobacco, petrol and diesel (to try to discourage people from buying them).
3. **Road tax** is an excise duty for using public roads - people driving low CO2 emission cars are not charged.

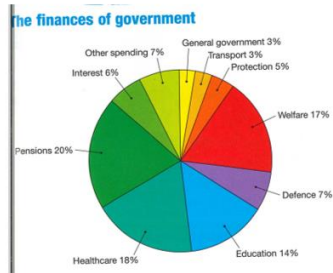
Complete the table in your books:

- VAT
- Income tax and National Insurance
- Inheritance tax
- Excise duty
- Capital gains tax
- Road tax
- Corporation tax

| Direct Tax | Indirect Tax |
|------------|--------------|
| | |

Why do we have to pay taxes?

- The government spends taxes on providing important services so that they are available to everyone.
- Write down some examples of the public services provided and then discuss them as a class.



Local governments (town and county councils) collect council tax.

The more your home is worth, the more tax you pay.

Council tax is spent on your local services.

TASK: Give examples.

How does the government decide how to spend taxes?

The government tries to make taxation and spending as fair as possible for everyone.

But it is a tricky task - there is only so much money to go round and you can't please everyone.

For example, some people think that we should spend more money on better equipment for the army, to save soldiers' lives. But other people think that this money should be spent on healthcare, instead of fighting wars in other parts of the world.

Write down your views on what tax money should be spent on.

You need a balance between taxing people and business, a fair amount that they can afford, and providing high quality public services.

The government selects a **Chancellor of the Exchequer** to make the difficult decisions about tax rates and spending plans.

The Chancellor decides how the money from taxes will be divided up between things like health, education, defence and welfare.

Who is the current Chancellor of the Exchequer?

If the government wants to increase spending in one area, for example education, then more money needs to be raised - either by raising taxes or by cutting public spending in another area, such as health.

Money could also be borrowed, although interest has to be paid on this, which usually leads to increasing taxes in the future.

If you could speak to the Chancellor of the Exchequer what would you tell him to:

A) reduce spending on?

B) increase spending on?

Write down your ideas.