Key Stage 2: Age 7-11

GETTING THE SAVINGS HABIT



THE FAMILY BUILDING SOCIETY

Why is it important to get into the savings habit?

Getting children to think about their own and family spending can get them to appreciate where money goes and to think about different spending choices, and that includes saving for a purpose. This could help them to make better money choices in the future. Linking these ideas to practical activities at home makes the learning come alive for your children.



NEEDS AND WANTS

A great way to help your child learn is to have conversations as a family. This will give them the opportunity to ask questions about wants and needs, why people might save and how they can save. It will help them to make better spending decisions or decide not to spend at all – but to wait and save for something they really want.

Remember - you probably aren't experts in financial education, but these activities will encourage attitudes, knowledge, and skills development along with the work that schools are doing.

Here are some questions to ask your child to get the conversation started:

- Do you know the difference between something we need and something we want?
- Can you give an example of each?
- Do we all want and need the same things? Think about others in your family – parents, grandparents, brothers and sisters.

What will your child learn?

These challenges will help your child to:

- Understand that their own needs and wants may be different from other peoples
- Know they have choices about spending and saving
- Stick to a savings plan to achieve a goal.

Did you know?

We all have different needs and wants depending on who we are and where we live in the world. What we want when we're younger may be different to when we're older. We all have different likes and dislikes too!

There are some things that we agree that we all need and they are:

Shelter - that's somewhere to live

Clothes to wear

Warmth, clean water and food

It's important to understand that sometimes you won't be able to have everything you want!



2 talking about saving

Talking about saving will help your child to adopt good habits early on. It will help them to identify the things that matter most to them and help them achieve their goals.

Help your child to learn about the importance of money by talking to them about how we can look after it and make it grow. Ask your child:

- Why do you think people save money as well as spend it?
- Make a list of all the money you have, e.g. money in your piggy bank or a building society account.
- Do you save any of your money? What do you save it for?
- Where do you save your money?
- How many places can you think of where you could save your money?

? Did you know?

There are many reasons people choose to save, from short term goals such as Christmas presents or days out, to longer term goals such as a new house.

It's always a good idea to have some money set aside for an emergency.

3 MY SAVINGS CHALLENGE

Setting a savings goal with your child is a good opportunity to introduce ideas around keeping money safe and planning for the future.

If you give your child pocket money or an allowance you can help them to set a savings goal for something they really want or need.

If they don't yet have any money of their own, you can do the challenge on the next page and save as a family.

Ask your child to think about these things to help them save and reach their goal:

- How much does it cost? That is how much you need to save.
- How much money do you get each week / month?

- How much of your money can you save each week / month?

If you can answer these questions you can then work out how long it might it take to save for it.

Use our Savings Goal chart to help set your goal and track your savings.

Could you earn more to save more? What about some extra chores around the house so you get more money and can get to your savings goal sooner. Stuff others buy for me – Cost?

MY SAVINGS

GOAL

Total Cos

Dat

Stuff I buy with my money - Cost

> Celour in your chart as you save to track your progress. To work out 10% of your savings goal, divide the total cost by 10. Times this number by 2 for 20%, times is by 3 for 30% and so on. Ask an adult for epif fyour excel

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70%

60%

40%

20%

Get creative !

To help you stick to your savings goal it's a great idea to find a picture of the thing you're saving for. You can use it as a screen saver or cut it out and stick it on the fridge! This will help you to focus on your savings goal. You could put your Savings Goal chart next to your picture to record how well you're doing to reach your savings goal.

Saving is interesting !

If you already save in a bank or building society, they will give you a bit more as a reward so your money will grow faster. This is called interest on your savings.



Family Savings



BONUS CHALLENGE! SET A FAMILY SAVINGS GOAL

As well as their own savings goals, is there something you could save for as a family such as a pet or a day out? It should be something you will all benefit from.

Use our Savings Goal chart to help set your goal and track your savings, or create one of your own.

Some key questions to consider:

- Do you think it's a good idea to save for something?
- How can you achieve your family savings goal?
- What can you each do to contribute to this?
- Could you add some of your pocket money to the communal savings pot?

Get creative:

Draw a picture or create a collage of all the things that will be part of achieving your savings goal, (you can draw or use a laptop or tablet). If it's a pet, then you could think about what kind of pet you all want and what things you will need to buy to look after it such as food, toys, a lead and insurance.

Budgeting is an important skill to keep control of our spending.

Our guide '**Budgeting basics**' will help your child to learn to keep track of their money, plan a basic budget and prioritise their spending.

Available to download from familybuildingsociety.co.uk/children-and-money



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Notes



CHECK IT OUT

There's a lot of 'jargon' around saving. Get to grips with it here:

Need – something that you cannot live without. These are essential things like food, clothes and somewhere to live. You need these things to survive.

Want - something that can make you happy but you could live without, such as a games console or ice-cream. You many want it but you don't necessarily need it!

Save – putting money aside for the future. You could save money in a piggy-bank, bank or building society account.

Spend – using money to buy things.

Savings goal – a target of how much you need to save for something. You might also include a date of when you want to save up by.

Budgeting – planning how much money will be spent and earned in a set time period.

Savings interest – interest is the reward for saving. If you put money in a savings account, you'll get paid extra money on top, known as 'interest'.

Bills – a statement showing how much money you owe for a product or service. You family will receive household bills for things like gas, electricity and water.

Cost / price – how much you need to pay for something.



Get to grips with it

MY SAVINGS GOAL

I'm saving for: _____ Why: _____

Total Cost: _____

Date	Amount	Total saved	
			120

100%	f
90%	£
80%	£
80% 70%	£
	£
60%	£
50%	
40%	£
30%	£
20%	£
10%	£

Colour in your chart as you save to track your progress.

To work out 10% of your savings goal, divide the total cost by 10.

Times this number by 2 for 20%, times it by 3 for 30% and so on. Ask an adult for help if you're stuck!