

Financial literacy

Unit delivery and assessment pack



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Contents

This unit delivery and assessment pack provides teachers with the information they need to deliver this unit.

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The UK Government has announced plans to restrict social media use by children under 16, which may impact some of our qualifications. We will keep our qualifications under review and make any necessary updates as further details become available

Unit overview

Title	Financial literacy
Suite	Skills for Life
Unit Codes	S612E1 S612E2 S612E3 S612L1 S612L2
GLH	20
Unit Aim	Develop learners' financial responsibility by equipping them with practical skills for managing their money effectively, including essential practices such as budgeting, saving and investing.
Unit Summary	This unit introduces learners to the key principles of managing personal finances responsibly. It aims to build confidence and practical skills in handling money, budgeting effectively, saving regularly, and making informed financial choices. Learners will explore how financial decisions affect their daily lives and future wellbeing, developing habits that promote financial independence and responsibility. At Entry Level, learners focus on developing basic money management awareness and simple practical skills. They learn what money is used for, how to recognise income and expenses, and how to plan a simple budget. Learners also explore why saving is important and how to make sensible spending choices to avoid financial difficulties. The emphasis is on understanding everyday financial situations and building the confidence to make informed, responsible decisions. At Levels 1 and 2, learners build on these foundations by developing more advanced financial understanding and analytical skills. They learn to prepare and manage realistic budgets, assess different saving and investment options, and make informed decisions about spending and borrowing. Learners at this level also consider how financial management impacts personal wellbeing and future security, applying their knowledge to real-life financial planning and problem-solving.
Curriculum for Wales	Areas of learning and experience: The Financial literacy unit primarily supports the Mathematics and numeracy Area of Learning and Experience by enabling learners to apply number skills in real-life financial contexts, such as budgeting, saving, and calculating income and expenditure. It also links closely with the Humanities AoLE, where learners consider how financial choices affect individuals, communities, and the wider economy. It contributes to the Humanities statement of what matters: <i>Human societies are complex and diverse, and shaped by human actions and beliefs</i>. Additionally, the unit contributes to the Health and well-being AoLE by promoting responsible decision-making, reducing financial stress, and encouraging positive attitudes towards money management and planning for the future. It contributes towards the Health and well-being statement of

what matters: *Our decision-making impacts on the quality of our lives and the lives of others and Healthy relationships are fundamental to our well-being.*

Integral and cross-curricular skills: This unit develops all four Integral Skills within the Curriculum for Wales. Creativity and innovation: Learners find practical and creative solutions to financial challenges, such as identifying ways to save or manage limited resources. Critical thinking and problem-solving: They analyse spending choices, assess risks and benefits of saving or borrowing, and make informed financial decisions. Personal effectiveness: The unit encourages learners to set personal financial goals, manage resources responsibly, and reflect on their financial behaviours. Planning and organising: Learners use these skills to construct, monitor, and adjust budgets and financial plans in response to changing circumstances. The unit also supports cross-curricular skills in Literacy, Numeracy, and Digital competence. Learners use numeracy to manage calculations, literacy to interpret financial information and communicate ideas clearly, and digital competence to explore online banking, budgeting tools, and secure money management.

Cross-cutting themes: The Financial literacy unit contributes to the Curriculum for Wales' cross-cutting themes of Careers and work-related experiences (CWRE), Human rights, and Local, national and international contexts. Learners explore how personal financial decisions impact their lives and future opportunities, supporting their understanding of money in relation to employment, income, and financial planning. The unit promotes awareness of human rights, including access to fair financial services and the importance of making informed and responsible choices. In addition, learners consider financial decision-making within local, national and international contexts, developing an understanding of how wider economic factors can influence personal finances and well-being.

Entry Level Learning Outcomes and Assessment Criteria

Learning Outcomes (the learner will)	Assessment Criteria (the learner can)		
	Entry 1	Entry 2	Entry 3
LO1 Know the importance of managing money responsibly	E1 1.1 Show what money is used for. E1 1.2 Point out simple ways of keeping money safe.	E2 1.1 State why it is important to keep track of spending money. E2 1.2 Recognise how managing money helps meet personal needs.	E3 1.1 Give a description of how managing money responsibly is important. E3 1.2 Suggest simple ways to manage money responsibly.
LO2 Understand the importance of saving and ways to save money	E1 2.1 Show reasons why people save money. E1 2.2 Show simple ways to save.	E2 2.1 Select examples of saving methods. E2 2.2 State how saving regularly can help in the future.	E3 2.1 State why saving is important for achieving goals. E3 2.2 Suggest safe and practical ways to save money.
LO3 Be aware of how to make sensible spending choices	E1 3.1 Point out what people need to spend money on. E1 3.2 Point out what people want to spend money on.	E2 3.1 Recognise simple ways to make good spending decisions. E2 3.2 Recognise why it is important to avoid spending more than they can afford.	E3 3.1 Suggest how to spend money wisely and avoid debt. E3 3.2 Give a description of what to do if having difficulty paying bills.
LO4 Be able to plan how to manage money	E1 4.1 Show what money comes in and what is spent.	E2 4.1 Recognise basic information on a simple personal budget. E2 4.2 Recognise ways to reduce spending when needed.	E3 4.1 Use a simple personal budget containing basic information. E3 4.2 State whether spending is within budget and if any changes are needed.

If not specified, then a plural reference within assessment criterion refers to a minimum of two.

Level 1 and Level 2 Learning Outcomes and Assessment Criteria

Learning Outcomes (the learner will)	Assessment Criteria (the learner can)	
	Level 1	Level 2
LO1 Understand the importance of managing money responsibly and its effect on wellbeing	L1 1.1 Explain how managing money responsibly supports financial stability and wellbeing. L1 1.2 Describe the consequences of poor money management.	L2 1.1 Explain how managing money responsibly affects personal wellbeing and future opportunities. L2 1.2 Evaluate the impact of poor financial decisions on long-term financial health.
LO2 Understand the principles of saving and investing	L1 2.1 Describe different ways to save and invest money. L1 2.2 Identify the benefits and risks of saving and investment options.	L2 2.1 Compare saving and investment products in terms of risks, returns, and accessibility. L2 2.2 Evaluate how saving and investing contribute to achieving financial goals.
LO3 Be able to make sensible choices about spending and borrowing	L1 3.1 Explain how to make sensible choices about spending, based on needs, wants, and priorities. L1 3.2 Identify responsible ways to borrow and repay money.	L2 3.1 Evaluate different borrowing options and their implications. L2 3.2 Give sensible advice about spending and borrowing money.
LO4 Be able to prepare and manage a realistic personal budget	L1 4.1 Present a simple budget showing income, expenses, and balance. L1 4.2 Review the budget to reflect suggested changes in circumstances.	L2 4.1 Monitor a detailed budget using realistic data. L2 4.2 Analyse the budget and suggest improvements for financial stability.

If not specified, then a plural reference within assessment criterion refers to a minimum of two.

Delivery guidance

Planning courses

Each unit in the Skills for Life and Work suite is awarded individually. When planning courses, teachers should consider the potential qualification outcomes for individual learners.

Closely related units that might be delivered alongside Financial literacy include Home management and maintenance, Online safety, Personal development planning and Business finance. These units complement each other by helping learners apply money management skills in practical, personal, and professional contexts. They enhance understanding of budgeting, financial planning, and responsible decision-making in areas such as home management, online security, personal growth, and business finance.

There may also be links to other WJEC qualifications including GCSE Mathematics and Numeracy, GCSE Business, and Economics AS/A Level.

For full details of the Skills for Life and Work units and qualifications please refer to the qualification specification.

Amplification of learning outcomes

The amplification of the learning outcomes provided below should support teachers in developing content for delivery. Teachers can develop and tailor content as appropriate to their learners, whilst ensuring that the learners are provided with knowledge, understanding and the opportunity to develop and apply the skills needed to meet the learning outcomes and assessment criteria. Content should be considered in the context of

- the level the learner is working at
- providing opportunities for progression
- centre facilities and resources
- local, national and international contexts as appropriate.

Teachers may find it helpful to refer to the level descriptors within the qualification specification.

Learning outcome	Amplification
L01	• Money: used for paying bills, buying food and clothes • Spending: plan and keep track of spending, use a purse/wallet, bank account • Managing money responsibly: keep money in a safe place (such as bank or building society), save a little money regularly. For Level 1 and 2 learners: • managing money responsibly: security, independence, and wellbeing • personal finances: planning, prioritising, and record-keeping

	poor money management/decisions: resulting in stress and anxiety, debt, link with housing and employment.
LO2	- Saving reasons: for emergencies, future purchases, holidays – using wages, benefits, pocket money. - Ways to save/saving methods: piggy bank, savings jar, bank or building society accounts, credit unions. For Level 1 and 2 learners: - saving and investing: accounts, building societies, government saving products, shares or stocks, pension plan, workplace scheme - benefits: keeping money safe, easy access to money - risks: temptation to spend with easy access, lower interest rates in some savings accounts, risk of losing investments, lack of easy access with some investments.
LO3	- Needs: housing costs, food and water, electricity, gas and heating, basic clothing. - Wants: takeaways, new gadgets, fashion, trips, entertainment, treats. - Good spending decisions/spending wisely: making a shopping list, comparing prices, think before you buy, looking for discounts. - Difficulties: contact service provider, seek advice from Citizens Advice, prioritise spending, avoiding debt. For Level 1 and 2 learners: - sensible choices: think about needs first, decide what you really want, think about priorities, make a plan or budget, avoid impulse buying, review regularly - responsible ways: borrow only what you can afford, understand the terms, use trusted lenders, make a repayment plan and repay on time, keep track of what you owe, avoid borrowing for non-essential items, ask for help and advice if necessary - borrowing options: bank or credit union loan, credit card, overdraft, payday loan, family or friends - understanding interest, returns, and the effect of time on savings and investments - comparing options for accessibility, risk, and reward - recognising how inflation and interest rates affect savings and investments - different borrowing options: credit cards, loans - spending advice: pay for needs first, plan spending, compare prices, avoid impulse purchases, keep track of spending - borrowing advice: borrow only what you can afford to repay, check the terms, use trusted lenders, repay on time, avoid borrowing for things you don't need.

LO4**Simple personal budget:**

- Income: the money you receive, such as wages, benefits, pocket money
- Expenses: the money you spend:
 - essential spending (needs) like rent, food, bills and transport
 - non-essential spending (wants) like treats, hobbies or entertainment
- Balance: income and expenses, showing if you have money left over or if you are spending too much.

Reducing spending:

- check your budget and see where money is being spent
- cut back on non-essential items
- compare prices and shop for discounts
- plan meals and shopping to reduce unnecessary spending.

For Level 1 and 2 learners:**Review/analyse budget:**

- check if income has changed (for example, new job, fewer hours).
- look at spending and see what can be reduced, thinking of needs, wants, and priorities when making spending decisions
- compare income and expenses, adjusting the budget as required
- find ways to save – cut non-essential costs
- plan ahead – set aside a small amount for unexpected bills or emergencies
- review regularly – check your budget regularly to stay in control.

Suggested activities

This section gives some suggested activities to support teaching and learning in a vocational context consistent with the philosophy and intent of the unit and associated qualifications. Useful resources and possible contacts that could be made in the delivery of the learning are also signposted.

The following activities would be suitable for use with Entry Level learners:

- role-play everyday money situations such as shopping, paying bills, or using public transport to practise handling and budgeting money
- create a simple weekly budget using pictures, symbols, or basic figures to plan spending on essentials like food, travel, and leisure
- compare prices of common items using supermarket flyers or online listings to identify cheaper options and practise wise spending
- discuss needs versus wants using everyday examples (such as food vs. new clothes) to support decision-making skills

- use sorting or matching activities to identify sources of income and types of expenses (such as wages, rent, phone bills), also sort pictures showing safe and unsafe ways of keeping money (wallet or purse, loose in pocket), match pictures of items (such as food, bus ticket, clothes) with appropriate coins/notes, and match personal needs (for example, food, clothes, rent) to how money helps meet them
- explore saving options through simple demonstrations of how small regular savings can grow over time (such as using a jar or spreadsheet). Choose between two items and identify which item helps them save money
- visit a local bank or invite a guest speaker to discuss how to open and use a basic bank account safely
- create a simple financial goals poster showing something learners want to save for and how they might achieve it.

The following activities would be suitable for use with Level 1 and 2 learners:

- research and present examples of emerging jobs or industries, using online resources or employer websites
- analyse a short article or video about automation, AI, or green technologies and discuss its impact on employment
- work in small groups to design a 'future job' – outlining what the job involves, skills needed, and possible training routes
- compare local and national labour market information (LMI) to identify growing and declining sectors
- create a digital presentation or infographic showing how personal skills match future work trends, or create a timeline showing how positive money habits opens future opportunities (such as education, travel, housing)
- interview a local employer, careers adviser, or apprentice about how their sector is changing
- develop a simple career action plan that includes learning goals, training opportunities, and employability targets
- watch a financial education video clip and list the positive or negative consequences shown
- match examples of poor management (such as missing payments, overspending, ignoring bills) to realistic outcomes
- reflect in a short written or recorded journal on how understanding the future of work influences personal career choices.

Sources of evidence

This unit is centre assessed and externally quality assured by WJEC. Assessment must be accessible, using clear language and reflecting the learner's level. Learners should demonstrate knowledge and skills through realistic activities such as role-play, case studies, or projects. While evidence may be verbal, written, practical, or visual, extended written work is not required unless appropriate. Each unit must be assessed independently, even if tasks cover multiple criteria. Assessor judgements should focus on meeting the standard, not spelling or presentation unless specifically assessed. Full assessment guidance is available in the qualification specification.

Possible sources of evidence may include:

- completed personal budget worksheets showing income, expenditure, and balance
- annotated case studies or written reflections on examples of good and poor financial management
- price comparison charts or tables created during shopping or research activities
- savings plan or goal posters showing targets, steps, and progress

- role-play observation notes or video recordings of learners handling money in everyday scenarios
- digital spreadsheet records demonstrating tracked income, expenditure, or savings over time
- banking or financial account statements (real or simulated) used for practical exercises
- written or oral reports on research into saving, investing, or borrowing options
- questionnaires or quizzes testing understanding of money management principles
- reflective journals or learning logs documenting decisions, challenges, and learning outcomes
- completed worksheets or worksheets with matching/sorting activities identifying needs, wants, income, and expenses
- presentations or posters summarising ethical spending, sustainability, or financial decision-making projects.

Experiences

To provide a real-world context you could do the following:

- learners can visit or tour a bank or credit union to see how accounts, savings, and financial services operate in practice. They can speak with staff about opening accounts, managing money safely, and the basics of interest and borrowing. This experience helps learners connect classroom learning to real-life financial decision-making and builds confidence in using financial institutions.
- learners can plan and carry out a small shopping activity with a set budget, comparing prices, making choices between needs and wants, and recording spending. This hands-on experience reinforces budgeting, cost comparison, and practical money management skills. Reflecting on their choices afterwards encourages discussion about wise spending and avoiding overspending.
- learners can observe or participate in aspects of financial management in a workplace, such as understanding payslips, deductions, and managing wages. This allows them to see the link between employment, income, and personal budgeting in a real vocational context. It helps learners understand financial responsibility in the context of work, reinforcing planning, saving, and responsible spending.

Resources and organisations

Resources required for delivery

This unit has been designed to be delivered using standard classroom environments, supported by access to appropriate practical spaces when demonstrations are required and commonly available resources.

Resources available to support delivery

MaPS – Money and Pensions Service

Website: www.moneyhelper.org.uk

Support & Resources:

- Free, plain-English guides on budgeting, borrowing, saving, and managing debt
- Budget Planner Tool and Savings Calculator
- Lesson materials aligned with UK financial education outcomes
- Guide for young adults to support themselves financially: [Supporting-yourself-financially-a-guide-for-young-adults-aged-16-to-24](http://www.moneyhelper.org.uk/supporting-yourself-financially-a-guide-for-young-adults-aged-16-to-24)

	Guidance for teachers: Financial education supporting material for schools in Wales Money and Pensions Service
Young Enterprise	Website: https://www.young-enterprise.org.uk/what-we-do/our-programmes Support & Resources: - Curriculum-mapped lesson plans for learners - Free resources like 'My Money Week' toolkits and scenario-based activities. - Professional development for educators - Welsh-medium resources available
National Numeracy	Website: www.nationalnumeracy.org.uk Support & Resources: - Focused support on numeracy skills related to money (such as percentages, interest rates). "Essentials of Numeracy" – a free toolkit ideal for low-level maths learners. - Confidence-building tools for those struggling with maths and finance.
Citizens Advice	Website: www.citizensadvice.org.uk Support & Resources: - Up-to-date information about borrowing, consumer rights, debt support, and scams. - Real-life case studies useful for assessment scenarios. - Community outreach and financial capability workshops (in some local areas).
Open University	Website: www.open.edu/openlearn Support & Resources: - Free courses such as "Everyday Maths" and "Managing My Money". - Video explainers and downloadable guides on financial topics. - Ideal for independent learning or blended classroom use.
Islamic Finance Council UK	Website: www.ukifc.com Support & Resources: - Information and resources on Sharia-compliant financial services. - Guidance for inclusive teaching of borrowing and saving. - Useful for exploring cultural and ethical dimensions of financial literacy
Money Saving Expert (Martin Lewis)	Website: www.moneysavingexpert.com Support & Resources: - Real-world comparisons, financial news, and discount tracking. - Free student finance guides and downloadable budget spreadsheets. - Engaging and current content for discussing value for money and real-world decision making

Credit Unions (Local or National)	Example: Wales Co-operative Centre or your local credit union Support & Resources: • Visits or talks about ethical borrowing and saving. • Examples of budgeting and low-interest loan options. Community-based case studies
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Resources required for assessment

Assessment of this unit should not require any specific resources.

References to third-party materials and links to external websites in this document are provided for convenience and informational purposes only.

We select and review these resources at the time of publication to support teaching and learning; however, their inclusion does not imply endorsement or guarantee of the organisations, content or opinions expressed.

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