

The Value of Money exercise

To help young people think about the value of money and how to budget can help to prepare them for independence, whether that is moving out or going to university.

Below are some activities you can do with your child to help them to think about the value of money along with opportunities to get them to think about saving for something or putting their money to the best use.

Activity 1



This activity looks at shopping for the family on a weekly budget. You can get them to do all in the same activity or add tasks in step by step.

Step 1.

Your parents have gone away and left you in charge for the week. You have £75 to get the weekly shop for yourself and any other siblings.

Write a list of what you need to get for the week and total up how much it will cost.

NB – Ensure your child thinks about drinks, breakfast, lunch and dinner. Get them to plan meals and think of how many meals they will need for the week.

Once they are done chat through their choices, have they covered all meals? Do they have enough to drink?

When we carried out these activities with young people, they all went for convenience foods but didn't think about needing milk for their cereal for example.

Step 2.

In order to cook they will need additional items. For example; if they have chosen chips have they thought about sauces? Do they have olive oil to fry their food in? Do they have gravy/spices/herbs?

Step 3.

Have they thought about other items they may need such as washing up liquid/dishwasher tablets/washing powder/tissues etc

Are any toiletries included such as shower gel, toothpaste, shampoo, sanitary products, deodorant etc

Activity 2



Provide them with £1,000 a month and get them to think of all the steps above.

Include bills, ask them what bills they need to think about and how much these might cost.

NB – if they need some help you could provide them with a list looking at rent, electricity, water and other utilities which may apply such as TCV Licence,

Then add in food costs, mobile phone, broadband, cost of traveling to Uni/work, birthday pressies for family.

Then add in cost of socialising/going out/clothes/hairdressers/beauty etc

NB – If they have a car or bike then factor in the running costs for this, along with any maintenance costs.

Conversation topics

- Chat to them about their findings. Are they surprised at their findings? Has it made them think about spending money on gambling activities or microtransactions?
- Discuss why setting spending limits can help them keep to budget and why this is important when they need to allow for bills etc
- Discuss credit options such as loans, credit cards, overdrafts and how this needs to be paid back, often with interest. Look at how getting into debt can cause issues such as trying to pay for a car or house later on along with the effect of getting into trouble with loans and ending up with CCJ's.