



LESSON 1 OUTLINE

Lesson 1 Paying for Pride Place

You will need:

- Pride Place interactive click and explore map
- **RESOURCES 1.1 – 1.3**
Payslip / deductions factsheet
- **RESOURCE 1.4**
Payslip Quick Quiz
- **RESOURCE 1.5**
Paying for Communities Factsheet
- **RESOURCE 1.6**
Paying for Communities Inventory

Lesson Outcomes

Children explore the terms used on a payslip and understand what they mean. They will explore the map of Pride Place and find out how services are paid for, focusing on the deductions made on the payslip. They will know the main types of taxes that allow us to spread the cost for our communities.

The Activity

- Using the payslip / deductions factsheet children explore the terms used and understand what they mean.
- Distribute the Payslip Quick Quiz (or read out questions and children answer in quiz teams) to test their memory on the factsheet.
- Working as a class with the interactive whiteboard, or at individual computers ask the children to explore the clicks within the map to find information about how things are paid for.
- Ask the children to explore the Pride Place interactive click and explore map, clicking on the stars to explore how the different deductions pay for services and the amenities we share in the community. Alternatively they can use the offline Paying for Communities Factsheet to help them find the different things.
- Ask them to complete the Paying for Communities Inventory, ticking the box next to the item sheet each time they find it on the website (or the factsheet). Ask them to explore further and find out how the item is paid for (Local Government, through council tax or Central Government through income tax and other taxes) and to tick the box on the inventory.
- Discuss with the class what new or unexpected things they have learned about the community.

NB: This lesson acts as part of a pair with lesson 2 'Paying Together'

Working Together: Activities to Explore at Home

Ask children to take the Paying for Communities Inventory sheet home and ask them to test their family on their knowledge now that they are experts.

If appropriate ask them to explore the online map activity on www.valuesmoneyandme.co.uk



FACTSHEET: PAYSHEET DEDUCTIONS

PAY ADVICE IMPORTANT: Please retain your payslip for future reference

Name: Debbie Clayton Period Ending: 18/04/2010
 ID Number: D1234567 Payment Due Date: 23/04/2010
 Location: SuperCo Pride Place Tax week: 04
 Department: Checkouts

Payments	Units	Value	Deductions	Value	Year To Date	Value
Basic Hours	87.75	537.03	Income Tax NI	21.00 18.08	Taxable Pay	604.35
Holiday	11.00	67.32				Tax
					NI	18.08
TOTAL PAYMENTS (Gross Pay)		604.35	TOTAL DEDUCTIONS	39.08	NET PAY	565.27

Deduction means an amount that is taken away from a larger amount of money.

Gross Pay (Income)

The total amount you are paid (what you actually earned) before any deductions are taken from your wages.

Net Pay (Income)

The total amount you are paid after any deductions are taken from your wages – this is what is in your pay packet.

Additional Payments

Money you get paid into your wages for your expenses, such as some paid holiday time (not the holiday) work travel and lunches.

Income tax

Money that is deducted from your wages. This money goes to the Government to pay for Public Services such as Education, Health and Social Security.

National Insurance

Money that is deducted from your wages. This money goes to the Government to pay for your State Pension when you reach retirement age.

Pension Scheme

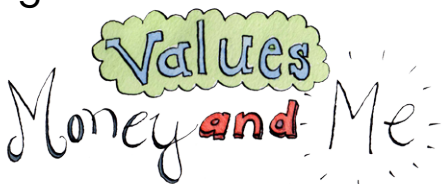
The company you work for deducts money from your wages to pay back to you when you retire as an extra pension.

Other deductions

Money is deducted from your wages for payments you choose to make. These payments can be for things like Union Fees (organisations that help to make things fair for workers) and charity donations.

Council Tax

This money is paid separately straight to the local council. It varies in cost depending on where you live. It is used to pay for local things like roads, police and fire services, street cleaning and pavements and dustbin and rubbish services. Some people have it taken directly from their wages.



What is Credit?

A loan, also called credit, is money lent to you by a bank or another lender. You always have to pay the money back. Credit can also take the form of goods or services that you receive now and pay for later, such as gas and electricity. The lender will usually ask you to pay the money back, plus interest, by an agreed date. This can be by instalments or regular payments. Because the lender charges interest on the amount you borrow, the amount you repay will always be higher. Some lenders charge very high levels of interest.

What is Interest?

You will usually have to pay back an additional amount, called interest, which is usually a percentage of what you borrowed. For example, if the interest charge is 10% then you pay back £1.10 for every £1 you borrowed.

This means you will pay back more than you borrowed in the first place.

You should make sure that anything you buy on credit will last longer than the repayments. A three-year loan might be a sensible way to buy a car, but it would not be a good way to pay for a holiday.

You have to pay back a loan for an item even if it wears out or breaks before you have finished paying back the instalments.

Credit Reference Agencies

Information about any credit you take out and how you manage it is registered centrally with companies called credit reference agencies. This allows banks and lenders to check your credit history before agreeing to give you more credit.

Fraud

Some people deliberately mislead a lender to try to get credit they shouldn't have. This is called fraud and can have serious consequences because it is against the law.

What is Debt?

If you owe money on credit, this is called being in debt.

If you have more debt than you can afford – perhaps because you've lost your job – this is often called bad debt. Several organisations offer free help to people in bad debt.

Further information for parents:
www.moneymadeclear.org.uk/hubs/home_cardsloans.html



PAYSLIP QUICK QUIZ

Pupil Name:

1. What is a 'deduction'?

.....

2. What does 'gross pay' mean?

.....

3. Why do we pay Income Tax?

.....

4. What is the name of the deduction that goes towards your State Pension?

.....

5. What does 'net pay' mean?

.....

Emergency Services

Police

Most adults have to pay council tax to the Council every month. A large part of this money goes directly to the Police Authority. This money is spent on providing things like the 999 emergency service, and community policing to keep us safe in our homes and communities.

Fire and Rescue Service

Most adults have to pay council tax to the Council every month. A large part of this money goes directly to the Fire and Rescue Service, and they also get money from Central Government. This money is spent on 999 emergency services, education and prevention work, making sure we are safe in our communities.

Armed Services

The Central Government pays for the Armed Services - the war memorial in Pride Place Park is to remember local heroes, so it's paid for by the Council from council tax.

The Health Services

The Health Service

Income Tax is taken out of people's wages by Central Government in London. Some of this money pays for the health centre, hospitals, doctors and nurses.

Retirement Home

Most adults have to pay council tax to the Council every month. Some of this money is used to provide support for adults, people with disabilities, children and young people who need extra help; this is usually called Social Care. For example Money from the council tax helps to pay for some retirement homes. Some homes are private, but the old people receive money from the Council to help to pay for them to live there.

Retirement homes are for old people who are frail and struggle to look after themselves. The council tax also pays for homes for people with a disability, or children and young people.

Public Spaces

The School

Most adults have to pay council tax every month to the Council. A large amount of this money is given to schools to spend on all the things children and young people need to receive a good education.

The Library/Information Centre

Most adults have to pay council tax every month to the Council. Some of this money is spent on library buildings and resources, like books. The Council makes sure everybody has access to a public library or information centre. For example money from the council tax pays for mobile libraries for people who find it difficult to get to a local library.

The Job Centre

Income tax is taken out of people's wages by Central Government in London. Some of this money pays for the job centre. Job centres help people who are unemployed to find a job, and provides them with training too. Job centres also deal with benefit claims, providing people who are unemployed with some money to help them to live, depending on their circumstances.

The Community Centre

Most adults have to pay council tax to the Council every month. Some of this money pays for youth clubs, community and leisure centres, which provide a range activities, such as art and sport opportunities for people of all ages in their local community.

Parks

Most adults have to pay council tax to the Council every month. Some of this money is used to look after and keep safe all country parks. Council tax also pays for public footpaths to be looked after and sign posted, so that people can enjoy walking in their community.

The War Memorial / Armed Forces

Most adults have to pay council tax to the Council every month. Some of this money is used to look after things like the war memorial, making sure it is safe, well looked after and doesn't have any graffiti on it, to show respect for the people who died fighting for our Country. Central Government pays for the Armed Forces, from income tax taken from people's wages.



Public Spaces

Cemetery

Most adults have to pay council tax to the Council every month. Some of this money is used to employ people to make sure cemeteries are looked after and kept clean and safe.

Railway Station

Central government own the station buildings and tracks and keep them in working order. A private company rent them off the government.

Buses/public transport

Most adults have to pay council tax every month to the Council. Some of this money pays for public transport. It is important that everyone can travel to places in their community. If more people use public transport, it means there will be fewer cars on the roads, so there will be less pollution.

The Street

Roads

Most adults have to pay council tax to the Council every month. This money helps to pay for things like road repairs and traffic lights, and making sure roads are safe for drivers to use. Big roads such as motorways are paid for and looked after by Central Government. This money comes from Income Tax, which is deducted directly from people's wages.

Streetlights

Most adults have to pay council tax to the Council every month. Some of this money is spent on providing street lighting, and repairs to faulty lights. Street lighting is important to ensure we are safe to walk outside when it is dark.

Refuse collection / rubbish bins / recycling

Most adults have to pay council tax every month to the Council. Some of this money is used to pay for bins and lorries, to make sure all our rubbish is taken away and recycled if possible. Some council tax money pays for recycling centres, where rubbish that is too big to fit in the dustbin goes. Also things like old clothes, shoes, glass and even babies nappies are recycled by the Council.

General Information

Council tax is money paid by most adults over the age of 18 years, which goes to local government (also called the Council) to pay for local services. The amount you pay depends on the type of house you live in. For example, if you live in a small flat you will pay less than someone who lives in a large detached house.

Local Government is also called your local council and is run in your local town or county in a place usually called council offices. It collects a tax called council tax - this pays for local things that look after local people.

We are also expected to do our bit, keeping things tidy and clean and there are laws to help us like picking up dog poo and not dumping rubbish - if we don't do our bit then our council tax will need to be more so someone else can be paid to do this - NOTHING is free.

Income tax is an amount of money that is deducted from your wages. It is calculated as a percentage of what you earn. This money goes to Central Government to pay for Public Services such as Education, Health and Social Security

Central Government is run in London in the Houses of Parliament. It uses income tax (and other taxes) to pay for things that all people use everywhere or things that are not fair to ask local governments to pay for because they are used by everyone or it's not in their control - like unemployment or the army.

PAYING FOR COMMUNITIES

INVENTORY FOR RESEARCH TASK

KS2 | A FAIR DAY'S PAY

Click on the Pride Place Map and find out what pays for the things below

Council Tax
(Local Government) **Income Tax**
(Central Government)

Police	<input type="checkbox"/>	<input type="checkbox"/>
Fire and Rescue Service	<input type="checkbox"/>	<input type="checkbox"/>
Armed Services	<input type="checkbox"/>	<input type="checkbox"/>
The Health Centre	<input type="checkbox"/>	<input type="checkbox"/>
Retirement Home	<input type="checkbox"/>	<input type="checkbox"/>
The School	<input type="checkbox"/>	<input type="checkbox"/>
The Library/ Information Centre	<input type="checkbox"/>	<input type="checkbox"/>
The Job Centre	<input type="checkbox"/>	<input type="checkbox"/>
The Community Centre	<input type="checkbox"/>	<input type="checkbox"/>
Parks	<input type="checkbox"/>	<input type="checkbox"/>
The War Memorial	<input type="checkbox"/>	<input type="checkbox"/>
The Cemetery	<input type="checkbox"/>	<input type="checkbox"/>
The Railway Station	<input type="checkbox"/>	<input type="checkbox"/>
Buses / public transport	<input type="checkbox"/>	<input type="checkbox"/>
Roads	<input type="checkbox"/>	<input type="checkbox"/>
Streetlights	<input type="checkbox"/>	<input type="checkbox"/>
Refuse collection/ rubbish bins / recycling	<input type="checkbox"/>	<input type="checkbox"/>