

# **LIBF Level 1 Lessons in Financial Education Award (LiFA)**

Qualification Specification



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## **Purpose of the qualification**

### **Why study the LIBF Lessons in Financial Education Award (LiFA)?**

The LIBF Level 1 Lessons in Financial Education Award (LiFA) is an accessible e-learning programme which will allow you to experience financial education on a 'learning by doing' basis. The programme is intended to be supported by teachers in delivery albeit with you working through the programme on your own. You will be able to use tutor time, lesson time, after-school clubs, community centres and a host of enrichment opportunities to access the learning.

The LiFA has been developed based on the key areas that, as a minimum, children and young people should know in order to be confident and competent in financial experiences. The LiFA provides you with the opportunity to formally assess your knowledge and understanding gained from completing Unit 1 of the LiFE Programme.

### **Objective**

The LiFA will give you a good basic understanding of money and finance.

This qualification equips you with the knowledge to cope confidently and effectively with basic financial encounters you are likely to meet. You will develop initial knowledge and understanding of spending and how to become competent at managing your own money.

## Learning Outcomes

### Unit 1 – Your Personal Finances

Learning Outcomes	
1	Assess the principles of money.
2	Determine how people can obtain money.
3	Identify how money is spent and how to budget.
4	Examine how to manage money.
5	Identify the ways we borrow money.
6	Identify how to protect ourselves financially.
7	Define what is meant by responsible gambling.
8	Identify the current threats to our own money.

## Key skills developed

The qualification will encourage you to:

- develop an understanding of the key content areas and how they relate to each other;
- use appropriate tools to manage a personal budget;
- make informed financial decisions;
- demonstrate numeracy skills, including the ability to manipulate financial and other numerical data (such as calculating the costs of borrowing and spending);
- communicate basic financial concepts; and
- increase your ability to learn independently.

## Entry requirements

The qualification is designed at Level 1 and is primarily aimed at 14–16-year-olds. However, due to the flexibility of access, LiFA will also enable a wider distribution to more vulnerable groups, including children with Special Educational Needs and Disability (SEND), students in alternative settings, sixth-form students and the wider school community.

There are no entry requirements for this qualification.

You are expected to be able to study in English and have basic IT and numeracy skills.

## Recognition of prior learning

There is no recognition of prior learning associated with this qualification; however, you will have to have previously completed Unit 1 of the LiFE Programme in order to undertake the LiFA assessment.

## Progression and preparation for further study

By taking this qualification, you will develop the knowledge and understanding of personal finance that will support your progression on to more advanced studies in finance-related fields. This qualification provides a solid foundation in concepts related to personal finance, which are a firm basis for further study in many areas related to the financial sector such as Level 2 and 3 qualifications in business, accounting and finance. The transferable skills developed are also valuable for further study in unrelated disciplines.

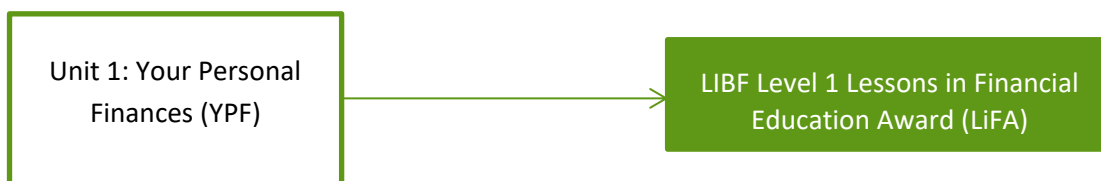
The LiFA is not available for study through an apprenticeship standard.

## Preparation for employment

This qualification provides you with the initial basic understanding and skills which are valued in most organisations and job roles, particularly the financial services sector, and are especially valuable in terms of self-employment, but it does not qualify you for direct entry to a particular occupational role.

## Structure

The LiFA is made up of fifteen assessment criteria (topics). The topics provide a number of activities that test your knowledge as you work through the programme. After completing the activities in the final topic, you will be eligible to complete a formal assessment via e-test.



A summary of the topic content is available at Appendix 3 to this document and latest versions are always available through our [website](#).

## Total Qualification Time (TQT)

The LiFA is primarily considered as a taught qualification with planned examination sessions.

Guided Learning Hours	20 hours
Other hours	20 hours
Total Qualification Time	40 hours

Total Qualification Time (TQT) is a prediction of the total time the typical learner may need to complete the course. TQT consists of two elements, Guided Learning hours (GLH) and all other hours:

- GLH is time spent studying under the immediate guidance or supervision of a teacher.
- All other hours include hours spent unsupervised in research, learning, e-learning, e-assessment, completing coursework, completing homework, exam preparation, and formal assessment.

## Learning resources

The LiFA will be offered as an e-learning programme. Each topic will provide you with a number of activities to test your knowledge and understanding. The content of each topic will be supported by links to websites that will provide additional information for a number of areas within the programme. Topic handouts are also provided. For each topic, you will complete the following:

- a survey relating to what you know about the topic content before progressing through the topic.
- topic and related resources and activities.
- an activity to check your understanding.
- an end-of-topic quiz comprised of up to ten questions.
- a survey relating to what you know now about the topic content following completion of your learning journey.

## What to do before the assessment

You must be registered to sit the exam. Your exams administrator will typically arrange your exam sitting for you.

To prepare for the assessment, you will have worked through all topics and related activities. You have the opportunity to work back through any area or topic, in any sequence on the course site in order to revise and prepare for the assessment.

## Assessment

The LiFA is assessed via the following method:

30 stand-alone multiple choice questions (total marks 30), to be completed in 30 minutes.

For the multiple choice assessment, each item will require you to choose the correct answer from a choice of four possible answers.

To achieve a pass you are required to achieve 50% of the marks available.

No teacher-set or teacher-marked tasks or assignments will contribute to your marks and all assessment will be under strict examination conditions.

## Qualification grading

The qualification will be graded Pass / Fail.

The overall grade bands (out of a total of 30 marks) are as follows:

Grade	Grade bands (raw mark)
Fail	0 – 14
Pass	15 – 30

You will be provided with a feedback analysis sheet via MyLIBF, once you have sat the exam. The analysis sheet details the percentage of questions answered correctly across the learning outcomes, as well as the syllabus areas with questions answered incorrectly, to help with further revision.

## Re-sit attempts

You are allowed to register for two resit attempts in accordance with the published qualification terms and conditions. You and your teachers should be aware that the resit opportunities will contain different questions as appropriate. The result that gives you the highest mark is used.

Full terms and conditions are available on our [website](#).



## Appendices

### Appendix 1 – Regulation detail

This document describes the regulation detail that is applicable to the qualification.

<b>Qualification title</b>	LIBF Level 1 Lessons in Financial Education Award (LiFA)
<b>Ofqual qualification number</b>	601/8967/8
<b>Qualification level</b>	1
<b>European Qualifications Framework (EQF) level</b>	2
<b>Guided learning hours</b>	20 hours
<b>Total qualification time</b>	40 hours
<b>Total credits</b>	4
<b>Sector Subject Area</b>	14.1 Foundations for Learning and Life
<b>Overall grading type</b>	Pass/Fail
<b>Assessment methods</b>	Multiple-choice examination
<b>Offered in</b>	England, Wales, Scotland and Northern Ireland
<b>Qualification for ages</b>	14 – 16
<b>Operational start date</b>	1 September 2022
<b>Qualification description</b>	The LiFA consists of fifteen mandatory topics. A total credit value of 4 credits must be obtained for achievement of the qualification.

## Appendix 2 – Qualification weighting detail

This document describes the different weightings for units in terms of the specific unit level descriptors.

The table below details the assessment criteria that fall into the Regulated Qualifications Framework (RQF) Level descriptors.

### Key skills for Assessment

Assessment criteria testing key skills: Criteria	Assessment Criteria	
<p><b>Knowledge descriptor</b></p> <p>The holder:</p> <ul style="list-style-type: none"> <li>• has basic factual knowledge of a subject and/or knowledge of facts, procedures and ideas to complete well-defined routine tasks and address simple problems</li> <li>• is aware of aspects of information relevant to the area of study or work</li> </ul>	1.1	
	2.1	
	3.1	
	4.1	
	4.2	
	5.2	
	6.1	
	6.2	
	<p><b>Skills descriptor</b></p> <p>The holder can:</p> <ul style="list-style-type: none"> <li>• use basic cognitive and practical skills to complete well-defined routine tasks and procedures</li> <li>• select and use relevant information</li> <li>• identify whether actions have been effective</li> </ul>	2.2
		2.3
3.2		
4.3		
5.1		
7.1		
8.1		

## Appendix 3 – Your Personal Finances

A description of the Unit that provides detail on syllabus content, learning outcomes and assessment criteria, and specific unit level descriptors.

### Your Personal Finances (Unit 1)

#### Unit narrative

In this unit, you will develop an understanding of money and sources of money. You will learn how to store money safely, how to prepare a personal budget and learn about different types of borrowing. You will also develop your understanding of saving money, borrowing money and different types of insurance. This unit will help you to develop understanding of spending and how to become competent at managing your own money.

#### Unit profile

<b>Unit title</b>	Unit 1: Your Personal Finances (YPF)
<b>Ofqual unit reference number</b>	T/508/5292
<b>Unit level</b>	1
<b>Unit credit value</b>	4
<b>Typical study hours</b>	40

#### Assessment methodology

- a. The assessment of Unit 1 comprises 30 stand-alone multiple-choice questions. The examination is to be completed in 30 minutes.
- b. The examination will be worth a total of 30 marks.

## Unit 1 learning outcomes / assessment criteria

<b>Learning outcome (LO)</b> <b>The learner when awarded credit for this unit will:</b>	<b>Assessment criteria (AC)</b> <b>Assessment of the LOs will require a learner to demonstrate that they can:</b>
1. Assess the principles of money.	1.1 Assess the key roles, features, and definitions of money.
2. Determine how people can obtain money	2.1 Identify the various sources of income. 2.2 Identify how income can be taxed. 2.3 Determine the different ways that items can be exchanged for money.
3. Identify how money is spent and how to budget.	3.1 Identify the different types of spending. 3.2 Identify how to manage a personal financial budget.
4. Examine how to manage money.	4.1 Identify where money can be stored 4.2 Examine the features and differences between a basic and current account. 4.3 Identify the features of savings accounts.
5. Identify the ways we borrow money.	5.1 Identify why people borrow money. 5.2 Identify personal borrowing choices.
6. Identify how to protect ourselves financially.	6.1 Identify the purpose and types of insurance. 6.2 Identify how inheritance works.
7. Define what is meant by responsible gambling.	7.1 Define the risk and reward in gambling.
8. Identify the current threats to our own money.	8.1 Identify ways of keeping money safe.

## Unit 1 syllabus

<b>UNIT 1 SYLLABUS</b>	
<b>LOs / ACs</b>	
<b>LO1:</b>	<b>Assess the principles of money</b>
AC1.1	<ul style="list-style-type: none"> <li>• Assess the key roles, features and definitions of money               <ul style="list-style-type: none"> <li>- What people did before money (other items)</li> <li>- What people did before money (barter)</li> <li>- How barter still operates today</li> </ul> </li> <li>• What makes money               <ul style="list-style-type: none"> <li>- The features of money</li> <li>- Types of money and how it is used</li> </ul> </li> <li>• How we know money is genuine</li> <li>• How we pay other people</li> <li>• Electronic balances and modern methods of payment (more in LO 3)</li> <li>• Cash, identify the denominations of English notes and coins</li> <li>• Cash transactions and change</li> <li>• Cash in NI and Scotland</li> </ul>
<b>LO2:</b>	<b>Determine how people can obtain money</b>
AC2.1	<ul style="list-style-type: none"> <li>• Identify the various sources of income</li> <li>• Definition of earned income, including features such as</li> <li>• Different between earnings and a salary</li> <li>• National minimum wage/living wage</li> <li>• Different types of employment               <ul style="list-style-type: none"> <li>- Full time working</li> <li>- Shifts</li> <li>- Part-time working</li> <li>- Zero-hour contracts</li> </ul> </li> <li>• Earnings from self-employment</li> <li>• Definition of unearned income</li> <li>• Income for people who are not working               <ul style="list-style-type: none"> <li>- Education Maintenance Allowance (EMA)</li> <li>- Universal Credit and how it incorporates the following benefits</li> <li>- Jobseeker's Allowance (JSA)</li> <li>- Income Support</li> <li>- Employment and Support Allowance (ESA)</li> <li>- Child Benefit</li> <li>- Basic state pension [includes new state pension]</li> <li>- Auto-enrolment and NEST</li> </ul> </li> <li>• Savings and Investment income</li> <li>• Property income</li> <li>• Gifts</li> <li>• Inheritance</li> </ul>

AC 2.2	<ul style="list-style-type: none"> <li>• Identify how income can be taxed <ul style="list-style-type: none"> <li>- What income tax is, how is it used and who pays it</li> <li>- Personal allowance</li> <li>- What the rates of income tax are</li>   <li>- What National Insurance is, how is it used and who pays it</li> <li>- NI allowance</li> <li>- What the rates of NICs are</li> <li>- Pay as you earn (PAYE)</li> <li>- What a Payslip looks like and its features</li> </ul> </li> </ul>
AC2.3	<ul style="list-style-type: none"> <li>• Determine the different ways that items can be exchanged for money <ul style="list-style-type: none"> <li>- Why we might sell items</li> <li>- Where we can sell items</li> <li>- Online auctions</li> <li>- What the costs of selling are on online auctions</li>   <li>- Car boot and garage sales</li> <li>- Online marketplaces</li> <li>- Cash for gold</li> <li>- Cash converters</li> <li>- Recycling mobile phones/DVDs/clothes etc.</li> </ul> </li> </ul>
<b>LO3:</b>	<b>Identify how money is spent and define the importance of budgeting how to budget</b>
AC3.1	<ul style="list-style-type: none"> <li>• Identify the different types of spending</li> <li>• How we choose to spend money <ul style="list-style-type: none"> <li>- Needs v wants</li> <li>- Essential v non-essential spending</li> </ul> </li> <li>• Value for money</li> <li>• Attitudes to spending <ul style="list-style-type: none"> <li>- Three attitudes to spending</li> <li>- Prioritising</li> </ul> </li> </ul>
AC 3.2	<ul style="list-style-type: none"> <li>• Identify how to manage a personal financial budget <ul style="list-style-type: none"> <li>- What 'budgeting' is</li> <li>- Income and expenditure, time periods</li> <li>- Short-term budgeting and medium-term budgeting</li> <li>- Reconciling with bank statements/online/using banking apps</li> <li>- Putting it all together</li> <li>- Creating a medium-term budget</li> <li>- What happens when circumstances change</li> </ul> </li>   <li>• Price comparison and shopping around <ul style="list-style-type: none"> <li>- Good v poor deals (buy one get one free, etc.)</li> <li>- False economy</li> <li>- Loyalty cards</li> </ul> </li> </ul>

<b>LO4:</b>	<b>Examine how to manage money</b>
AC 4.1	<ul style="list-style-type: none"> <li>• Identify where money can be stored <ul style="list-style-type: none"> <li>- Where we can store money (cash) in a house</li> <li>- Carrying our cash with us</li> <li>- Where we can store our money/cash <ul style="list-style-type: none"> <li>- Banks</li> <li>- Building societies and credit unions</li> <li>- Online banks</li> <li>- Types of providers, including geographical, occupational and multicultural providers</li> </ul> </li> </ul> </li> <li>• How we know our money is safe</li> </ul>
AC4.2	<ul style="list-style-type: none"> <li>• Examine the features and differences between a basic and current account</li> <li>• Which is the right account for you</li> <li>• Basic/Current accounts <ul style="list-style-type: none"> <li>- Sort code and account number</li> </ul> </li> <li>• Debit cards <ul style="list-style-type: none"> <li>- Chip and PIN</li> <li>- Contactless cards/contactless payment</li> </ul> </li> <li>• Purchasing on the internet</li> <li>• How do we can deposit and withdraw money <ul style="list-style-type: none"> <li>- Automatic teller machine (ATM)</li> <li>- In branch</li> </ul> </li> <li>• How we pay other people <ul style="list-style-type: none"> <li>- Direct debits</li> <li>- Standing orders</li> <li>- Cheques</li> </ul> </li> <li>• Online/mobile phone apps</li> </ul>
AC 4.3	<ul style="list-style-type: none"> <li>• Identify the features of savings accounts</li> <li>• Savings accounts <ul style="list-style-type: none"> <li>Why we save money <ul style="list-style-type: none"> <li>- Saving for the future</li> <li>- Saving for the present, rainy-day funds</li> <li>- Earning interest</li> </ul> </li> </ul> </li> <li>• Tax on savings interest</li> <li>• Choice of savings accounts <ul style="list-style-type: none"> <li>- Instant-access account</li> <li>- Notice account</li> <li>- Cash individual savings account (ISA)</li> <li>- Why we might choose these options</li> </ul> </li> <li>• How is interest calculated <ul style="list-style-type: none"> <li>- What people want in a savings account</li> </ul> </li> </ul>

<b>LO5:</b>	<b>Identify the ways we borrow money</b>
AC5.1	<ul style="list-style-type: none"> <li>• Identify why people borrow money <ul style="list-style-type: none"> <li>- How borrowing works</li> <li>- Affordability</li> <li>- Checking our budget</li> <li>- Considering interest</li> <li>- Annual percentage rate (APR)</li> <li>- How we choose the right lender</li> </ul> </li> </ul>
AC5.2	<ul style="list-style-type: none"> <li>• Identify borrowing choices <ul style="list-style-type: none"> <li>- Borrowing choices</li> <li>- Providers of borrowing products</li> <li>- Including examples of credit union, building societies and multicultural banks</li> <li>- Repayment structures</li> <li>- Examples of when these would be used</li> <li>- Personal loan</li> <li>- Overdraft</li> <li>- Credit card (inc. interest-free credit)</li> <li>- Store Cards</li> <li>- Payday loans</li> <li>- Loan sharks</li> </ul> </li> </ul>
<b>LO6:</b>	<b>Identify how to protect ourselves financially</b>
AC6.1	<ul style="list-style-type: none"> <li>• Identify the purpose and types of insurance <ul style="list-style-type: none"> <li>- What insurance is <ul style="list-style-type: none"> <li>- How insurers make money</li> <li>- Providers of insurance</li> <li>- Compulsory insurance</li> <li>- Car insurance (third party)</li> <li>- Voluntary insurance</li> </ul> </li> <li>- Comprehensive car insurance</li> <li>- Travel insurance</li> <li>- House insurance</li> <li>- Buildings insurance</li> <li>- Home contents insurance</li> <li>- Pet insurance</li> <li>- Health insurance</li> <li>- Life assurance</li> <li>- Term assurance</li> <li>- Insurance premium tax (IPT)</li> <li>- Theft</li> <li>- Accidental damage</li> <li>- Important principles</li> <li>- Material facts</li> <li>- 'In good faith'</li> <li>- Indemnity</li> <li>-</li> </ul> </li> </ul>



AC 6.2	<ul style="list-style-type: none"> <li>• Identify how inheritance works <ul style="list-style-type: none"> <li>- Inheritance and its implications</li> <li>- Inheriting money and possessions</li> <li>- Features of a will</li> <li>- Making wills</li> <li>- Intestacy</li> <li>- Inheritance tax (IHT)</li> </ul> </li> </ul>
<b>LO7:</b>	<b>Define what is meant by responsible gambling</b>
AC 7.1	<ul style="list-style-type: none"> <li>• Define the risk and reward in gambling.</li> <li>• Risk and reward in gambling</li> <li>• Definition of safe and responsible gambling</li> <li>• When we can take a risk (affordability)</li> <li>• The UK National Lottery</li> <li>• Probability that you will win a prize on the Lottery</li> <li>• Safe / responsible gambling – the risks</li> </ul>
<b>LO8:</b>	<b>Identify the current threats to our own money</b>
AC 8.1	<ul style="list-style-type: none"> <li>• Identify ways of keeping money safe <ul style="list-style-type: none"> <li>- How we keep our money safe</li> <li>- Definition of fraud <ul style="list-style-type: none"> <li>- Identity fraud (or theft)</li> </ul> </li> <li>- How we avoid fraud <ul style="list-style-type: none"> <li>- Account security</li> <li>- Phishing (texts and emails)</li> <li>- Keep your details secret</li> <li>- Report suspicions straight away</li> <li>- Card cloning and skimming</li> <li>- How we buy safely online</li> </ul> </li> </ul> </li> </ul>