



Ascentis Level 1 Award in Managing Personal Finance Specification

Ofqual Number: 500/7233/X

Ofqual Start Date: 01/09/2009

Ofqual Review Date: 31/07/2021

Ofqual Certification Review Date: 31/07/2022

ABOUT ASCENTIS

Ascentis was originally established in 1975 as OCNW, a co-operative scheme between Universities and Colleges of Further Education. Ascentis was the first 'Open College' in the UK and served the needs of its members for over 34 years. Throughout this period, OCNW grew yet maintained its independence in order that it could continue to respond to the requirements of its customers and provide a consistently high standard of service to all centres across the country and in recent years to its increasing cohorts of overseas learners.

In 2009 OCNW became Ascentis - a company limited by guarantee and a registered educational charity.

Ascentis is distinctive and unusual in that it is both:

- **An Awarding Organisation** regulated by the Office of Qualifications and Examinations Regulation (Ofqual, England), Council for the Curriculum, Examinations and Assessment (CCEA, Northern Ireland) and Qualifications Wales

and

- **an Access Validating Agency (AVA)** for 'Access to HE Programmes' licensed by the Quality Assurance Agency for Higher Education (QAA).

Ascentis is therefore able to offer a comprehensive ladder of opportunities to centres and their students, including Foundation Learning, vocational programmes and progressing to QAA-recognised Access to HE qualifications. The flexible and adult-friendly ethos of Ascentis has resulted in centres throughout the UK choosing to run its qualifications.

ASCENTIS CONTACT DETAILS

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ASCENTIS LEVEL 1 AWARD IN MANAGING PERSONAL FINANCE

Introduction

There are several features of this qualification that make it very appropriate for its target learners

- Assessment and certification can be offered throughout the year, allowing maximum flexibility for centres
- Can be delivered either as a classroom based course or as a blended learning programme
- Assessment is by a multi choice test, offered on screen or paper based. This will normally be taken at the end of the course

Aims

The aims of the qualification are to enable learners

- 1 To understand the sources of income and expenditure
- 2 To understand the need to balance income and expenditure
- 3 To know how to reduce expenditure
- 4 To understand some of the products provided by banks and building societies and other similar financial institutions
- 5 To understand the advantages and disadvantages of borrowing money

Target Group

The qualification is aimed at a range of learners, including

- Young people wishing to pick up an award as part of another learning programme
- Young people aged 14 – 19 who are in various learning environments

Regulation Codes

Ofqual Qualification Number (Ofqual/CCEA): 500/7233/X

Award of the Qualification

Learners must complete one unit for the Managing Personal Finance qualification at Level 1. This is a single unit qualification and certification is given for achieving a pass in the external assessment.

Ascentis Level 1 Award in Managing Personal Finance				
Title	Level	Credit Value	TQT	Unit ref
Managing Personal Finance	1	3	31	T/600/3636

Recommended Guided Learning Hours

The recommended guided learning hours for this qualification is 30

Total Qualification Time

The total qualification time for this qualification is 31

Recommended Prior Knowledge, Attainment and/or Experience

No recommended prior learning or experience is required.

Age Range of Qualification

This qualification is suitable for young people aged 14-19 and adult learners.

Opportunities for Progression

The qualification gives the learner an introduction to Managing Personal Finance which can be applied in a wide variety of contexts. Learners may use the qualification as a stand-alone course or as part of a longer vocational or academic programme of study. Learners may also use the qualification as an element of their continuing professional development.

Resources to Support the Delivery of the Qualification

There are online resources available to download to support this qualification.

Centre Recognition

This qualification can only be offered by centres recognised by Ascentis and approved to run this qualification. Details of the centre recognition and qualification approval process are available from the Ascentis office (tel. 01524 845046) or from the website at www.ascentis.co.uk.

Qualification Approval

If your centre is already a recognised centre, you will need to complete and submit a qualification approval form to deliver this qualification. Details of the qualification approval process are available from the Ascentis office (tel. 01524 845046) or from the website at www.ascentis.co.uk.

Registration

All learners must normally be registered within 15 working days of the intended test date for paper based assessment and 5 working days for e-assessment.

Registration is via the Ascentis electronic registration portal.

Re-sits

Learners can re-sit the assessment if they do not achieve a pass but should have sufficient time for additional learning. Re-sits for e-assessment are free of charge, but please refer to the pricing structure for re-sits of the paper based tests.

Status in England, Wales and Northern Ireland

This qualification is available in England, Wales and Northern Ireland. It is only offered in English. If a centre based overseas (including Scotland) would like to offer this qualification, they should make an enquiry to Ascentis.

Reasonable Adjustments and Special Considerations

In the development of this qualification Ascentis has made every attempt to ensure that there are no unnecessary barriers to achievement. For learners with particular requirements reasonable adjustments may be made in order that they can have fair assessment and demonstrate attainment. There are also arrangements for special consideration for any learner suffering illness, injury or indisposition. Full details of the reasonable adjustments and special considerations are available from the Resources/Key Documents area of the Ascentis website www.ascentis.co.uk or through contacting the Ascentis office.

Enquiries and Appeals Procedure

Ascentis has an appeals procedure in accordance with the regulatory arrangements in the Ofqual *General Conditions of Recognition*¹. Full details of this procedure, including how to make an application, are available from the Resources/Key Documents area of the Ascentis website www.ascentis.co.uk or through contacting the Ascentis office.

In Northern Ireland it is the CCEA General Conditions of Recognition and Qualifications Wales is the Standard Conditions of Recognition.

ASSESSMENT AND VERIFICATION ARRANGEMENTS

Overview

To gain the Level 1 Award in Managing Personal Finance all learning outcomes and assessment criteria within the unit must be successfully achieved. The full award consists of one unit.

External Assessment

This qualification is assessed through the completion of an Ascentis devised multiple choice test that is carried out at the completion of the course, available as a paper based test or e-assessment.

The grading of this qualification is pass or did not achieve.

Conduct of Assessment

The assessment is through a 40-minute test paper or e-assessment consisting of 20 multiple-choice questions.

Full details of candidate, Examinations Officer and invigilator instructions are available from the Resources/ Key Documents area of the Ascentis website www.ascentis.co.uk or through contacting the Ascentis office.

Note: Dictionaries cannot be used during the assessment.

Quality Assurance Arrangements

As part of ongoing quality assurance arrangements, Ascentis will carry out quality visits to recognised centres using a risk based approach. The focus of quality visits will normally be

- Review of resources; both physical and staffing
- Observation of assessment practice
- Staff development, if required

Further details will be provided prior to a visit taking place.

Ascentis reserve the right to carry out inspections of assessments taking place without prior notice.

The delivery of the knowledge required within this qualification should be carried out by qualified teachers or those working towards a teaching qualification. Delivery staff should also have a theoretical understanding of IT User Skills.

Results

Provisional results are provided immediately after e-assessment. An hour after the e-assessment the e-assessment achievement list report can be run through QuartzWeb

Knowledge, Understanding and Skills required of Assessors and Internal Verifiers

Centres must ensure that those delivering and assessing Ascentis qualifications are occupationally knowledgeable and competent within the relevant subject area.

Centres are responsible for ensuring that all staff involved in the delivery of the qualification are appropriately qualified. Ascentis will not be held responsible for any issues that relate to centre staffing which could impact on the successful delivery, assessment and internal quality assurance of our qualifications.

Those delivering the qualification should preferably hold or be working towards a recognised teaching qualification. Assessors must be able to make appropriate assessment decisions. Internal Quality Assurers need to have knowledge and experience of the internal quality assurance processes.

Centres are required to ensure that appropriate training and support is in place for staff involved in the delivery, assessment and internal verification of Ascentis qualifications.

Ascentis offers free support for centres. Further information on the support that is available can be found on Quartz Web or the Ascentis website.

UNIT SPECIFICATIONS

Managing Personal Finance

Credit Value of Unit 3

GLH of Unit 30

Level of Unit 1

Introduction

This unit gives the learner an overview of the basic principles of personal finance to allow them to best balance their income and expenditure.

Learning Outcomes		Assessment Criteria	
The learner will be able to		The learner can	
1	Understand the sources of income and expenditure	1.1	List sources of income
		1.2	Describe the ways in which money can be received
		1.3	Give examples of a range of expenditure
2	Understand the need to balance income and expenditure	2.1	Describe the ways in which payment can be made
		2.2	Identify and use a method of recording income and expenditure
3	Know how to reduce expenditure	3.1	Identify the problems which may occur if expenditure is greater than income
		3.2	Describe ways of reducing expenditure
4	Understand more of the products provided by banks and building societies	4.1	Give examples of types of products provided by banks or building societies and other similar financial institutions
		4.2	State the advantages and disadvantages of different types of account
5	Understand the advantages and disadvantages of borrowing money	5.1	List the advantages of borrowing
		5.2	List the disadvantages of borrowing money
		5.3	Give examples of the costs of borrowing

Indicative Content

Income and Expenditure

- Sources of income include wages, benefits, pensions, dividends on shares, interest on savings
- Major forms of money receipt – cash; cheques; PayPal; bank transfer
- Difference between a need and a want; mandatory expenditure; main personal expenditure would include food, rent, utilities, clothes, travel, leisure, entertainment and consumables.
- Payment methods – cash; cheque; PayPal; credit card; store card; debit card; Faster Payment Service; CHAPS; Bacs standing orders; direct debit.

Balancing Income and Expenditure

- Understand household expenses and regular financial commitments; difference between mandatory, essential and non-essential expenditure
- Reasons for recording and balancing finances – keeping accurate records; preventing problems such as debt; spreading expenditure evenly; increasing opportunities for saving
- Recording income and expenditure – paper based or using ICT; budgets; surplus or deficit balances
- Problems resulting from greater expenditure than income- using savings; borrowing and debt; non-

payment of rent resulting in homelessness; cutting off of utilities; possible court appearance; increased interest charges and poor credit rating.

Reducing Expenditure

- Ways of reducing spending on food, transport, living expenses and energy costs; other money saving ideas
- Prioritising needs within constraints of limited budget and assessing 'best buy' offers.

Bank and Building Society Services and other similar financial institutions

- Different types of financial institutions – banks; building societies; Credit Unions and National Savings and Investments (NS&I)
- Key features of banks and building societies
- Mode of operation – online banking; telephone banking; mobile banking
- Current accounts - cash card; debit card and cheque book; interest; standing orders; direct debits and overdrafts; advantages and disadvantages of a current account.
- Savings accounts and investments – instant access; notice; regular savings and fixed period accounts; tax free savings – ISA, NISA; interest on savings (AER); investments – shares; advantages and disadvantages of savings and investments
- Credit Cards and Store Cards – interest on payments (APR); paying off the balance; credit card protection; advantages and disadvantages of credit and store cards
- Borrowing – interest on borrowing (APR); secured and unsecured loans; types of mortgage; advantages and disadvantages of loans and mortgages,

Borrowing Money

- Advantages of borrowing - maintaining lifestyle; covering overspending; paying for unexpected events
- Disadvantages of borrowing - inability to pay loans; escalation of debt; interest on borrowing; potential poor credit rating; borrowing costs and their implications ; choosing debt carefully; assessing the cost of borrowing – personal loans and overdrafts; unauthorised overdrafts; credit and store cards; door-step lenders; payday loans and pawnbrokers; unlicensed loan sharks
- Getting help when in debt; impact of poor credit history; boosting credit rating
- Good debt – student loans.

Sample Questions

Level 1 Award in Managing Personal Finance

- 1) Most employed people receive their money as:
 - a) lottery tickets
 - b) wages or salary**
 - c) tax credits
 - d) shares

- 2) Is it true that people who receive state benefits are allowed to earn a small amount each week from paid employment?
 - a) no
 - b) yes**
 - c) only if they are over 25
 - d) only if they have children under the age of 5

- 3) Which of the following items would **NOT** be considered as essential expenditure?
 - a) rent / mortgage
 - b) water bills
 - c) a new TV**
 - d) food

- 4) Which of the below methods of payment would a newsagent **NOT** accept?
 - a) cash
 - b) credit card
 - c) PayPal**
 - d) gift vouchers

- 5) Which of the following will **NOT** help you to keep control of your finances?
 - a) shredding unopened bank statements**
 - b) recording income and expenditure on a spreadsheet
 - c) checking your account online
 - d) checking your credit card statements

- 6) You have decided to try and save money on your household bill. Which of the following could you cut out?
 - a) food
 - b) mortgage / rent
 - c) a satellite TV**
 - d) gas bills

- 7) You pay your water supplier exactly £25 a month directly from your bank account. This is an example of:
- a) a deposit
 - b) a standing order**
 - c) a direct debit
 - d) a refund
- 8) If you were saving up for a new car, which of the following characteristics of a bank account would you find most important?
- a) internet banking
 - b) low interest rates
 - c) instant access
 - d) high interest rate**
- 9) What is one of the advantages of borrowing money?
- a) it is interest free
 - b) you can buy now, pay later**
 - c) you never have to pay it back
 - d) the debt is cancelled if you lose your job
- 10) You need to borrow some money for house repairs. Which offers the best deal?
- a) a credit card with an APR of 19% (percent)
 - b) a short term internet loan with an APR of 2689%
 - c) a bank loan with an APR of 13.4%**
 - d) a door step loan from an unlicensed money lender at £100 a month