



Digital payments

Age range: 11-16

 **BARCLAYS** | LifeSkills



Session overview

This is one of four lessons focusing on Money Skills for young people aged 14-16.

The activities encourage students to explore different types of technology that support money management and consider the implications of technology on the future of personal finances.

Time	Key learning outcomes	Resources
90 mins	<p>By the end of the activity students will have:</p> <ul style="list-style-type: none"> Discussed real examples of digital payments and how to manage money using them Identified the benefits and risks involved in using digital payments Have a better understanding of how to keep their financial information safe 	<ul style="list-style-type: none"> Digital payments presentation slides



The Money Skills modules are designed to help students develop helpful financial skills for their future, prepare them for the world of work, and keep up to date with modern financial changes. Each lesson has 90 minutes of core activities, along with suggested extension activities and signposting to supporting LifeSkills content and relevant external links. They are accredited with the Young Money Financial Education Mark, recognising them as recommended financial education resources.

This lesson plan is designed to be used in tandem with a PDF containing interactive activity slides.

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There is Money Skills content to suit a range of ages and abilities – take a look at our 7-11, 11-14, 16-19 and 19+ resources, which focus on topics such as attitudes to money, money management and risk, and financial independence.

Please note that this lesson includes figures used in calculations such as student loan thresholds, NI contributions or similar. These figures were correct at the time of publication but may have changed by the time you use the resource as they are usually updated by the Government on a yearly basis.

Activity one

Icebreaker – Matching up

1. Move around the room

- Display **slide 2**, showing three statements. Ask students to move around the room and collect the names of three people who answer 'yes' to the questions below. The winner is the first person to shout 'three' once they have got three yeses:

Do you have your own bank account?

Do you buy things using digital payments?

Do you earn money?

Activity two

How has money changed?

1. Explore with your students

- Explore how methods of payment have changed over time using **slide 3**, with technology giving consumers greater access and choice than ever before. Remind your students that some things that are a part of everyday life, such as online shopping, have only become mainstream relatively recently
- Share your own experiences of changes e.g. new coins, decline of payment by cheque, introduction of mobile banking
- Highlight to the class that there are benefits to these new technologies but there are also possible associated risks. Ask the students the following questions:

How has technology benefited society when it comes to payments?

Why do you think digital payments have been created instead of sticking with physical money?

What are the possible risks to using technology to pay for things?

For example, when notes and coins became prevalent, the risk to banks was around theft of physical cash. Now, the risk has shifted to cyber criminals working to convince people into sharing personal details online or downloading malware software

- Remind your students that it's up to all of us to ensure we understand digital threats and how to protect ourselves from fraud

Extension

Help your students protect their personal information and money by getting them to explore the [8 ways to stay safe online](#).

Activity three

Digital payments

1. Introduce some types of digital payments

- Display **slide 4** and introduce the technologies featured and explain that the growth of technology has brought with it a number of ways to pay

Current digital payments available

Mobile phone banking

Mobile banking is a service provided by a bank or other financial institution that allows consumers to manage money and complete financial transactions using a mobile phone or tablet. You need to either log in to a secure website or download software (e.g. an app) which is often provided free of charge by the financial institution.

Most of them allow consumers to check account balances and transactions, transfer funds, pay bills and even pay a friend via text message. Some can send notifications when your balance is low or when a new statement is available.

Mobile wallets

A mobile wallet is a way to carry credit or debit card information in digital form. It uses some of the same technology as contactless cards so devices such as mobile phones and smartwatches can be used to pay for items. Three popular ones you may have heard of are Apple Wallet, Samsung Wallet and Google Wallet.

Mobile wallet software is built in to many modern smartphones. It just requires internet access to set up a compatible payment method, that will require identity verification (eg. passcode) every time you use it.

Using a mobile wallet means you don't have to use a plastic payment card. Users tap or scan their mobile device. Some mobile wallets can also store membership and reward cards, so you won't have to fumble through your bag looking for your card.

Contactless

Contactless payments are a way of paying with your debit or credit card without having to key in your four-digit PIN. All you need to do is hold your card up to the contactless reader and the money will be deducted. It works for payments up to £100 (as of 2023).

PayPal

PayPal is an electronic payments system that allows you to make secure payments to an individual, or to purchase items online.

Biometric payments

Biometric payments allow you to make payments using finger scanning technology or facial recognition systems.

Talking devices

Talking devices, or Intelligent Virtual Assistants (IVAs) are hands free speakers controlled by your voice and can perform various tasks for you. You can set up a payments option which allows you to buy something using the debit card details linked to their service or even check your bank balance, all from your hands free speaker.

Direct debits

A form of regular payment based on the agreement that someone (usually a company) will withdraw money from your bank account.

Standing orders

A standing order is a way to pay fixed, regular amounts to someone on a regular basis, from your bank account.

Bank transfers

Also known as faster payments, they are a way of sending electronic payments through Online Banking, Telephone Banking and branches, where the payments automatically arrive in the account within 2 hours. There are limitations though, as some payments could still take up to 24 hours to reach your account.

Activity three

Digital payments (cont'd)

Activity summary

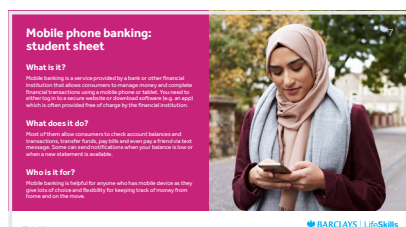
- Remind students that whichever way people choose to pay for items and services, they must ensure that they use a secure and reliable method of payment and keep all of their cards and details safe. You can explore this by looking at the [Money skills lesson three: Financial risk and security](#) lesson
- Your students can also increase their knowledge around digital payments and general banking terms using the [Know your money tool](#)



Activity four

The benefits and risks of digital payments

1. Group task



- Split the class into four groups and allocate one of **slides 5-8** to each. You can print the slides, or display them on tablets/PCs. Ideally each digital payment should be used by at least one group so that all of them are presented back to the class later in the session
- Explain that their task is to create an example TV news report about how digital payments are changing the way we pay for shopping using the information on their student sheet

The students can allocate the roles of presenters and consumers between them:

- **Presenters** – introduce and summarise the digital payment, what it aims to do and the benefits
- **Consumers** – talk about where they would use it, why they would find it useful, the disadvantages and any potential risks

Allow around 10 minutes for groups to prepare, before asking them to present their example news reports. Afterwards, ask:

Which of the digital payment technologies would they find most useful for digitally paying for things?

Are there any that particular groups of people might find helpful or difficult to use?

What are the benefits of using digital payments?

Extension

Ask students to plan and develop an idea for a new digital payments product, or a new way of using existing technology for digital payments, e.g. an app that makes digitally paying bills more easier, a way of managing money when travelling abroad, or a new way of protecting data when paying for something digitally.

Summary

- Highlight that the rapid technological advances over the past 50 years have changed the way in which we interact with money and the pace of change continues. Staying up to date with new financial technology means we can make the most of what it offers, but also enables us to stay aware of fraud and security implications. As technology becomes more sophisticated, so do fraudsters. We need to be vigilant about keeping our personal details secure, and our mobile devices safe from theft, scams and viruses.
- Talk through the tips on **slide 9**, which you can print as a takeaway for students at the end of the session.

Further links and activities

To supplement this lesson, you could look through the following links with the class, or suggest that students spend some time exploring the articles and tools on the LifeSkills website in their own time.

NB: Students need to be over 14 to register to use the LifeSkills website independently.

Articles

[8 ways to stay safe online](#)

[What is phishing and online fraud?](#)

Tools

[Know your money terms tool](#)

Lessons

This is one of four Money Skills lessons for 14-16 year olds. Consider delivering the other lessons:

[Understanding and managing debt](#)

[Money and work](#)

[Financial risk and security](#)

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