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The 4 page 60 minute ESL British English lesson – 05/04/14

## Free-if-in-credit banking could end in UK

The writing is on the wall in the UK for free-if-in-credit banking. Several banks have recently mulled the idea of gradually ending this idea. The reason being they need to refinance themselves.

The Chief Executive of the Royal Bank of Scotland Group Ross McEwan said recently it was only a matter of time before “free banking” ended. The chairman of Barclays said two years ago that he agreed “in principle” with ending the practice.

Likewise, the Chief Executive of Lloyds Banking Group Antonio Horta-Osorio is thought to be sympathetic to abandoning the free-if-in-credit model. Meanwhile the Deputy Governor of the Bank of England Andrew Bailey has described “free banking” as a myth.

In recent years “free banking” has been the subject of reviews as critic’s point it is a barrier to competition and prevents even financially sophisticated customers from working out what they have been charged.

While the UK banks wish to abandon the “free banking” mode - in order to boost their profits, many of their customers, who are in credit, are quite happy how things stand. Those in debit do get stung hard. Overdrawn customers in the UK can face steep charges that dramatically add up; quickly forcing many into an even worse financial situation.

Customers of banks in Europe pay monthly charges for every bank account they hold. Charges vary from around €3-€7 per month. Business accounts can easily be more than €10 plus depending on usage. Many European banks offer their customers monthly packages. Fees can thus be compared between banks.

### SPEAKING – WARM UP

Think of three types of bank charge. Do you pay monthly banking fees? Go round the room swapping details with others.

### LISTENING – WRITING - DICTATION

The teacher will read some lines of the article slowly to the class.

### READING

Students should now read the article aloud, swapping readers every paragraph.

### SPEAKING - UNDERSTANDING

**1) The article** – Students check any unknown vocabulary or phrases with the teacher.

**2) The article** - Students should look through the article with the teacher.

- 1) What is the article about?
- 2) What do you think about the article?
- 3) Was this an easy or difficult article to understand?
- 4) Was this a boring or interesting article?
- 5) Discuss the article.

**3) Article quiz** - Students quiz each other in pairs. Score a point for each correct answer. Score half a point each time you have to look at the article for help. See who can get the highest score!

#### Student A questions

- 1) Name three UK banks.
- 2) What does ‘free banking’ mean?
- 3) What is a myth?
- 4) How much do customers of banks in Europe pay per month?
- 5) Who faces steep charges and why?

#### Student B questions

- 1) Name three of the people in the article.
- 2) Who do the people in No 1 work for?
- 3) What does ‘overdrawn’ mean?
- 4) What does ‘thus’ mean?
- 5) What does ‘the writing on the wall’ mean?

**Category: Business / Banking / Free-if-in-credit banking  
Intermediate / Upper Intermediate**

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### WRITING / SPEAKING

*In pairs.* On the board write as many words as you can to do with '**Bank charges**'. *One-two minutes.* Compare with other teams. Using your words compile a short dialogue together.

### WRITING / SPEAKING

*In pairs* – Choose three advantages of free-if-in-credit banking. Write them below. Talk about them. Which is best? Why?

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_

**Add** three disadvantages of being overdrawn. Discuss together.

- 1) \_\_\_\_\_
- 2) \_\_\_\_\_
- 3) \_\_\_\_\_

*The teacher* will choose some pairs to discuss their findings in front of the class.

### SPEAKING

*In pairs* – Compare: *Online banking and banking apps on your mobile* v *Using your local branch*. List some pros and cons for each; include the fees involved.

### DISCUSSION

#### Student A questions

- 1) Did the headline make you want to read the article?
- 2) Does your bank offer "free-if-in-credit banking? Explain.
- 3) Why do European banks not offer free-if-you-are-in-credit banking?
- 4) Is "free banking" a myth?
- 5) What sort of charges do UK banks charge their overdrawn customers?
- 6) What other fees do banks get away with charging their customers for?
- 7) Is it right the banks should be able to charge their customers so much simply to increase their profits even more?
- 8) Would you be happy paying €3-€7 per month for each bank account you hold?
- 9) How do UK bank charges compare with bank charges in your country?
- 10) Have you learnt anything today?

### SPEAKING – ROLEPLAY 1

*In groups.* One of you is the interviewer. There are up to four guests. You are in the CNN Money TV studio. Today's interview is: *Free-if-in-credit banking*. 10 mins.

- 1) A customer who has free-if-in-credit banking in the UK.
- 2) A bank customer with a European bank in Europe.
- 3) A UK bank spokesperson.
- 4) A CEO of a European/Non UK bank.

*The teacher* will choose some groups to roleplay their interview in front of the class.

### SPEAKING - ROLEPLAY 2

*In pairs* - *Student A* lives in the UK and has free-if-in-credit banking and likes it. You do not want banking fees. *Student B*, who lives in the UK, is rather overdrawn. You do not like the high charges incurred. What are you considering doing to stop these costs?

### SPEAKING – DISCUSSION

Allow 10 minutes – As a class.

*Free-if-in-credit banking could end in UK*

*The teacher* can moderate the session.

### DISCUSSION

#### Student B questions

- 1) What do you think about what you've read?
- 2) How much do you pay per month for your bank accounts? Why?
- 3) How can banks justify/get away with charging so much?
- 4) Has your bank recently raised its monthly fee? If yes, by how much?
- 5) If your bank has raised its monthly fee is this more than the cost of inflation?
- 6) Would you "vote-with-your-feet" and move banks if your banks fees became too expensive?
- 7) Why are many people lazy to change banks when it could save them a lot of money?
- 8) Why is "free banking" if-you-are-in-credit popular in the UK?
- 9) Has this been a difficult lesson for you to understand?
- 10) Did you like this discussion?

## GAP FILL: READING

### Free-if-in-credit banking could end in UK

The writing is on the wall in the UK for free-if-in-credit banking. Several banks have recently (1)\_\_\_ the idea of gradually ending this idea. The reason being they need to (2)\_\_\_ themselves.

The Chief Executive of the Royal Bank of Scotland Group Ross McEwan said recently it was only a matter of time before "free banking" ended. The (3)\_\_\_ of Barclays said two years ago that he agreed "in principle" with ending the (4)\_\_\_.

(5)\_\_\_, the Chief Executive of Lloyds Banking Group Antonio Horta-Osorio is thought to be (6)\_\_\_ to abandoning the free-if-in-credit model. (7)\_\_\_ the Deputy Governor of the Bank of England Andrew Bailey has described "free banking" as a (8)\_\_\_.

**meanwhile / refinance / mulled / chairman / myth / sympathetic / likewise / practice**

In recent years "free banking" has been the subject of reviews as critic's point it is a barrier to competition and prevents even financially sophisticated customers from working out what they have been charged.

While the UK banks wish to (1)\_\_\_ the "free banking" mode - in order to boost their profits, many of their customers, who are in credit, are quite happy how things stand. Those in (2)\_\_\_ do get stung hard. (3)\_\_\_ customers in the UK can face steep charges that dramatically add up; quickly forcing many into an even worse financial situation.

Customers of (4)\_\_\_ in Europe pay monthly (5)\_\_\_ for every bank account they hold. Charges vary from around €3-€7 per month. Business (6)\_\_\_ can easily be more than €10 plus depending on (7)\_\_\_ . Many European banks offer their customers monthly (8)\_\_\_ . Fees can thus be compared between banks.

**abandon / accounts / charges / banks / packages / usage / overdrawn / debit**

## GAP FILL: GRAMMAR

### Free-if-in-credit banking could end in UK

The writing is (1)\_\_\_ the wall in the UK (2)\_\_\_ free- (3)\_\_\_-in-credit banking. Several banks have recently mulled the idea of gradually ending this idea. The reason being they need to refinance themselves.

The Chief Executive (4)\_\_\_ the Royal Bank of Scotland Group Ross McEwan said recently (5)\_\_\_ was only a matter of time before "free banking" ended. The chairman of Barclays said two years ago that (6)\_\_\_ agreed "in principle" with ending the practice.

Likewise, the Chief Executive of Lloyds Banking Group Antonio Horta-Osorio is thought to be sympathetic to abandoning the free-if-(7)\_\_\_-credit model. Meanwhile the Deputy Governor of the Bank of England Andrew Bailey has described "free banking" (8)\_\_\_ a myth.

**as / he / of / if / it / in / on / for**

In recent years "free banking" has been the subject of reviews as critic's point it is a barrier to competition and prevents (1)\_\_\_ financially sophisticated customers from working out (2)\_\_\_ they have been charged.

(3)\_\_\_ the UK banks wish to abandon the "free banking" mode - in order to boost their profits, many of their customers, who are in credit, are quite happy how things stand. (4)\_\_\_ in debit do get stung hard. Overdrawn customers in the UK can face steep charges (5)\_\_\_ dramatically add up; quickly forcing (6)\_\_\_ into an even worse financial situation.

Customers of banks in Europe pay monthly charges for every bank account (7)\_\_\_ hold. Charges vary from around €3-€7 per month. Business accounts can easily be more than €10 plus depending on usage. Many European banks offer their customers monthly packages. Fees can (8)\_\_\_ be compared between banks.

**thus / that / what / many / even / they / those / while**

**GAP FILL: LISTENING**

**Free-if-in-credit banking could end in UK**

The \_\_\_\_\_ in the UK for free-if-in-credit banking. Several banks have recently mulled the idea of gradually ending this idea. The reason being they need to refinance themselves.

The Chief Executive of the Royal Bank of Scotland Group Ross McEwan said recently it was only \_\_\_\_\_ before "free banking" ended. The chairman of Barclays said two years ago that he agreed "in principle" with \_\_\_\_\_.

Likewise, the Chief Executive of Lloyds Banking Group Antonio Horta-Osorio is thought to be sympathetic to abandoning the \_\_\_\_\_ model. Meanwhile the Deputy Governor of the Bank of England Andrew Bailey has described " \_\_\_\_\_ " \_\_\_\_\_.

In recent years "free banking" has been the subject of reviews as critic's point it is a barrier to competition and prevents even \_\_\_\_\_ customers from working out what they have been charged. While the UK banks wish to abandon the "free banking" mode - in order to boost their profits, many of their customers, who are in credit, are quite happy how things stand. Those in debit do get stung hard. \_\_\_\_\_ in the UK can face steep charges that dramatically add up; quickly forcing many into an even worse \_\_\_\_\_.

Customers of banks in Europe pay monthly charges for every bank account they hold. Charges vary from around €3-€7 per month. \_\_\_\_\_ can easily be more than €10 plus depending on usage. Many European banks offer their customers \_\_\_\_\_. Fees can thus be compared between banks.

**WRITING/SPELLING**

**WRITING / SPEAKING**

**1) On the board - In pairs, as a class - write down 20 things about mobile phone banking and internet banking.** Talk about them! 5 mins.

**2) Sentence starters -** Finish these sentence starters. Correct your mistakes. Compare what other people have written.

- 1) My monthly banking fees \_\_\_\_\_
- 2) "Free banking" \_\_\_\_\_
- 3) I use \_\_\_\_\_

**3) Homework -** Write and send a 200 word email to your teacher about: **Banking fees in my country** read out in class.

**GAP FILL READING**

- 1) mulled
- 2) refinance
- 3) chairman
- 4) practice
- 5) likewise
- 6) sympathetic
- 7) meanwhile
- 8) myth

**ANSWERS**

- 1) abandon
- 2) debit
- 3) overdrawn
- 4) banks
- 5) charges
- 6) accounts
- 7) usage
- 8) packages

**SPELLING**

The teacher will ask the class individually to spell the following words that are in the article. Afterwards check your answers.

- 1) myth
- 2) subject
- 3) quite
- 4) overdrawn
- 5) abandon
- 6) stung
- 7) customers
- 8) dramatically
- 9) quickly
- 10) business

**SPELLING**

Use the following ratings:

- Pass = 12**
- Good = 15**
- Very good = 18**
- Excellent = 20**

- 11) packages
- 12) thus
- 13) gradually
- 14) themselves
- 15) refinance
- 16) principle
- 17) sympathetic
- 18) meanwhile
- 19) critic
- 20) barrier

Free-if-in-credit banking could end in UK - *5<sup>th</sup> April 2014*