



Guidance notes to prepare for your session in a one-to-one setting

Independent living: Managing living expenses

Suitable for 16+ years old

This material is intended for information purposes only and does not constitute advice or a recommendation.






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Using this guide to deliver financial capability in a one-to-one setting

If you are delivering this session to an individual, this delivery guide is here to support you.

You'll see from the other resources, such as the PowerPoint and resource sheets, that these activities have been designed with group delivery in mind (for example in an educational setting). However, this guidance has been prepared so that you can use the same resources successfully with a young person, either at home or in another one-to-one environment.

The resources have been developed to use with young people aged 16+ years.

-  They provide a lot of different things to discuss, think about and do.
-  The activities don't require lots of extra materials – only things you may already have.
-  You will need access to the Internet and either a PC, laptop or tablet.

Financial wellbeing means having the confidence and knowledge that you are in control of your money - you can manage your day to day living expenses as well as planning for the future and being able to cope when the unexpected happens.

Independent living: Managing living expenses

These activities can help a young person build on what they've learnt about themselves in relation to how they manage their money in the context of living independently.

They'll learn about managing what money comes in and what must go out when they are managing their living expenses, as well as looking at the options for living independently.

Three activities to use with a young person

These activities are designed to last about 20 minutes each. There are two ways you can approach each of the three activities:

Option 1 'Do together' – This offers guided learning for differing learning needs with the support of an adult.

Option 2 'Do independently' – This provides some self-learning opportunities. The activities are designed to task young people to work independently and to share what they have learnt. The activities will support different ages and experiences.

Independent living: Managing living expenses

Activity A

MOVING OUT – WHAT WILL IT COST?

This activity will encourage them to think about all of the things they need to consider if moving out to live independently, and what they think they will need to pay for.

Activity B

JED'S BALANCING ACT

Using a realistic situation, they will think about being responsible for essential spending as opposed to just managing disposable income. They'll learn about managing what money comes in and what must go out when they are dealing with their living expenses.

Activity C

THE NEXT MOVE?

This activity will help them to understand all the different options for living independently. This will include renting options, as well as buying options and the advantages and disadvantages of each. It will also make them aware of the possible fraud and scams associated with the home rental and purchase market.

NOTE: This material is intended for information purposes only and does not constitute advice or a recommendation. When delivering the session, do not mention any specific products when sharing your own experiences at any point during the session as this could be seen as a recommendation of a product.

The resources you will need:



Laptop or tablet

The **PowerPoint presentation** ready to view together.

These are the slides to use with the activities.

Some slides may require you to skip or 'click' to access the different stages of the slide animation.



Resource sheets

These are other resources that you will need to view on screen, or you can print them off if you are able.

**Activity A:
PPT slides 3 and 4**

**Activity B:
PPT slides 5, 6 and 7
Resource sheet - Jed's Balancing Act**

**Resource sheet - Jed's Balancing Act
Information Sheet**

**Activity C:
PPT slides 8, 9, 10 and 11
Resource sheet - The next move**

**Resource sheet - The next move
information sheet**



Further support and information sheet

Pen and paper

Using these activities with a young person will help them to:



Understand their motivation to live independently.



Understand how important it is to keep track of money when you have financial responsibilities.



Appreciate the responsibilities that come with living independently.



Identify the differences between renting and owning your home.



Know how to manage their money when they live independently.



Appreciate that it is good to talk about money and to seek help when you need to.

These activities can link to several areas of the educational curriculum:

Personal, Social and Health Education (PSHE)




- To assess and manage risk in relation to financial decisions that young people might make.
- How to plan expenditure and budget for changes in circumstances (e.g. when moving out or going to university).

Citizenship:

Citizenship education prepares pupils to take their place in society as responsible citizens. Part of that preparation involves enabling them to manage their money well and make sound financial decisions. These activities support by discussing:

- The functions and uses of money.
- Risk management.

In other settings, the content could contribute to vocational, core and life skills learning:

-  Budgeting
-  Money management
-  Making informed decisions



Moving out – what will it cost?

In this activity, a young person will learn that:

- We all have different reasons for living independently.
- There are advantages and disadvantages to the different living options.
- There are responsibilities that come with living independently.

YOU WILL NEED

- ✓ Skip slides 1 and 2
- ✓ PPT slides 3 and 4

Activity A

Moving out – what will it cost?



1. What are the pros and cons of living independently?
2. What do you use your money for now if you live with family, carers or friends?
3. When you live independently, there are lots of things that cost money. In your groups, discuss and write down all of the things that you can think of that you will need to pay for.

Activity A – round up

Moving out – what will it cost?

Key learning:

- It is important to be clear about why you want to live independently.
- You need to know what you will have to pay for if you start to live independently.
- You may have to register for or set up utility bills and Council Tax when you live independently.
- Explore the different payment options for bill payments, as some may work out more cost-effective than others.
- Consider separating bills and income.



- ✓ Pen and paper



Moving out – what will it cost?

Using **slide 3**, start by asking the first question:

What do you think are the advantages and disadvantages of living independently?

You may need to explain that independent living means living away from parents or caregivers and taking responsibility for things that others may have done for you in the past.

Ask them to share their thoughts with you.

Here are some suggestions to aid the discussion:

Some possible advantages might include:

- Freedom to choose who you see and when you see them, in your home.
- Taking responsibility for your own life.
- Living in the real world with real costs.
- Living with your own stuff, things that are your own taste.
- Staying up for as long as you want.
- Staying in bed for as long as you want.

Some possible disadvantages might include:

- The extra costs of living independently.
- Missing your family/caregivers being around.
- Having less support when you experience any problems.

Next you want them to think about the costs and benefits of the choice to live independently.

Choose between 'do - together' or 'do - independently' as an approach to this activity.

Option 1 Do – together.

Using **slide 3**, ask them to think about question two:

What do you use your money for now?

Discuss all of the things they spend their money on currently. Ask them to write these down on some paper or a laptop/tablet.

Ask:

Is all your spending just for you?

CONTINUED →



Moving out – what will it cost?

Do you contribute to the household expenses?

Check that they understand that term ‘household expenses’ means bills, food and cleaning materials etc.

Possible answers: takeaways, clothes, mobile phone, going out, travel, holidays. Some to the household for food.

Say:

Think about what kind of place you would like to live in.

Now, make a list of all of the things you will need to pay for if you live independently.

Remind them that wherever you live, if they move out (living alone or in a shared house or flat), there are lots of other things that they will need to pay for. They will also still want the things they spend their money on now, like a mobile phone.

Option 2 Do – independently:

Explain that you want them to think about the other questions on **slide 3**.

Say:

Think about what you said about the pros and cons of living independently.

- Make a list of what you use your own money for now.
- Think about what kind of place you would like to live in and make another list of all the things you will need to pay for when you live independently.

They should also make a list of anything else they want to know about/ask about the cost of living independently.

Once they have completed the task, ask them to share their findings.

CONTINUED →



Moving out – what will it cost?




Reflect:

Have a discussion about their current living costs and their list of independent living costs. If they have communicated with friends, then ask about what their friends thought too.

Here are the things that they should have thought about. If they didn't, you can introduce them:

- Rent
- Electricity/gas
- Water
- Council Tax
- Broadband/TV package/TV licence
- Household contents insurance

Ask:

-  **Have you missed anything?**
-  **Do you think you will have to pay for something else? E.g. home appliances such as a cooker, fridge, washing machine, or maybe pet insurance?**
-  **Do you know how to get the best deal when you pay your bills?**

Possible answers: you could use a comparison site to compare the cost of broadband, electricity, etc.

Finally, use **slide 4** to wrap up the activity and to re-cap on what they have learnt.



Jed's balancing act

In this activity, a young person will learn that:

- There are responsibilities that come with living independently.
- Spending habits may need to change to when living independently.

YOU WILL NEED

- ✓ PPT slides 5, 6 and 7



- ✓ Resource Sheet - Jed's balancing Act
- ✓ Resource Sheet - Jed's balancing Act Information sheet
- ✓ Pen and paper



Jed's balancing act

Ask them to think about what they said about the advantages and disadvantages of living independently.

Re-cap on these and then explain that they are going to look at a typical situation of a young person planning to live independently for the first time.

Print out or view on a laptop/tablet **Resource Sheet – Jed's balancing act**.

Ask them to:

- Review Jed's blog (page 1) and then calculate the cost of him moving out (page 2).
- Think about and answer the questions at the end of the resource.

Once they have completed the task, ask them to share what they have decided about Jed's situation.

You can also do this activity together to offer more guided learning.

Reflect:

Using **slides 5 and 6** and **Resource Sheet – Jed's balancing act information sheet**, discuss with them what they have decided about Jed's situation. Use the questions on the information sheet to help with the discussion.

Have they considered all the issues? You can use the **information sheet** to help with the discussion.



If you feel it is appropriate and you are comfortable doing so, you could share some of your ideas with them about budgeting challenges you had when you lived independently for the first time.

Finally ask them:



What have you decided about living independently?



Do the advantages outweigh the disadvantages?

Finally, use **slide 7** to wrap up the activity and to re-cap on what they have learnt.



The next move?

In this activity, a young person will learn:

- That there are many options for living independently.
- What needs to be considered if you want to own your own home.
- About the responsibility of living independently and of home ownership.
- That there are organisations that can help us to make informed choices.

YOU WILL NEED

- ✓ PPT slides 8, 9, 10 and 11

Activity C - The next move? My first home?

Do you know the difference?

For Sale **For Rent**

Buying

- This is when you buy a property.
- This usually involves taking out a mortgage.
- Advantage is a base of money from a bank or other mortgage provider, or other mortgage.
- Right mortgage can provide you with a great way to finance your home.

Renting your own space

- This is when you pay a set amount of money for the use of a house or flat.
- The money for the property is taken out of the rent.
- If you rent, you are called the tenant.

Activity C - The next move? My first home?

Do you know the difference?

For Sale **Shared Ownership** **Shared Ownership**

Shared Ownership

- This is a way of owning part of a property. You might be able to get 25% to 75% of it.
- When you own your own, you will pay rent on the remainder.
- Many housing associations offer shared ownership schemes.
- It is a way of making affordable homes available to people with lower incomes or particular needs.

Joint tenancy

- This is another way of owning part of a property.
- This usually involves taking out a joint mortgage held by two people.
- Tenants in common each own a separate share of the property.
- Joint tenancy has equal rights to the property.

Tenants in common

- This is another way of owning part of a property.
- This usually involves taking out a mortgage held by two people.
- Tenants in common each own a separate share of the property.
- These shares don't have to be equal size.
- This can help people to buy property who otherwise could not afford it.
- If you want to sell the property, you must tell all buyers.

Activity C

The next move? My first home

Let's compare our answers. Do you know which of these are the lowest expenses and which are your choice?

Activity C - Round up

The next move? My first home

Key learning:

- To help you manage your money, it is important to understand the costs associated with living independently, and to able to differentiate between essential and non-essential.
- Your spending habits may need to change to reduce a cost. This may include saving for a house deposit.
- You may want to consider putting money aside regularly for any unexpected events.
- There are lots of tools and organisations that can help you to make informed choices about managing your money.

- ✓ Resource Sheet - The next move
- ✓ Resource Sheet - The next move information sheet
- ✓ Further support and information sheet
- ✓ Pen and paper



The next move?

Start by asking them if they know about all the different ways of living independently.

If they need some help to get started, explain that they can rent or buy.

Ask:

 **Do you know if there are different ways to rent or buy a home?**

Give them a moment to see if they can think of any.

- Using **slides 8 and 9**, share the headings and ask them if they know what they are.
- Share the definitions by clicking (once for each). There is more information on **Resource Sheet –The next move**.

Ask:

 **Are you surprised that there are so many ways of living independently?**

 **How many of these were you already aware of?**

 **Which are new to you?**

Explain that you are now going to look at the costs of these different ways of living independently.

Print off **Resource Sheet – The next move** or view it on a laptop/tablet.

Ask them to:

- Complete tasks 1 to 4 on the resource sheet.
- Compare the likely cost of different living choices.
- Once they have completed the task, ask them to share their findings.

You can also do this activity together to offer more guided learning.

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The next move?

Reflect:

Talk about their choices.

Ask:

 **Is it much more expensive to live independently?**

 **Are you surprised at the additional things you will need to pay for?**

Use **slide 10** and the **Resource Sheet – The next move** information sheet to revisit the definitions if you need to.


Ask them to think about what top tips they might give someone about staying in control of their money when they live independently.



If you feel comfortable, you could share with them how you manage your bills. For example, putting money aside for bills as soon as you've been paid, mobile banking alerts if you reach a certain balance and using a budgeting app to track what you spend.

Finally, use **slide 11** to wrap up the activity and to re-cap on what they have learnt.



 Share the **Further support and information sheet** with them to learn more, and provide support.