



Guidance notes to prepare for your session

# Independent living: Managing living expenses

**Suitable for 16+ years**

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



LLOYDS BANK

# Using this guide to deliver financial capability in a face-to-face group setting

This guidance has been prepared to support you in helping young people to learn about money.

You can use the resources with young people, whether in an educational environment or a less formal face-to-face group setting. For example, you may be working with young people in a youth group, in a care setting or perhaps as part of an employer training programme.

These activities have been developed to use with young people aged 16-25 years and are:

- **Relevant and engaging**, enabling young people to discuss money topics appropriate to their life stage and to learn from the experiences of others.
- **Easy to access**, providing a variety of things to discuss, think about and do.
- **A complete package**, providing all the resources you will need.
- **Flexible**, offering alternative approaches to deliver the activities depending on the needs of your group.

This session will enable young people to learn how to manage their money in the context of living independently. They'll consider what money comes in and what must go out for living expenses as well as thinking about the options for living independently.

**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.**

## Three activities to engage young people

This session involves three activities. Delivered all together, they form a one-hour session. Alternatively, each individual activity can be used to run a shorter 20-minute, one-off session.

The activities have been designed to be both age-appropriate and inclusive. For those that may require some further adaptation, alternative ways of delivering the activity for differing learning needs are detailed when required. You may wish to further amend and adapt the activities to suit the needs of specific groups.

### Activity A

#### MOVING OUT – WHAT WILL IT COST?

This activity will encourage young people to think about all of the things that 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 responsible for their own living expenses.

### Activity C

#### THE NEXT MOVE? MY FIRST HOME

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.**

# Learning outcomes

By the end of the session, young people will:



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.



Be able to 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 discuss money and to seek help when you need to.

## If you are delivering in a school or college setting, the activities may link to several areas of the 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 will prepare pupils to take their place in society as responsible citizens. It will help them to be able to manage their money well and make sound financial decisions.

- The functions and uses of money.

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

- Budgeting and money management.
- Making informed decisions.
- Building financial resilience.
- Assessing future needs.
- Developing financial adaptability.

## Guidance notes

# The session resources you will need:

Print off and prepare the following:



### The PowerPoint Presentation

*This contains all the slides for the session.*

*We suggest you view the **PowerPoint** in advance.*

*You may need to 'click' to access the different stages of the slide animation.*



### Resource Sheets

**Resource Sheet:**  
**Jed's Balancing Act**  
*Print one copy per pair.*

**Resource Sheet:**  
**Jed's Balancing Act Information Sheet**  
*Print one copy for yourself.*

**Resource Sheet:**  
**The next move**  
*Print one copy per pair.*

**Resource Sheet:**  
**The next move information Sheet**  
*Print one copy for yourself.*



### Further Support and Information

*This provides opportunities to find out more. It can be shared with the group at the end of the session.*

### Paper and pens



**2 MINUTES**

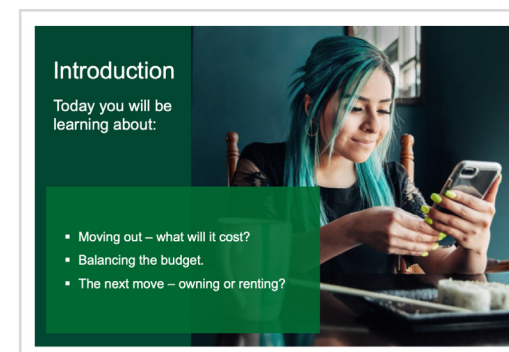
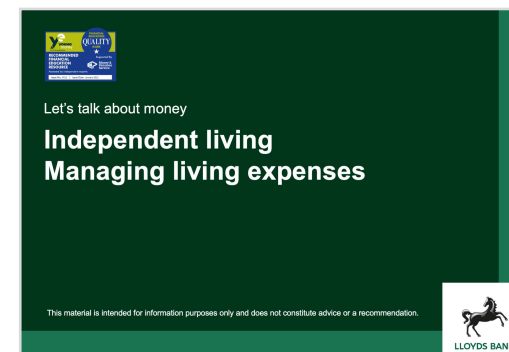
## Introduction

Use **slide 1** to introduce yourself if required.

Use **slide 2** to explain what the group will be learning about.

### YOU WILL NEED

✓ **PPT slides 1 and 2**





20 MINUTES

## Moving out – what will it cost?

In this activity, young people 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.

### Alternative ways of delivering the activity:

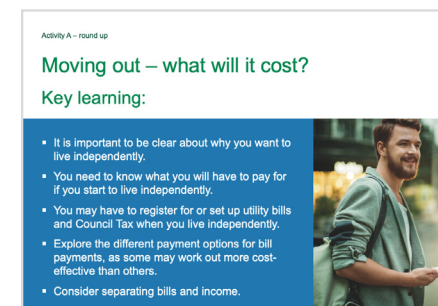
1. Complete this activity as a whole group discussion, or you can split the group into twos or fours to have smaller group discussions, without the need to write their responses – they can just explain and share these with the group.
2. Within the group, many may be living independently. It's important to draw on that experience for the benefit of the whole group. Explain that the activity will enable them to share their knowledge and experience.
  - Ask how each member of the group would describe their living situation (if they want to), e.g. renting/buying/sharing.

Using **slide 3** to guide you, ask:

- **What do they think are the reasons people decide to live independently?**
- **Do we all have a choice about this?**  
Some people have no choice due to family/financial circumstances.
- **What do you think are the advantages and disadvantages of living independently?**  
Use the main guidance to support you.
- Have a general discussion about what financial commitments come with living independently and how much disposable income they have or don't have.

### YOU WILL NEED

✓ **PPT slides 3 and 4**



✓ **Pen and paper**



# Moving out – what will it cost?

Using **slide 3**, start by asking:

## 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 those things that others may have done for you in the past.

Use the following 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.

You may also need to acknowledge that, depending on the circumstances, some young people may have no choice but to move out of home. For some, moving to live independently happens because of the breakdown of family relationships, the breakup of a relationship, leaving care or moving on to university, a job or an apprenticeship.

Encourage the group to share their own experiences, or perhaps ones they have heard about.



If you feel comfortable doing so, you could share your own ideas or experiences of the advantages and disadvantages of living independently with the group.

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## Moving out – what will it cost?

Using **slide 3**, ask:



**What do you use your money for now if you live with family, carers or friends?**

Discuss all the things that they spend their money on. Ask them to remember or record these. Alternatively, you can record their answers on a flipchart or whiteboard. You will need them later.

**To prompt them, ask:**



**What do you use your money for now?**



**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, and holidays. Some may contribute to the household they live in for food, bills or rent.

Next, using the last question on **slide 3**, ask the participants to split into **pairs or fours** and give out some plain paper.

**Ask them to:**

- Think about what kind of place you would like to live in (e.g. a detached house, a semi-detached house, a flat).
- Wherever you live, if you move out (living alone or in a shared house or flat), there are lots of other things that you will need to pay for.
- Think and make a note of the things that you may need to pay for – as many as you can in 10 minutes.
- Collect all the ideas from the group to make one big list. You can add them to the list made earlier.

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## Moving out – what will it cost?

Discuss with the group their current living costs and their list of independent living costs. Remind them about their earlier list – all of the things they pay for already will still be there.

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:** using a comparison site to compare the cost of e.g. broadband, electricity.

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



20 MINUTES

# Jed's balancing act

In this activity, young people will learn that:

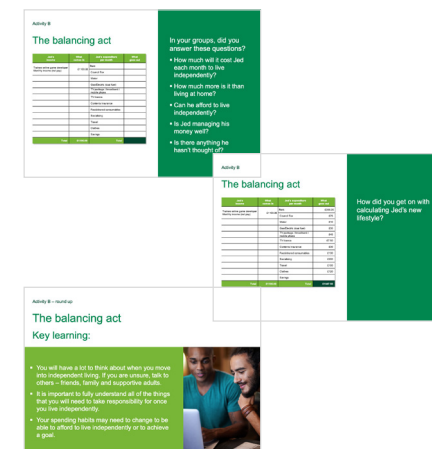
- There are responsibilities that come with living independently.
- Spending habits may need to change to when living independently.

## Alternative ways of delivering the activity:

1. Read out or explain each entry in the blog from the **Resource Sheet - Jed's balancing act** one at a time, and discuss the impact on Jed's budget as you go through each entry.
  - Use the answers in **Resource Sheet - Jed's balancing act information** to support you if required.
  - Once complete, discuss the group's conclusions using the questions in the main guidance.
2. Start a conversation based on the key learnings of this activity, encouraging the group to share their own experiences and tips on budgeting and 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**



## Jed's balancing act




Ask the group 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 consider a typical situation of a young person planning to live independently for the first time.

Split the group into **pairs or fours**. Share **Resource Sheet - Jed's balancing act** with the group. Explain that they need to:

- Consider 'Jed's blog' (page 1).
- Use the information in the blog to complete his budget sheet and answer the questions (page 2).

Using **slides 5 and 6** and the **Resource Sheet - Jed's balancing act information**, ask someone from each pair/group to answer one of the following questions. The group can then compare and share their conclusions.

-  **How much will it cost Jed each month to live independently?**
-  **How much more will this cost than living at home?**
-  **Can he afford to live independently?**

 **Is Jed managing his money well?**

 **Is there anything he hasn't thought of?**

 **Have they considered all the issues?**

You can use **Resource Sheet - Jed's balancing act information** to help with the discussion.

If they feel comfortable, encourage the group to share their own experiences, or perhaps ones they have heard about.



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

**Ask:**

 **What have you decided about living independently? Do the advantages outweigh the disadvantages?**

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



# The next move?

In this activity, young people will learn about:

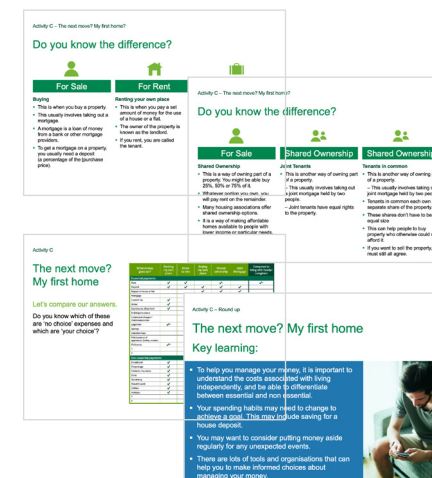
- Their goals around living independently.
- What needs to be considered for owning your own home.
- The responsibility of ownership.
- The organisations that can help us make informed choices.

## Alternative ways of delivering the activity:

1. Explain the different types of living options using the **Resource Sheet - The next move information**. Then discuss the essential and non-essential payments, using the information sheet to guide the discussion.
2. Though many of the group may already live independently, they may not know all of the different options of doing so. This is a good opportunity for them to gain knowledge to help their decision-making in the future.
  - Before showing **slides 8 and 9**, ask the group to share their knowledge and to name as many kinds of independent living as they can.
  - If they have not included all the examples from the slides, use the **Resource Sheet - The next move information** for detailed definitions, then fill in the gaps for them.
  - Encourage peer-to-peer learning and conversation.

## YOU WILL NEED

✓ **PPT slides 8, 9, 10 and 11**



✓ **Resource Sheet - The next move**

✓ **Resource Sheet - The next move information Sheet**



## The next move?

Using **slides 8** and **9**, show them the headings.


**Ask:**

 **Can you describe/define each of these ways of living independently?**

Give them a moment to answer and then click on the slide to bring up the definitions for each.

There is more information on **Resource Sheet - The next move information**.

**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 they are now going to consider the costs of these different ways of living independently.

- Split the group into pairs and give out the **Resource Sheet - The next move**.
- Working pairs, ask them to put a tick in the box for any of the essentials and non-essential items that they think they will have to pay for if living independently.

**Ask:**

 **Do you know what they all are?**

If not, they can ask you for help.

 **What other categories can you think of?**

There are some empty spaces for you to use with your answers.

Put a tick in the 6th column for all the things you pay for if you live with family or caregivers. This will let you compare it with the cost of moving out.

**NB** If any of the young people don't live with family or carers, they can still think about what might be paid for and discuss this with their partner.




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## The next move?

Using **slide 10** to guide you, bring the group back together to compare answers and ideas. You can use the information on **Resources Sheet - The next move information** to support.

### Ask:

-  **Is it much more expensive to live independently?**
-  **Are you surprised at the additional things you will need to pay for?**
-  **What top tips might you give someone about staying in control of your money when you live independently?**

If they feel comfortable, encourage the group to share their own experiences, or perhaps ones they have heard about.



If it is appropriate and you feel comfortable, you could share your top tips for budgeting and staying in control of your money once you live independently. 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.



2 MINUTES

## Summary

At the end of the session, use **slide 12** and thank them for contributing to the activities.

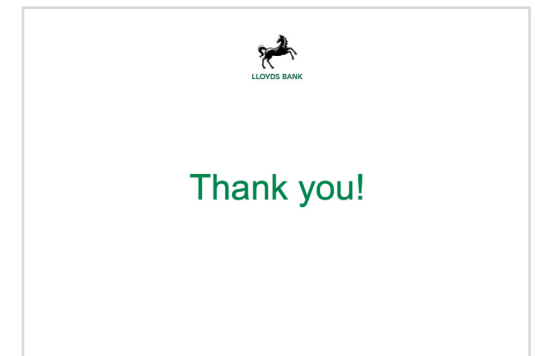


Share the **Further support and information sheet** with the group. This provides opportunities to find out more information and provide support to improve their financial wellbeing.

### YOU WILL NEED

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✓ **PPT slide 12**



✓ **Further support and information Sheet**