



A PRACTICAL GUIDE TO HOUSING THROUGH FINANCIAL EDUCATION



Financial Education
Quality Mark

Recommended Financial
Education Resource
Assessed by independent experts for:
✓ Educational quality
✓ Financial accuracy

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Section 1 Introduction

Who is this resource for?

This resource, developed in partnership with the Tenancy Deposit Scheme Charitable Foundation (TDS), is for teachers and other financial education providers.

It will help you help young people aged 14-19 understand:

- the financial implications of renting or buying a home, and
- the different choices available.

Independent living can be an exciting yet daunting prospect. Whether moving to take up a job, going to University, moving in with a partner for the first time or becoming a parent, understanding the financial implications of housing choices is essential for young people.

This resource explores the key factors involved in making the transition into independent living through the use of four case studies which consider different sets of circumstances, and the choices involved in each. Each case study contains key questions with ideas on how to guide students in their discussions, as well as links to activities which support the learning points. This resource will enable learners to acquire skills to allow them to manage their money on a day to day basis and plan for their future financial needs.

Towards the end of the resource there is a reference section and glossary which provide further detail on the information covered within the case studies. This can be referred to prior to delivery with students, and may help to answer some of the more difficult questions that could come up!



The four case studies within this resource are:

- **Should I stay or should I go?**

Considering the pros and cons of leaving home to move into a place of ones own.

- **Where to stay at Uni?**

The accommodation choices for those studying at university can be a little different. Options can involve halls of residence, university student accommodation or private tenancy.

- **To rent or to buy?**

Is renting really throwing away money? Does having a mortgage mean you are 'tied down'? This case study explores the advantages and disadvantages of each, and the associated costs that may be involved.

- **What support is available?**

Housing in any form can sometimes be expensive. This case study looks at the help that may be available to support a move into independence.

Each case study contains relevant learning objectives which have been mapped to the Financial Education Secondary Planning Framework. You may wish to use the framework to link other aspects of financial education you might be delivering. A full copy of the framework can be downloaded from: www.pfeg.org/SecondaryPlanningFramework



Section 2 Teaching and Learning – Case Studies

This section provides a range of learning scenarios that can be used with students as case studies to explore possible situations that may be faced when finding suitable independent living options.

Each scenario covers different housing related issues, and includes:

- Appropriate learning objectives
- Key discussion points
- Links to interactive activities
- Further information links



Teaching Notes:

The case studies can be introduced to the class by reading together, and then through discussion identifying the specific needs in each case. Alternatively students could work in small groups to discuss each of the case studies, and then complete the activities. Each case study may be appropriate for use with different groups of young

people, depending on the age and requirements of the group. The topics covered may begin to touch on sensitive areas of life or personal circumstances. In such situations allow students to express their opinion whilst respecting differing points of view, and without the need to make personal disclosures.



Case Study 1 – Should I stay or should I go?

Learning objectives:

- To understand the important role financial planning plays in achieving personal goals
- To know how to manage a personal budget in preparation for living independently and starting work

Case study 1

Feroza has a job in a local chemist as a sales assistant. She has worked there for 2 years and loves her work. She lives with her parents and younger brother.

She likes the benefits of living at home, as she has more disposable income than if she were paying rent or a mortgage. Feroza thinks that this could give her the opportunity to save to buy her own home or for a deposit on a rental property. She also likes the fact she doesn't have the sole responsibility of managing the household bills.

Feroza travels to her workplace on public transport so has to budget for this when she is working out her finances. Her parents have asked for Feroza to contribute to her living costs at home. This includes heating, lighting, food,

toiletries etc. Together they have worked out that a proportion of her salary will be used for this. The remainder of her salary is for herself.

Although Feroza gets on well with her family she does want her own space. She has her own room where she can invite her friends and watch TV, use her computer etc. This is really important to both Feroza and her family, who, although they live together as a family, need to have their own privacy at times.

Having researched her options, Feroza knows she is not alone in her situation, as there are an increasing number of people within her age range, now living at home with their parents.





Discussion Points

Consider some of the following questions with the group. It can be useful to have students work in small groups so they can discuss between themselves. Provide an opportunity for groups to feedback their answers and compare with others.

- What are the main reasons that young people might look to move into a place of their own?
 - Independence
 - Freedom
 - Needing to move for work opportunities
 - Feroza will need to consider the running costs of living on her own, and if she can afford this.

Things to consider would be;

- Saving for a deposit
 - Council tax
 - Utility bills (gas, water, electricity)
 - Contents insurance
 - Broadband and landline costs
 - Moving costs (hire of a van etc)
- What might be the downside of Feroza moving into a place of her own?
 - Cost of bills
 - She may feel isolated
 - Distance from work might increase travel costs
 - Might not be as nice as her previous home
 - “One in five children wait until at least 26 years old before moving out’, according to new research from Nationwide Mortgages.” “No deposit, no car and an easy life are among the key reasons why 15 per cent of adults are taking an extended stay at the ‘Hotel of Mum and Dad’ and why a fifth (20 per cent) of adults are waiting until they are at least 26 years old before leaving the family home.*”

Why do you think there might have been such an increase?

- Increases in the cost of housing – both rental and purchase price
- Fewer jobs available for young adults

*<http://www.nationwide.co.uk/about/media-centre-and-specialist-areas/media-centre/press-releases/archive/2015/10/12-hotel-of-mum-and-dad-stays-open-for-longer>

Big Question:

What do you think Feroza should choose to do, continue to live at home or take the leap and live independently? Give reasons to explain your answer.

Activities

The activities, provided in Section 3, which could be used to support this case study are listed below along with a brief description of how the activity could be used to support the learning objectives:

Activity 1: What is a home?

Activity 2: What do I want from a home?

Activity 3: Renting or buying?

Activity 4: What might it cost?

Activity 5: Extra expenses – improving your home with ‘wants’



Case Study 2 – Where to stay at Uni?

Learning objectives:

- To understand I am responsible for working out which financial options are best for my situation
- To know the potential relationship between education, training, jobs and income and the role they play in helping me achieve my personal and financial goals

Case Study 2

Jonathan is very excited that he has secured a place at Manchester University to study Music. He currently lives with his parents and brother about 20 miles away from the University. Jonathan is unsure whether to continue to live at home and travel each day for lectures or whether to live away from home in the centre of Manchester.

Jonathan has been looking into the accommodation options available to him, and thinks there are three:

- Living in Halls of Residence
- Sharing a flat or house near the University with other students, or renting a room privately

- Continuing to stay at home with his family and commuting to the university for lectures

As he is nervous about leaving home for the first time, he has been considering Halls of Residence as a compromise between full independence and still having a level of security that private renting might not provide. However, he is looking into every option to understand the pros and cons of each.



Discussion Points

Consider some of the following questions with the group. It can be useful to have students work in small groups so they can discuss between themselves. Provide an opportunity for groups to feed back their answers and compare with others.

- What might be the advantages to Jonathan of choosing to stay in a Halls of Residence?
 - Close to the university for lectures
 - Easier to make friends, as more interaction with other students
 - Clearer idea of costs as it is all provided by the university, and may include insurance, internet connection and utility bills
 - There can usually be an option to include the cost of all meals in the price of staying in a Halls of Residence – saves on cooking!
 - There is usually a greater level of security on university grounds than other forms of accommodation – CCTV, security guards, accessing support and advice from wardens at the halls of residence on personal, social health and academic issues. All of these things would reduce Jonathan and his parents' worry about him living independently for the first time.
 - Halls of Residence provide a wide range of facilities such as sports halls, libraries, laundrettes etc., at subsidised rates and fees.
- Are there any disadvantages of staying in a Halls of Residence?
 - All universities will have rules related to staying in their Halls of Residence and these will need to be adhered to, things such as health and safety, noise levels, smoking and potentially a curfew time.
 - There can be large numbers of students all staying in one Halls of Residence who may be required to share kitchens and even bathrooms facilities.
 - Jonathan will have to pay for the accommodation for a minimum of 40 weeks over the year even if he goes home for the holidays.
- When researching the private rental options Jonathan has realised there are a number of places to look. He has found rooms advertised in local papers, through the university and an approved housing bureaux. Which of these options might be better and why?
 - Whilst using a local paper to find vacant rooms for students might be a useful tool, it does not provide any guarantees about the safety or standards of the accommodation. Both the university and the approved housing bureaux will be covered by housing regulations.
- How might living in a privately rented room differ from staying in Halls of Residence?
- What do you think are the pros and cons of each option?

Big Question:

What do you think is the best solution for Jonathan and why?

Activities

The activities, provided in Section 3, which could be used to support this case study are listed below along with a brief description of how the activity could be used to support the learning objectives:

Activity 1: What is a home?

Activity 2: What do I want from a home?

Activity 4: What might it cost?

Activity 5: Extra expenses – improving your home with 'wants'



Case Study 3 – To rent or to buy?

Learning objectives:

- To understand the potential relationship between education, training, jobs and income and the role they play in helping achieve personal and financial goals
- To know different ways to pay living expenses and about different borrowing and saving options

Case Study 3

Alex is 19 and Jacqui has just turned 20, and they have been a couple for two years. They've decided that they want to take the next step and move in together.

They need help to prepare for this move as they have no previous experience of what accommodation would be available or how they can finance it.

They think their main option is renting a whole flat or house; however, they are also looking into whether they might be able to buy a small flat or house. They have done a lot of research into renting a property near Norwich where they currently live and work.





Discussion Points

Consider some of the following questions with the group. It can be useful to have students work in small groups so they can discuss between themselves. Provide an opportunity for groups to feedback their answers and compare with others.

- One of the first things that Jacqui and Alex need to consider are the running costs in living independently. What might these be?
 - Council tax
 - Utility bills (gas, water, electricity)
 - Contents insurance
 - Broadband and landline costs
 - Moving costs (hire of a van etc.)
- What do Alex and Jacqui need to consider when deciding to rent a property?
 - If their accommodation is furnished or unfurnished? Some rental agreements have certain items of furniture included such as beds, wardrobes etc, some are not furnished at all.
 - Do they want and/or can they afford an additional bedroom for when friends and family come to stay? Or a garden?
 - How far is it to get to work and what will the costs be? If in order to afford somewhere they have to move further away from work, this will be an additional cost to factor in.
- What might be the advantages of Jacqui and Alex renting a property, and what would they need to consider in doing so?
 - They will not need to save a large sum for a deposit – the deposit needed for a rental property will be considerably less than the ‘down payment’ needed for buying a property. They are not locked into a long-term commitment, and can decide to stop renting and/or move if their circumstances change with a shorter notice period, and at less cost than selling and moving home.
- What about the disadvantages?
 - Some may suggest that renting is ‘money down the drain’ as you are not investing in your own property.
 - The landlord of the property can decide to take the property back at any time (although tenants do have a notice period to which the landlord must abide).

Big Question:

What would you do in Alex and Jacqui’s situation? Give reasons for your answer.

Activities

The activities, provided in Section 3, which could be used to support this case study are listed below along with a brief description of how the activity could be used to support the learning objectives:

Activity 1: What is a home?

Activity 2: What do I want from a home?

Activity 3: Renting or buying?

Activity 4: What might it cost?

Activity 5: Extra expenses – improving your home with ‘wants’

Activity 6: Financial help

Activity 7: Borrowing and mortgages



Case Study 4 – Housing Support

Learning objectives:

- I understand that I am responsible for my future financial security
- I appreciate that the choices I make about my career and personal life will have financial implications e.g. living independently, continuing in education, being employed or self-employed

Case Study 4

Tamara is 18 and has an 18 month old daughter. She is separated from her partner and she and her daughter have returned home to live with her parents.

Tamara's parents are able to look after their granddaughter 3 days a week, so Tamara isn't able to work full time but she wants to go back to college to gain a qualification in IT to help her get a job she is passionate about in the future.

She has a part time job 3 days a week, when her parents are looking after her daughter, working at the local corner shop, where she earns around £200 a week.

She wants to know what housing options are available to her so she and her daughter can move out of her parents' house and share a home of their own.



Discussion Points

Consider some of the following questions with the group. It can be useful to have students work in small groups so they can discuss between themselves. Provide an opportunity for groups to feedback their answers and compare with others.

- Tamara has considered social housing which would mean applying to her local council for a flat or a house. Local councils have two systems for allocating council housing, some use a waiting list and others use a system called 'choice based lettings'. Tamara thinks that this second option might be better for her as her needs as a single parent would have high priority for accommodation requirements.
 - Other things for Tamara to consider would be social housing options, housing benefit and things like childcare vouchers.
 - Researching a range of these options is a good place to start in exploring the options available to Tamara.
- What does Tamara need to consider when exploring her housing options with a young child?
 - Suitability of accommodation – number of bedrooms, garden, accessibility etc.
 - Location – at present it is easy for her parents to look after her little girl and for Tamara to walk to work, but all that might change if she can't find accommodation in the same area.
 - Costs and financial help available to her – can she afford to live independently at this time?
- What might be the advantages of Tamara moving out and living independently?
 - Independence and self-sufficiency
 - To be able to create her own home for herself and her daughter
- What about the disadvantages of this?
 - The cost of running and maintaining her own home
 - At a distance from the essential support of her parents.

Big Question:

What advice would you give Tamara? Give reasons for the solutions you suggest.

Activities

The activities, provided in Section 3, which could be used to support this case study are listed below along with a brief description of how the activity could be used to support the learning objectives:

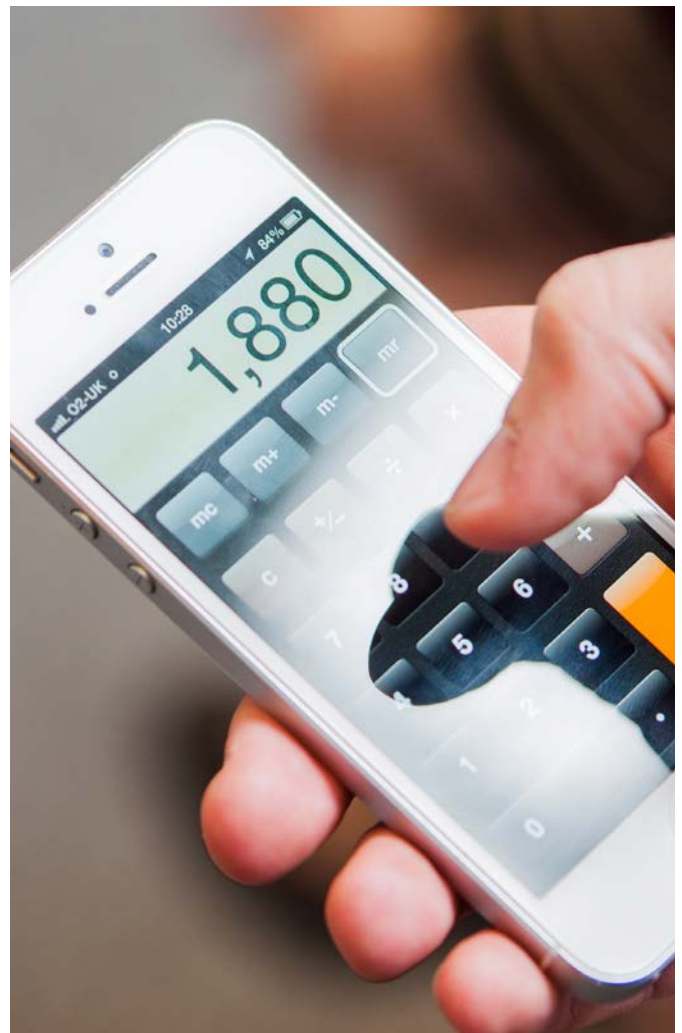
Activity 1: What is a home?

Activity 2: What do I want from a home?

Activity 4: What might it cost?

Activity 5: Extra expenses – improving your home with 'wants'

Activity 6: Financial help



3



Section 3 Activities and Opportunities

The following section provides a range of activities which can be used to encourage young people to discuss and develop their own financial skills with regard to independent living. They can be used independently or alongside the case studies.

The activities allow young people to explore prioritising their housing needs and wants as well as providing information about financing independent living.

Activity 1: What is a home?

Activity 2: What do I want from a home?

Activity 3: Renting or buying?

Activity 4: What might it cost?

Activity 5: Extra expenses – improving your home with ‘wants’

Activity 6: Financial help

Activity 7: Borrowing and mortgages

The resources mentioned in this section are designed to help support delivery of the activities. A number of useful and relevant resources can be found on the pfeg website at <http://www.pfeg.org/resources>



Activity 1: What is a home?

This activity allows young people to think through the different sorts of homes we might live in. It will help students to understand that people can live in a variety of different types of accommodation depending on who they are, the resources they have available to spend on housing, where they live and of course personal preference!

By completing this activity learners will:

- Understand that home can mean different things to different people depending on circumstances including financial ones
- Realise that we can have choices about how and where we live

▶ Teaching notes:

In groups challenge the students to come up with as many different types of 'home' that they can think of.

Answers might include: a rented room, a flat, a house, a bungalow, a mansion block, a cottage etc. Encourage them to think creatively such as a static caravan, a canal boat or even a tent!

Use their ideas to create a spider diagram; they could even use the property section of a local paper to illustrate some of their ideas.

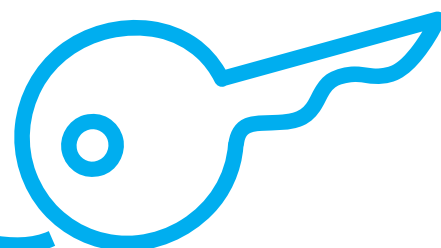
Through discussion ask the questions:

- Does the type of home you might have depend on where you live?

- What else might impact on the type of home you have?
- What type of home would they like to live in, in the future?

It is important to emphasise that it is good to have aspirations about the type of future home they would like, but that homes cost money – to rent or buy and therefore many of the decisions we make about where we live will be around affordability – that is dependent on the income we have.

Having completed this activity the students could suggest the types of homes which they think might be most suitable for the character in their case study.



Activity 2: What do I want from a home?

This activity is about prioritising what matters to young people when deciding where to live. It allows them to think through some of the considerations that go into deciding where to live. This is useful in helping students make the distinction between important independent living decisions, and their implications.

By completing this activity learners will:

- Understand the things they need to consider when deciding where you want to live.
- Realise their personal priorities when finding a place to live independently, and to the steps they need to take to achieve these.

▶ Teaching notes:

Start by facilitating a discussion regarding what students think is important to consider when deciding where to live.

Divide up the class, giving each group a set of the following cards (ready cut up) to organise through discussion. Students should rank cards from 1 to 9 in order of importance, placing those they feel are the most important at the top and the least important at the bottom of the diamond.

Remind students there are no right or wrong answers and everyone will have slightly different priorities.

From the conclusions drawn from these activities, see if there are common themes that can be explored further through group discussions.

The students could complete this activity from the perspective of the character in their case study – what differences does it make to the things they think will be priorities?

Additional Activity:

Young Person's Budget - An Activity. It may be useful to extend the consideration of needs and wants to other things that affect quality of life in independent living, such as factors that influence spending choices.

<http://www.pfeg.org/resources/details/young-persons-budget-activity>

What do I want from a home activity sheet

Proximity to work/school	Monthly cost of rent or mortgage	Size
Number of co-inhabitants	Proximity to family/friends	Access to parking
Running costs/bills	Transportation links	Proximity to shops

Activity 3: Renting or buying?

This activity looks at the main options available for securing housing. It will enable students to explore the differences in the rental housing market and the different opportunities available when buying your own home.

By completing this activity learners will:

- Understand some of the differences between renting and buying
- Be able to make decisions about which option might be best in specific circumstances

▶ Teaching notes:

Discuss with students what they think the difference is between renting and buying a house. Divide the class into pairs and using the activity sheet grid and statements, ask them to consider the pros and cons of renting and buying a home.

Explore their opinions about the relative costs and benefits of buying versus renting.

- Why do they think people aspire to own their own property? Is this always feasible?
- Discuss which option – buying or renting – would be best for the character in their case study.

Renting or buying activity sheet

When living independently there are two main options for securing a home: BUYING or RENTING.

You can buy or rent in different ways, each of which present choices and opportunities, but there are also negatives for each too.

Match the statement cards to the correct option.

Home owner (You buy the property you live in)

Buy outright

Borrow money to pay for the cost of the house

Share the ownership

Tenant (You rent the property you live in)

Local Authority (Council Housing)

Housing Association (Registered Social Landlord or RSL)

Private Landlord

Statements

Need a large savings pot for a deposit

May have to pay tax (stamp duty) on the purchase price

Requires a mortgage

Need to have saved a deposit

The money you pay each month goes to the mortgage company

Each month your payment pays interest on your mortgage. It also pays off a small amount of the debt, so when you sell your debt will have gone down

Need to be in employment

If you fail to make monthly payments the property may be repossessed

You own a percentage of the property and someone else (perhaps Mum and Dad, or a flat mate or a Housing Association owns the rest)

Some of the money you pay each month goes to the mortgage company and some goes in rent to the housing association

The rents are lower

May not need a deposit

Eventually you may be entitled to the 'Right to buy'

May not be able to choose the exact area you want to live in

May get housing benefit to cover the costs

When you leave the property you will only get your deposit back

May be a long waiting list

If you don't pay the rent you could be evicted

No deposit needed

Eventually you may be entitled to the 'Right to buy'

The rent you pay each month goes to the landlord

Need savings to pay deposit and rent in advance

Rents can be high

May not accept tenants on benefits

The rent you pay each month goes to the landlord

May have to pay other charges such as credit checks and key deposits

May be asked to vacate the property after 6 months

May need to pay an agency fee

Activity 3 Answer Sheet

Home owner (You buy the property you live in)

Buy outright

Need a large savings pot for a deposit

May have to pay tax (stamp duty) on the purchase price

Borrow money to pay for the cost of the house

Requires a mortgage

Need to have saved a considerable deposit

The money you pay each month goes to the mortgage company

Each month your payment pays interest on your mortgage. It also pays off a small amount of the debt, so when you sell, your debt will have gone down

May have to pay tax (stamp duty) on the purchase price

Need to be in employment

If you fail to make monthly payments the property may be repossessed

Share the ownership

Requires a mortgage

Need to be in employment

You own a percentage of the property and someone else (perhaps Mum and Dad, or a flat mate or a Housing Association owns the rest)

Each month your payment pays interest on your mortgage. It also pays off a small amount of the debt, so when you sell you will be able to reclaim that money

Some of the money you pay each month goes to the mortgage company and some goes in rent to the housing association

May have to pay tax (stamp duty) on the purchase price

If you fail to make monthly payments the property may be repossessed



Activity 3 Answer Sheet continued

Tenant (You rent the property you live in)

Local Authority (Council Housing)

The rents are lower

May not need a deposit

Eventually you may be entitled to the 'Right to buy'

May not be able to choose the exact area you want to live in

May get housing benefit to cover the costs

When you leave the property you will only get your deposit back

May be a long waiting list

If you don't pay the rent you could be evicted

Housing Association (Registered Social Landlord or RSL)

The rents are lower

Don't need a deposit

Eventually you may be entitled to the 'Right to buy'

The rent you pay each month goes to the landlord

You may not be able to choose the exact area you want to live in

May get housing benefit to cover the costs

When you leave the property you will only get your deposit back

May be a long waiting list

If you don't pay the rent you could be evicted

Private Landlord

Need savings to pay deposit and rent in advance

Rents can be high

May not accept tenants on benefits

The rent you pay each month goes to the landlord

May have to pay other charges such as credit checks and key deposits

May get housing benefit to cover the costs

When you leave the property you will only get your deposit back

May be asked to vacate the property after 6 months

May need to pay an agency fee

If you don't pay the rent you could be evicted

Activity 4: What might it cost?

This activity is about how much it costs to buy or rent a home. Many students may not realise how much even renting a room in a house will cost, so this is about thinking what might actually be possible when living independently and what they might aspire to in the future.

By completing this activity learners will:

- Have a greater awareness of the costs of different housing options
- Understand that financial planning is essential when considering and planning housing options

Teaching notes:

Use the cards to have a discussion about what each 'type' of accommodation might mean – e.g. a room in a shared house will require sharing bathroom and kitchen facilities whilst a bed-sit would probably have its own area but with shared bathroom. A studio flat may not have any outside space whilst a 4 bedroom house should have a fair sized garden. Ensure they know what a terrace /semi detached and detached house means.

Give small groups two cards each and ask them to write their own description of the property. Then with discussion they should decide how much they think it would cost to rent it per month (if possible they should also think about what it might cost to buy - a shared room or bedsit would not be available to buy, but they may not be aware of this).

Once they have agreed on a description for their property and a rental/purchase price they should share their ideas with the rest of the class.

Use a local lettings paper so that the students can find real life, local examples of each of these accommodation options and check to see how accurate they were about rental/purchase costs.

- Why do they think housing costs vary so much – is it just about size or do other factors influence prices e.g. location, size, facilities etc?
- What other costs will they have to think about? Utility bills; insurance; furniture; etc.
- Which home would they select for the character in their case study and would they suggest they rent or buy? They should provide reasons for their answers.

Additional Activity:

Invite a local lettings or estate agent to talk to students about the various options available to them locally.

What might it cost activity sheet



<p>A room in a shared house</p>	<p>A bed-sit</p>	<p>A one bedroom flat</p>
<p>A two bedroom terrace house</p>	<p>3 bedroom semi detached house</p>	<p>4 bedroom detached house</p>

Activity 5: Extra expenses - improving your home with 'wants'

This discussion based activity helps students to think about scenarios they might face while living independently and the importance of prioritising effectively. Conversation is stimulated through the use of scenario cards.

By completing this activity learners will:

- Appreciate that unplanned expenses will arise when living independently
- Recognise that priorities will differ depending on whether you rent or buy
- Reflect on how we justify our decisions to spend money

Teaching notes:

There are lots of ways to use scenario cards; the ones provided below outline various everyday financial dilemmas to which pupils will be able to relate. They are excellent starting points for discussion – whether in pairs, small groups or as a whole class. The rationale is to get pupils thinking about the different choices that money presents and what they might do themselves if they find themselves in a similar situation in the future.

Before starting this activity remind students the difference between a need and a want. A need is something necessary like the home you live in. A want is something you would like to have but is not essential, such as many of the scenarios in Activity 5.

Cut out and distribute the cards. Have the students go through the scenarios one by one and ask them which ones they would prioritize.

You can stimulate further discussion by asking:

- What are their justifications for their selections?
- How would the priorities differ between a home owner and a renter?
- What alternative solutions they can think of to the stated scenarios that would still fulfil the "want"?
- Are there any consequences of not acting on the scenarios?

Extension – Select two or three of the scenarios. How much would you have to budget or put aside each month if you wanted to fulfil these scenarios in 12 months time?

Extra expenses activity sheet



<p>Satellite TV subscription</p> <p>You've been spending too much time at the pub watching football. Although a satellite subscription is a substantial monthly expense, it may be cheaper than time spent at the local</p>	<p>New toaster</p> <p>The toaster has been broken for months. You've been using the grill but it takes a long time to heat up and uses more electricity</p>
<p>Upgrade to a bigger TV</p> <p>The current TV works fine, but the remote is broken. Plus your favourite show would look so much better on a new TV</p>	<p>BBQ for party</p> <p>You've been working all spring on the back garden and you've promised your friends over for a summer party to show it off. Feeding everyone from your small kitchen would be a challenge, but a BBQ would alleviate this. Plus cooking outside will enable you to spend more time with your guests</p>
<p>Hire a plumber to fix a dripping tap</p> <p>No matter how hard you turn the handle, the tap in the bathtub still drips. Your friend is a plumbing apprentice and has offered to fix the leak at cost</p>	<p>Bike shed</p> <p>Due to the security risk, you're unable to lock your bike at the front of the house, but the council are selling bike sheds. A bike shed installed in the front would prevent tracking dirt in the house, and it might also mean you'd be more inclined to cycle</p>
<p>Hire a cleaner</p> <p>There is a cleaning rota, but people keep on missing their turn and it's caused tension among your flatmates. Hiring a clearer would help to alleviate tension, and free up everyone's time</p>	<p>New Espresso machine</p> <p>As a coffee aficionado, you love starting your morning by popping into the local cafe, but this is beginning to add up. You think you could save money if you bought a nice coffee machine for your home</p>
<p>New carpets</p> <p>The carpets in the flat are worn down and are in need of replacing. To make matters worse you've made a blatantly obvious grape juice stain in the hallway</p>	<p>Repaint the bedroom</p> <p>The previous tenant left considerable stains on your bedroom walls. You've done some interior painting before and estimate it shouldn't take longer than a day to get the walls back into shape</p>

Activity 6: Financial help!

This activity illustrates that there are several different sources of financial help available that can assist young people with the various costs and demands of independent living. It should be used to kick off a discussion around:

- how the different types of help can be used to support various personal circumstances, and
- to clarify the pros and cons of renting or buying a home.

By completing this activity learners will:

- Be aware of some of the types of financial help and schemes that are available to them.
- Know that it is possible to seek financial advice and help when deciding on housing options.

Teaching notes:

Begin by explaining that in the UK the government are responsible for ensuring every citizen has shelter in order for them to survive. This could offer a useful opportunity to discuss why some people become homeless.

Use the diagram below to explore financial support available to help people secure appropriate housing. You can use the description cards to explain what the various support options provide, or allow students to carry out their own internet research if required.

Additional Activity:

The Money Management series addresses a range of personal finance issues associated with the transition to independent living, and the considerations around this.

<http://www.pfeg.org/resources/details/money-management-help>

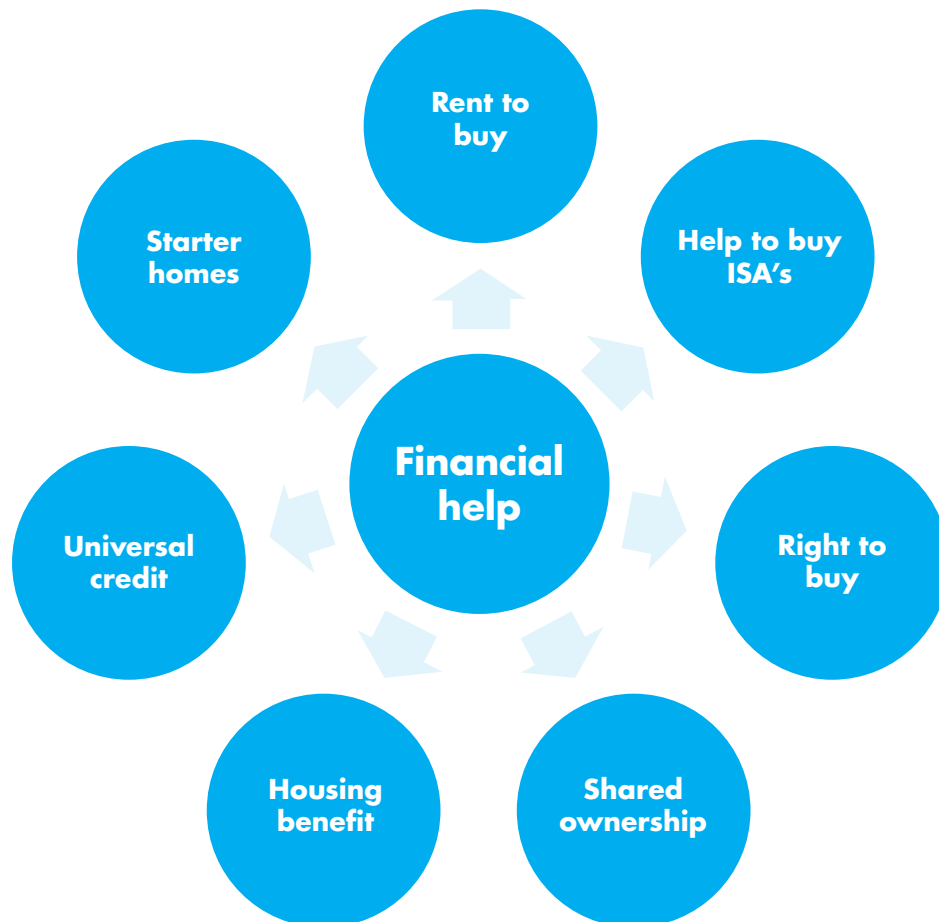


Financial help activity sheet

Using the diagram below, match the description cards to correct financial support – and then identify which type of support would most benefit people who:

- Are trying to save a deposit to buy a house
- Don't have enough money to pay for a deposit but could afford to pay a mortgage
- Are looking for an inexpensive first home
- Have been renting their home for a considerable amount of time and would now like to own their own home
- Can't raise a big enough mortgage on their own to purchase a house
- Need financial assistance to pay for their housing costs
- Are unemployed or in low paid jobs and need additional income to enable them to live

Which type of support would be most helpful for the character in your case study?





<p>Changes in planning and development regulations to allow developers to offer new homes to first time buyers at a 20% discount.</p>	<p>A new type of benefit designed to support people who are on a low income or out of work. It replaces 6 existing benefits. The new system is based on a single monthly payment, transferred directly into a bank account. At present this new benefit only affects newly unemployed people in certain areas of the country.</p>	<p>Government support to help you pay your rent if you're on a low income. This benefit can pay for part or all of your rent. How much you get depends on your income and circumstances. Eventually it will be phased out and replaced by Universal Credit.</p>	<p>If you're saving to buy your first home, opening a special Individual Savings Account means the government will top up your savings by 25% (up to £3,000). If you're buying with someone else, they can also open one of these accounts. You don't have to pay back the money the government contributes</p>
<p>This scheme means you buy just a share of a property (between 25% and 75%) from one of the UK's housing associations. You then pay the housing association an 'affordable rent' on whatever part you don't own.</p>	<p>If you've been a council tenant for more than 3 years and have a 'secure tenancy' agreement then most council tenants have the option to buy their council home at a discount.</p>	<p>This scheme is ideal for anyone with an imperfect credit history, or for self employed people who are unable to prove their income because they don't have 3 years Accounts which are required to obtain a mortgage.</p>	



Activity Sheet 6 – Suggested answers

<p>Starter Homes</p> <p>Changes in planning and development regulations to allow developers to offer new homes to first time buyers at a 20% discount.</p>	<p>Universal Credit</p> <p>A new type of benefit designed to support people who are on a low income or out of work. It replaces 6 existing benefits. The new system is based on a single monthly payment, transferred directly into a bank account. At present this new benefit only affects newly unemployed people in certain areas of the country.</p>	<p>Housing Benefit</p> <p>Government support to help you pay your rent if you're on a low income. This benefit can pay for part or all of your rent. How much you get depends on your income and circumstances. Eventually it will be phased out and replaced by Universal Credit.</p>	<p>Help to buy ISA's</p> <p>If you're saving to buy your first home, opening a special Individual Savings Account means the government will top up your savings by 25% (up to £3,000). If you're buying with someone else, they can also open one of these accounts.</p> <p>You don't have to pay back the money the government contributes</p>
<p>Starter Homes</p> <p>This scheme means you buy just a share of a property (between 25% and 75%) from one of the UK's housing associations. You then pay the housing association an 'affordable rent' on whatever part you don't own.</p>	<p>Right to buy</p> <p>If you've been a council tenant for more than 3 years and have a 'secure tenancy' agreement then most council tenants have the option to buy their council home at a discount.</p>	<p>Rent to buy</p> <p>This scheme is ideal for anyone with an imperfect credit history, or for self employed people who are unable to prove their income because they don't have 3 years Accounts which are required to obtain a mortgage.</p>	

Activity 7: Borrowing and Mortgages

This activity looks at different options when purchasing a property, and considers some of the plus and minus points of taking out different mortgages.

By completing this activity learners will:

- Have an awareness of a range of different types of mortgage options
- Know that they need to compare financial products in order to choose one which best meets their needs

▶ Teaching notes:

Introduce the concept of borrowing to purchase a property. Facilitate a thought shower and produce a mind map of key words and phrases relating to mortgages. Any types of mortgages that are identified during the discussion should be highlighted. Provide a selection of leaflets and literature about different types of mortgages.

Using this information, plus further internet research, students can work in groups to complete the table below to explain a range of mortgage options together with advantages and disadvantages.. Each group can report their findings to the rest of the class. Remember to say that the most suitable mortgage will depend on individual circumstances, so expert advice will be needed for each person that applies.

Additional Activity:

Depending on the group it may be possible to arrange for a guest speaker from a local bank, building society or independent financial adviser or mortgage broker to discuss the range of mortgages available.

Use a mortgage calculator to compare costs depending on how much is borrowed, the length of time the loan is taken out for and the monthly repayments made. What happens if interest rates rise? Or you pay back more than you need to?

Borrowing and mortgages activity sheet

Mortgage Type	Description	Advantages	Disadvantages
Fixed Interest Rate Mortgage	<p>The interest charged on the mortgage stays the same for a number of years, usually between two and five years.</p>		
Variable Interest Rate Mortgages	<p>The interest rate charged can change at any time. It is important to ensure you have sufficient savings to cover any interest rate rises. Variable rate mortgages come in two main forms:</p> <ol style="list-style-type: none"> 1. Standard Variable Rate (SVR) 2. Discount Mortgages 		
Standard Variable Rate (SVR)	<p>This is the standard interest rate that mortgage lenders will charge homebuyers. It will last for the whole term of the mortgage.</p> <p>The rate may increase and decrease in accordance with the Bank of England Base Rate.</p>		
Discount Mortgage	<p>This is a discount off the Standard Variable Rate offered by the lender. It usually applies for a certain length of time.</p>		

Mortgage Type	Description	Advantages	Disadvantages
Tracker Mortgage	These mortgages move directly in line with another interest rate, lenders usually use the Bank of England's Base Rate. For example, if the base rate increases by 0.5% then the mortgage rate will also increase by 0.5%.		
Capped Rate Mortgage	The rate moves in line with the lender's Standard Variable Rate. The cap means that the rate will not rise above a certain level.		
Offset Mortgage	These work by linking a person's savings and current account to their mortgage so that you only pay interest on the difference. The mortgage is still repaid every month as usual but savings act as an overpayment which helps to clear the mortgage before the end of the term.		
Islamic Mortgage	Islamic mortgages have been in the mainstream market in the UK for some years. In Islam, making money from money by charging interest is deemed unfair and is not permitted. There are three models of Home Purchase Plans (HPPs): Ijara, which means 'lease' in Arabic; Musharaka, which means 'partnership'; and Murabaha, meaning 'profit'. Depending on the model, the lender will levy rent or add profit to the amount you pay back instead of charging interest.		

Suggested answers

What are some of the plus points and minus points of taking out different mortgages?

Mortgage Type	Description	Advantages	Disadvantages
Fixed Interest Rate Mortgage	<p>The interest charged on the mortgage stays the same for a number of years, usually between two and five years.</p> <p>Some lenders may insist that you take out a fixed rate mortgage if you are a first-time buyer.</p>	<ul style="list-style-type: none"> • Reassurance that monthly payments will remain the same • Assists with monthly budgeting 	<ul style="list-style-type: none"> • Fixed rate deals are often higher than variable rate mortgage rates • If interest rates fall, you will not benefit as the rate will stay the same
Variable Interest Rate Mortgages	<p>The interest rate charged can change at any time.</p> <p>It is important to ensure you have sufficient savings to cover any interest rate rises.</p> <p>Variable rate mortgages come in two main forms:</p> <ol style="list-style-type: none"> 3. Standard Variable Rate (SVR) 4. Discount Mortgages 	<ul style="list-style-type: none"> • The variable rate may at times be lower than fixed rates. 	<ul style="list-style-type: none"> • The rate may change at any time. • Difficult to budget for the future
Standard Variable Rate (SVR)	<p>This is the standard interest rate that mortgage lenders will charge homebuyers. It will last for the whole term of the mortgage. The rate may increase and decrease in accordance with the Bank of England Base Rate.</p>	<ul style="list-style-type: none"> • Flexibility to overpay at any time • No penalties to change your mortgage product 	<ul style="list-style-type: none"> • The rate may change at any time. • Difficult to budget for the future
Discount Mortgage	<p>This is a discount off the Standard Variable Rate offered by the lender. It usually applies for a certain length of time.</p>	<ul style="list-style-type: none"> • These mortgages are usually cheaper for the period of the discount. • If the lenders cuts their Standard Variable Rate, the amount paid on a Discount Mortgage will also fall. 	<ul style="list-style-type: none"> • The rate may increase, in line with the Standard Variable Rate, at any time. • Difficult to budget for the future • If the Bank of England increase the Base Rate, it is likely the Discount Mortgage rate will also increase.

Mortgage Type	Description	Advantages	Disadvantages
Tracker Mortgage	<p>These mortgages move directly in line with another interest rate, lenders usually use the Bank of England's Base Rate.</p> <p>For example, if the base rate increases by 0.5% then the mortgage rate will also increase by 0.5%.</p>	<ul style="list-style-type: none"> • If the base interest rate falls, then so will the mortgage rate and payments 	<ul style="list-style-type: none"> • The rate will increase with any fluctuation in the base rate. • Difficult to budget for the future • Early repayment charges will apply if the mortgage is switched before the end of the deal.
Capped Rate Mortgage	<p>The rate moves in line with the lender's Standard Variable Rate.</p> <p>The cap means that the rate will not rise above a certain level.</p>	<ul style="list-style-type: none"> • If the Standard Variable interest rate falls then so will the mortgage rate and payments. • The interest rate charges will not rise above the 'capped rate'. 	<ul style="list-style-type: none"> • Rates are generally higher than other variable and fixed rates. • The 'capped rates' tend to be high.
Offset Mortgage*	<p>These work by linking a person's savings and current account to their mortgage so that you only pay interest on the difference. The mortgage is still repaid every month as usual but savings act as an overpayment which helps to clear the mortgage before the end of the term.</p>		
Islamic Mortgage*	<p>Islamic mortgages have been in the mainstream market in the UK for some years. In Islam, making money from money by charging interest is deemed unfair and is not permitted.</p>		

*Both the Offset and Islamic Mortgage have been included in order to explore these as mortgage options, however to include specific pros and cons of each is not applicable here. Use these options as discussion points to the range of mortgages available.

4



Section 4 Glossary/Reference Section

We all want somewhere safe to live. Shelter is a basic need for every individual around the world. Homes give protection from the weather and a place to cook, eat and sleep. The government have a responsibility to ensure that every individual has access to a home. Article 25 of the Universal Declaration of Human Rights states that:

“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services and the right to security in the event of unemployment, sickness, disability, widowhood, old age or other lack of livelihood in circumstances beyond his control” .

The timing and circumstances that prompt young people to consider independent living will be wide ranging. For some young people it will be because they’re starting a new job, going to university or setting up home with a partner. For others it may be that it’s no longer possible to stay with their families or they’re leaving care. Whatever the reason, independent living can be an exciting time but also brings with it new responsibilities such as paying rent or a mortgage and budgeting in order to buy food and pay utility bills. Schools have a statutory duty to prepare students for the opportunities, responsibilities and experiences of later life.

According to the PSHE Association, at Key stage 4, PSHE education should, “reflect the fact that learners are moving towards an independent role in adult life, taking on greater responsibility for themselves and others” . One of the core themes at this level, is Living in the wider world, which includes how to be a critical consumer of goods and services, including consumer rights. With this in mind, education about housing rights and responsibilities fits in line with the PSHE programme of study at this level.

Outside of mainstream education, youth housing services, foster agencies and those services offering support to young parents across the UK can also use the resource. It is vital to develop young people’s understanding of the property market, the options available to them (buying vs. renting) and the cost associated with each before transitioning into independent living. This resource will help develop the skills and knowledge of young people in order to equip them to make informed financial decisions about accommodation choices based on personal and financial circumstances. It will also ensure they understand their rights and responsibilities and educate them about using self-regulated companies, especially in the rental sector.

Educating young people about financial and economic matters enables them to play a full and active part in society, thereby meeting one of the main aims of citizenship education. In England, the 2014 curriculum includes a specific provision for financial education. In particular, at Key Stage 4, learners in relation to housing should be taught about income and expenditure, insurance and appropriate financial products.

1. <http://www.un.org/en/universal-declaration-human-rights/>
 2. <https://www.pshe-association.org.uk/curriculum-and-resources/resources/pshe-education-programme-study-key-stages-1%E2%80%934>
 3. <https://www.gov.uk/government/publications/national-curriculum-in-england-citizenship-programmes-of-study>

STUDENT FACTSHEET

The following information is useful for both students and teachers and can be used as supporting material, or stand alone take home information.

Further information on renting a home

Renting a home can often be the first step to independent living for a young person and involves taking on a rental agreement with a landlord and paying them to live in their property.

What is a rental agreement?

A lease or rental agreement sets out the rules landlords and tenants agree to follow for the length of the agreement and each other's rights and responsibilities. It is a legally binding contract and will cover all the basic terms of the tenancy, such as the names of all people involved, the property address, the rental price, how and when this is paid and the start and end of the tenancy, amongst other things.

Key terms relating to rental agreements

- Tenants – every adult who lives in the rental unit including both members of a married or unmarried couple need to be named as tenants and sign the rental agreement. This means they will all be legally responsible for the terms of the agreement.
- Landlord(s) – a person who rents out land, property, buildings or accommodation.
- Tenancy term – every rental document will state whether it is a rental agreement, where the agreement runs from month to month, or a fixed term lease. A fixed term lease usually lasts six or twelve months in the first instance.
- Limits on occupancy – the agreement will state that the property can only act as a residence for the tenants who signed the agreement and any of their children. The tenants are not allowed to 'sublet' parts of the property. Subletting is when the current tenants of a property allow other people to live in all or part of the rental property. Prior permission must be gained from the landlord in order for this to happen.
- Rent – the agreement will specify the amount of rent, when it is to be paid and how it should be paid. The agreement usually includes details of acceptable payment methods, details of the fees and charges on late rent payments.

- Deposit – this is the amount of money given to the landlord at the start of a rental agreement to act as a form of insurance for the landlord, in case a tenant causes damage to the property during the rental period, or if the rent hasn't been paid, items are missing, or if the tenant leaves before the official end of the tenancy.

- o Deposits relating to assured shorthold tenancies must be protected with a government approved scheme like the TDS.

- Restrictions – these are clauses included in a tenancy agreement, for example, no pets, no smoking etc.

- Guarantor – someone third party who agrees to cover the rental payments in the event that the person renting the property is unable to do so.

There are a number of advantages to renting that it may be useful to highlight to young people, including:

1. Flexibility – renting allows an individual to choose where they would like to live and whether they prefer to live in a flat, or house etc. In many cases it is also possible to terminate a rental contract after 6 months allowing more flexibility if circumstances change.
2. No maintenance costs – as a tenant they are not responsible for the upkeep or maintenance of the building.
3. According to the Independent report on the private rental sector in England, January 2015, from a financial perspective, rents tend to increase at a much lower rate each year than general prices of goods and services.

However, there are also a number of other things to consider:

1. The tenant is bound by the terms of the rental agreement which can impact on the freedom to use or decorate the property.
2. The Landlord must give permission for any changes to be made to the property (e.g. decorating).
3. There is no guarantee that a lease will be renewed when it expires, which could leave the tenant needing to find somewhere new to live.

STUDENT FACTSHEET

Further information on buying a home

What is a mortgage?

A mortgage is a long term loan used to finance a property, usually from a bank or building society.

The property acts as security or collateral in case the loan is not repaid. There are two main types of mortgage:

1. Repayment Mortgage – each monthly payment pays off a small amount of the underlying debt as well as the interest on the loan. At the end of the term of the mortgage, the whole debt will have been repaid.
2. Interest-only Mortgage – with these mortgages, the interest on the loan is paid off but the original amount of debt is not paid off. At the end of the mortgage term, it is expected that the borrower will repay the capital owed to the lender. This may involve using savings or selling the property. Although cheaper than repayment mortgages, owners need to consider how they will repay the final debt.

Mortgage Key Terms

Loan to Value – this is how much mortgage you have taken out in relation to how much your property is worth. It is usually expressed as a percentage.

APR (Annual Percentage Rate) – this is the annual rate that is charged for borrowing. It is expressed as a single percentage rate that represents the yearly cost of the mortgage over its term. This includes any fees or additional costs associated with the transaction.

Security / Collateral – assets that are offered to the mortgage lender to secure the loan. If you stop making the mortgage repayments, the lender will seize the assets to recoup their losses.

Repossession – this term is used when a financial lender takes back an asset (for example, a house) that has been used as security/collateral.

Term – this is the length of time (usually in years) in which a mortgage has legal effect. At the end of the mortgage term, the remaining balance will need to be renewed, refinanced or paid in full.

Credit Scoring – a credit score is a numerical expression based on an individual's credit files to represent the creditworthiness of the person.

There are a number of positives in purchasing a property that may be useful to highlight to young people:

1. The knowledge that a person is paying into their own home rather than paying rent – this is the case with repayment mortgages.
2. In some places in the UK, paying a monthly mortgage amount may be less than a monthly rental fee, although in other cases it may be more.
3. If a young person's home increases in value over time, this can be used to help grow their equity and buy a bigger or better home. It may help to fund their retirement, when the time arrives, but it would be extremely unwise to rely on this; saving into a pension is also very important.
4. They will be able to spend money improving their house and increasing its value without permission having to be sought from a landlord, unless it is a flat leasehold and requires permission from the freeholder.
5. Once the mortgage has been repaid in full, the individual will now own the home, although this can take 25-30 years or more.

There are also other things to consider that it may be useful to share with young people:

1. If an individual takes on large mortgage repayments then they will have less disposable income to spend on necessities, such as paying into a pension, or luxuries e.g. holidays.
2. If interest rates rise and you have a variable rate loan, mortgage repayments will increase – it is important to be prepared for such increases, as they can be imposed within a month.
3. If the value of the home falls over time and the owner wants to sell the property they may not be able to sell it for the remaining amount of money that they owe to their mortgage lender. This is known as negative equity.
4. Buying a home can have less flexibility than renting. For example when selling a house and moving, there are significant costs that need to be considered, such as legal costs, survey costs, stamp duty, and estate agency fees.
5. It may not always be straightforward to sell a home, as this will depend on the current property market conditions, for instance, changes to the taxes and fees associated with buying a home, and whether housing prices are rising or falling. The process can often take three to six months or more.

FURTHER INFORMATION FOR CASE STUDIES:

Case Study 1 – Further Information The benefits to living at home

Feroza may have more disposable income, living at home, than if she were paying rent or a mortgage, and would most probably not have the sole responsibility of managing the household bills which could have caused some anxiety. For some young people their family home may be a 'safe haven' for them.

Feroza travels to her workplace on public transport so has to budget for this when she is working out her finances. Her parents have asked for Ferroza to contribute to her living costs at home. This includes heating, lighting, food, toiletries etc. Together they have worked out that a proportion of her salary will be used for this. The remainder of her salary will be for herself. How much to contribute towards the household bills can be a difficult subject.

Feroza may find she needs her own 'space' even though she gets on well with her family. She has her own room where she can invite her friends and watch TV, use her computer etc. This is really important to both Ferroza and her family, who although live together as a family, need to have their own privacy at times.

Case Study 2 - Further Information Halls of Residence

Having done some research, Jonathan knows all Universities provide guidance on their Halls of Residence, as illustrated in the examples below:

<https://www.libertyliving.co.uk/student-accommodation/manchester/>

<http://www.rncm.ac.uk/study-here/why-study-at-rncm/accommodation/>

<http://www.ucl.ac.uk/prospective-students/graduate/life/accommodation-costs>

Having researched the range of accommodation available online, he is considering whether he would like a catered or self-catered hall, en suite facilities or communal facilities, as well as living in mixed or single sex accommodation.

Renting a room/flat privately

If Jonathan rents a private room or flat, rather than living in the Halls of Residence, he may have a greater level of freedom.

He would cater for himself and generally the rental cost is likely to be less than that of the Halls of Residence. However, any utilities and internet costs would not be included, as they would be in halls of residence. If he is in a shared house he might need to consider how these costs will be shared.

He needs to consider the distance the accommodation is from the university and account for any travel costs.

Below are some examples for different areas of the country to compare costs:

<http://www.accom.ed.ac.uk/for-students/private-housing/>

<http://www.bristol.ac.uk/accommodation/privately-rented/>



<https://www1.bournemouth.ac.uk/discover/accommodation/private-rentals>

Living at home

Jonathan's final option was to consider living at home and travelling to the university for lectures and seminars. However, he may miss out on university life by doing this. The potential pros and cons of living at home versus at university, could be summarised below:

Pros

Reducing accommodation and other living costs will mean less student debt.

Continuing to have the support and company of his family.

Cons

The possibility of missing out on traditional 'university life', potentially resulting in less independence and experience.

The time and costs involved in commuting to and from university for lectures. Some opinions about living at home during university have been listed below:

<http://www.thecompleteuniversityguide.co.uk/preparing-to-go/where-to-live/living-at-home/>

<http://university.which.co.uk/advice/clearing-results-day/student-accommodation-living-at-home>

Case Study 3 – Further Information Budgeting and Sharing Costs

Jacqui and Alex need to consider the following points before they make the decision to commit to either buying or renting property.

- How much rent or mortgage can be afforded on a monthly basis, ensuring that there is still enough income remaining for other essential life costs.

- Budgeting and sharing costs – Working out how to fairly divide all the running costs that come with renting or buying a home.

- Legal and financial responsibilities – They need to ensure that they have gone about renting or buying a home in the correct way, and that all legal responsibilities are covered and budgeted for.

- The following resource is a helpful tool for discussing money management further. <https://www.pfeg.org/resources/details/money-management-moving>

There are a number of organisations that offer advice on working out the cost of running a home, some examples are below:

Cleanslate - <http://www.cleanslateuk.org>

Money Advice Service - <https://www.moneyadviceservice.org.uk/en/articles/paying-your-own-way>

Some costs that the couple will need to cover regardless of whether they choose to rent or buy a property are as follows:

(a) A deposit

If renting, Jacqui and Alex know a refundable deposit is payable to the landlord or letting agents once they have chosen a property. This protects the landlord against tenants leaving without paying the rent or for any damage they may cause. Assuming the rent and bills have been paid, there has been no damage and the terms of the tenancy agreement have been met, the deposit will be returned in full.

AGREEMENT

Jacqui and Alex's deposit has to be protected, by law through The Tenancy Deposit Scheme (TDS). This is a government approved tenancy deposit protection scheme in England and Wales, protecting over a million deposits from being lost or unfairly withheld from tenants. Jacqui and Alex know they need to consider this when embarking on renting their property. They've looked for further information on this, which can be found at <https://www.tds.gb.com/tenants-FAQs.html>

(b) Fees to a letting agency for finding the property

The couple have used a letting agency in order to find their property in Norwich. The agency may charge to cover the costs of setting up the rental agreement and drawing up a contract for the terms of the lease agreement. The cost of this in Norwich will be different to other parts of the country, and depends on the type of property. Some letting agencies will make no charge whilst others may charge up to £200 outside London and £300 in London.

(c) Moving Costs

Jacqui and Alex have items of furniture that will need to be moved from their present homes to their new one. They've budgeted for the hire of a removal van and considered that it might be cheaper for them to hire a van and move the furniture themselves. The British Association of Removers provide a list of approved removal agencies, searchable by postcode: <http://www.bar.co.uk/index.php>

(d) Furniture and kitchen equipment if the property is unfurnished

Some rented accommodation is unfurnished so Jacqui and Alex are budgeting the cost of furnishing their new property. It may be possible to purchase furniture and kitchen equipment cheaply by using on-line discount sites or buying second hand.

It is worth noting that in different parts of the county, these costs would differ a great deal. In major cities, Jacqui and Alex may consider renting a room in a shared house, which brings with it a number of different considerations.

If the couple decide to buy a new build property from a developer, they may need consider the cost of carpets, curtains and bathroom fittings.

Case Study 4 – Further information

If Tamara was considering private accommodation and renting a house or a flat from an individual landlord or through a letting agency, it would be worth her finding out what support may be available. The Citizens Advice provides further information: <https://www.citizensadvice.org.uk/housing/renting-a-home/renting-from-a-private-landlord/>

The Shelter website offers further guidance on applying for local council housing: http://england.shelter.org.uk/get_advice/social_housing/applying_for_social_housing

<https://www.gov.uk/housing-association-homes/apply-for-a-home>

Rents in housing association or housing cooperative properties will be lower than those for private accommodation but may be higher than council house rents. Tamara can't control the amount of rent charged but she may be able to claim housing benefit/universal credit to help with the cost.

More information on housing cooperatives can be found from <http://www.cds.coop/housing/information-for-housing-applicants-1>

There are a number of agencies and benefits that may be able to help Tamara with housing costs.

Below are some examples that may be appropriate in Tamara's situation:

• Housing benefit

This can be provided to help cover some or all of the costs of rent if on a low income. The exact amount is determined by income and circumstances. More information can be found at <https://www.gov.uk/housing-benefit/overview>

• Deposit payment

There may be help with the deposit payment costs. Shelter provides more information on this at http://england.shelter.org.uk/get_advice/private_renting/costs_of_renting/rent_deposit_and_bond_schemes

• Housing benefits for the under 35s

Specific housing benefits can apply if an individual is single and under 35. Depending on the circumstances, the benefits may be restricted to Shared Accommodation Rate. More information can be found at <https://www.gov.uk/housing-benefit/eligibility>

• Help with mortgage interest

Homeowners that are receiving certain income related benefits may be able to receive help towards interest payments on mortgages or loans. This is known as Support for Mortgage Interest (SMI). More information can be found at <https://www.gov.uk/support-for-mortgage-interest/overview>

Had Tamara been under the age of 18 and found herself homeless, she could have been entitled to help from social services and her local council's housing service. Shelter and Citizens Advice are two organisations that can help with homelessness:

http://england.shelter.org.uk/get_advice/your_housing_situation/people_with_children

<https://www.citizensadvice.org.uk/benefits/children-and-young-people/benefits-for-families-and-children/>

There are a number of agencies and organisations that may be useful in helping Tamara with housing costs. Examples of some are listed below.

Turn2Us <https://www.turn2us.org.uk/>

Gingerbread Single Parent Helpline <https://gingerbread.org.uk/content/425/Helpline>

Family Lives <http://www.familylives.org.uk/>





Section 5 - Useful information

Young Enterprise is the UK's leading charity that empowers young people to harness their personal and business skills. We are here to help those teaching young people about money, empowering them to develop financial skills in preparation for work and life.



Financial Education Quality Mark

The Financial Education Quality Mark is an accreditation system for financial education resources that have been created for use with children and young people. It is awarded to resources that support high quality teaching and learning about money.

It gives those delivering financial education the confidence that the materials they are using are of the highest educational value and contain accurate and up-to-date information for young people. To date, more than 120 resources have been awarded the Quality Mark, with many being re-awarded after the initial assessment.

To get in touch email qualitymark@pfeg.org or call 020 7330 9470. To find out more go to www.pfeg.org/QualityMark



ASKpfeg

ASKpfeg is a free support service, offering advice and guidance to those who are teaching children and young people about any aspect of financial education. To get in touch email ASKpfeg@pfeg.org or call on 0300 6660 127 and we will get back to you with practical information and ideas within two working days. <http://www.pfeg.org/ASKpfeg>

Visit the resources section of the website for lots more videos, case studies, resources, and guidance to help teach financial education; www.pfeg.org/resources

Other useful organisations:

- Citizens Advice <https://www.citizensadvice.org.uk/>
- Civil Legal Advice www.gov.uk/civil-legal-advice
- Office for National Statistics <http://www.ons.gov.uk/economy/inflationandpriceindices>
- Jobcentre Plus www.gov.uk/contact-jobcentre-plus
- National Debtline www.nationaldebtline.org
- National Homelessness Advice Service www.adviceuk.org.uk/national-homelessness-advice-service
- Own Your Own Home www.ownyourhome.gov.uk
- Refugee Council www.refugeecouncil.org.uk
- Step Change Debt Charity www.stepchange.org/
- Shelter www.shelter.org.uk
- TDS Charitable Foundation <http://tdsfoundation.org.uk>
- The Money Advice Service www.moneyadviceservice.org.uk
- Property Checklists <http://www.propertychecklists.co.uk/>
- Which? <http://www.which.co.uk>

Young Enterprise

Young Enterprise is the UK's leading charity that empowers young people to harness their personal and business skills. We work directly with young people, their teachers and parents, businesses and influencers to build a successful and sustainable future for all young people and society at large.



About the TDS Charitable Foundation

The Tenancy Deposit Scheme Charitable Foundation is funded mainly by donations from The Dispute Service – a leading tenancy deposit scheme provider which operates on a non-profit basis across the UK.

The Dispute Service operate in England, Wales and Northern Ireland. In Scotland, The Dispute Service is a key partner behind the leading tenancy deposit scheme in Scotland, SafeDeposits.

The TDS Charitable Foundation works to advance education about housing rights and obligations in general, and in particular about:

- Best practice in the management of private rented housing
- Legal rights and obligations of those involved in the provision or management of private rented housing
- Using alternative dispute resolution for more efficient and effective resolution of disputes between landlords and tenants.

Learn more at <http://tdsfoundation.org.uk/>

