

Category Three: Living Independently (Ages 16-19)

LEARNING OBJECTIVES

To understand the importance of budgeting when we start living independently

To identify some of the key outgoings that we have when we start living independently

To understand the importance of making healthy choices for our physical, mental and financial health

FINANCIAL EDUCATION PLANNING FRAMEWORK LINKS

I know how to manage my personal budget (taking account of household bills) as I plan for living independently, starting work or continuing in education or training, and how to make financial adjustments if my circumstances change (16-19)

CHALLENGE ENTRY OPTION

Create something that helps people make healthy choices for their physical, mental and financial health and wellbeing

Young people can choose to approach this challenge in whichever way they choose, but one suggestion could be to explore ways they could help people manage their physical, mental and financial health and wellbeing when they start living independently.

Could they create an app, a leaflet or even a game to help people make healthy choices when they move away from home?

Q: HOW CAN WE MAKE HEALTHY CHOICES WHEN WE START LIVING INDEPENDENTLY?

MATERIALS

- *Category Three Activities PowerPoint*

INTRODUCTION

To start the activity, ask the students if they can tell you the typical prices of the following items. This short quiz is included on slide 11.

9 pack toilet roll - £2.79

Washing up liquid - £1.00

Toothpaste – between £2.00 - £3.00

Note: The first two are average costs for supermarket own brands and the toothpaste is the cost of a regular tube of one of the main brands.

Ask the students if they are surprised by the cost of these items? Are they more expensive than they expected? Then ask the students if any of them can guess what links these three items? All these items are essential items that we need in the home. Explain that today they'll be thinking about what it might be like to live away from home, to 'live independently'. This might be at university, in a house share or in a flat by themselves.

ACTIVITY

Explain that it's important to make informed money choices when we start living independently. If we make 'healthy' financial choices, we will be looking after our physical and mental health too.

Arrange the students in small groups, for the purposes of this activity, these groups will be their 'households' or their flatmates.

Explain that it's important to create a spending plan or a personal 'budget' when you start living independently – this budget will estimate your incomings, i.e. your wages or benefits, and your outgoings. When you start living away from home, you will have a lot of new outgoings related to your flat or house.

1. **Ask the groups to make a list of the new outgoings their household will have when they start living in their new home. Ask them to do this for a typical month.**

Encourage students to think about the larger outgoings like rent and bills but also the smaller outgoings like shared household items (costs they might have to contribute to as a household) e.g. toilet roll, cooking oil etc.

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Share ideas and ensure they've included the key bills, electricity, gas, water, council tax but also other bills including TV licence, TV streaming site payments, broadband bills, home insurance etc.

2. Ask the class why they think making a plan for household outgoings might help them with their personal budget?

By understanding what you need to spend your money on, you'll be able to plan how best to manage your money so you have enough for all your needs. The outgoings you list as a household can be included in your personal budget (where you're sharing costs, e.g. toilet roll or broadband bills, then you only need to include your share of the bills in your personal budget). Planning your spending can help you make healthy financial choices.

Now explain that they're likely to face new financial choices when they start living by themselves. These choices will not always be simple and it will be important to find a balance that helps them look after their physical and mental health as well as their financial health.

Provide the following scenarios as examples.

Scenario 1

You are buying shopping for the week, there's lots of different ready meals on offer – you could probably get one for each day of the week and not even spend half of your food budget. The ready meals don't really provide the healthy foods you need to give you the energy and brain power you need for your busy week. The healthy foods you do need will cost more money though and will require you to cook.

Options could include buying healthy food in bulk and then cooking a batch load and freezing it, sharing food costs as household, buying a few ready meals and then some more healthy food too etc.

NB. Included on slide 12

Scenario 2

Your TV is broken beyond repair. Watching TV after a long day helps you relax. You do really want a new TV but you just don't have the money now.

Options could include renting a TV, buying a second hand TV, buying a TV on credit, not buying a TV etc.

NB. Included on slide 12

Discuss these scenarios and then ask the groups to come up with their own scenario of a new financial choice that they might need to make when they start living by themselves. Ask the groups to share their scenario and discuss the possible options as a class.

For scenarios that include issues with paying rent or bills, explain that there are advice and support services that can help people struggling to pay their bills and their rent.

3. With these scenarios in mind, ask the class how they think these new financial choices might impact their physical and mental health and wellbeing?

To support this discussion you may find it useful to provide the following definitions of health & wellbeing:

Physical health & wellbeing: our ability to live comfortably in our bodies and perform daily tasks

Mental health & wellbeing: our emotional, psychological and social well-being. It affects how we think, feel and act.

NB. Included on slide 13

4. Working in groups, ask the students to come up with 3 pieces of advice to help people when they start living independently. What can people do to ensure they make healthy choices for their physical, mental and financial health?

Advice might include:

- Create a **plan** of your spending
- Find a **balance** between looking after your money and your health and wellbeing
- Seek **support and advice** if you're struggling to pay your bills or your rent