

YEAR 13 ACTIVITY: Balance your Budget

Suggested time: 40 minutes in total

This activity introduces learners to the likely cost of being in HE and managing funds through budgeting. Explain to the learners that they will be looking at a typical first-year student budget.

Part 1: Get the learners to work in pairs. First of all, get them to think about their current outgoings and spending. Ask them to estimate how much they spend per month on the following:

Books	CDs
Going out	Travel
Clothes	Food
Leisure	Other things

Get some of the pairs to feed back to the class:

- Roughly how much do they spend per month?
- Are they surprised by how much or little they spend?
- When they go to college or university they'll need to think about other costs, such as rent, bills and study materials. Do any of the learners currently contribute to these things?

Part 2: Using the results from part 1, encourage learners to think about spending in terms of 'needs' and 'wants', for example:

- Which things are essentials, and which are 'wants', i.e. what could be done without?
- What expenditure could they reduce?
- Are there any other ways to make some savings?
- Are there any kinds of additional expenditure that should be planned for?
- Ask the learners to suggest ways to gain some additional income to cover costs. Discuss the different options, for example sorting out an overdraft or a part-time job.

Part 3: In groups of four, ask them to discuss how they would cope with the following if they were at university or college:

- Getting a letter from the bank saying that you are overdrawn and demanding repayment with interest.
- Building up a credit card bill that your income will not cover.
- You need to put down a deposit for a flat for your second year, but you do not have the deposit back yet from the first year.

Get them to feed back to the group and suggest any possibilities learners may have missed.