

Budgeting and money management

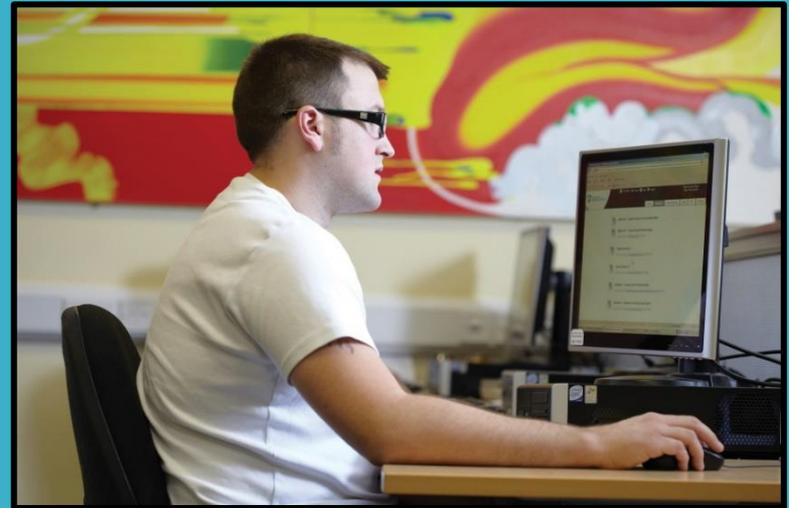
**Money,
Money,
Money!**



Financial Guidance team

Introduction

- **What is a budget?**
- **Why should I budget?**
- **How to budget**
- **Examples of typical costs**
- **How to increase your income**
- **Ways to reduce spending**
- **Useful online resources**
- **Team contact details**



What is a budget?

An estimate of income and expenditure for a set period of time



The British Council estimates that the typical cost of living for a student in the UK is £12,200 per year.

Budgeting involves looking at how much money you have, how long it needs to last for and what costs you have to meet.

Four things to remember

- **Work out your priorities**
- **Maximise your income**
- **Minimise your expenditure**
- **Stick to it!**

Why should I budget?

This is how learning to budget can help you:



- It can give you an accurate picture of your overall money situation
- It can help you to reduce unnecessary spending to cut down on future debt
- It can prevent you from running out of money before the end of term/ year
- It can help you regain control, and therefore reduce stress and anxiety
- It will show you, your family/ sponsors, and friends that you can handle money wisely

How to budget



- Calculate your income: family/ sponsor contribution, savings, wages, etc.
- Divide this into weekly/ monthly/ yearly amounts
- Deduct 'fixed' costs (rent)
- Work out priority 'variable' costs (i.e. food and toiletries, travel, course costs, etc), and deduct these
- What you have left is for non-priority costs (i.e. socialising, clothes, luxuries, emergencies, etc)
- If your budget doesn't balance, you need to look at ways to increase your income and/ or reduce your spending

Examples of typical costs

Typical student spending



- Rent (this is likely to be your main cost)
- Food/ toiletries
- Course-related costs (e.g. books, stationery, printer consumables, photocopying, field trips, etc)
- Travel - to University/ around the UK/ visit to home country
- Utility bills (if living in a shared house)
- Mobile phone/ broadband
- Socialising / sightseeing
- Prescriptions and/ or glasses or contact lenses
- Clothes/ shoes
- Presents for family and friends

Budgeting tips



- **Try to be honest with your spending – you need to include extras like coffees, downloads, magazines, etc, or you won't stick to it**
- **Be aware that you may need extra money at specific times (e.g. rent retainer/ house deposit, insurance, books, etc)**
- **Plan for the worst – try to keep some money aside for emergencies**
- **Get into good habits – keep a filing system of receipts, etc**
- **Allow yourself treats, but ration it – you don't have to eat out/ go out every night!**
- **If you are having difficulty keeping track of payments, try using cash instead**

How to increase your income



- Get a part-time job (hours may be limited by visa regulations)
- Sell your stuff (Ebay, musicMagpie, etc)
- Overdraft?
- Bursaries and scholarships
- Unfortunately, due to visa regulations, there is no university hardship funding available to International students

Ways to reduce spending



- Make small changes to save money – think ‘what can I cut back on?’
- Always take your ID card with you for possible discounts
- Look online for discounts and deals
- Travel – book ahead for bus and train, consider whether you really need a car?
- Consider second-hand or ‘pre-owned’ – clothes, books, etc.
- Investigate budgeting and money-saving apps and links

Food and drink

As students often spend a large amount of money on takeaway food or eating out, this is an area where it can be easy to reduce spending



- **Think ‘what can I cut back on?’ - bring a packed lunch instead of buying food at uni, use a refillable water bottle and/ or travel mug, make your own food instead of relying on takeaways.**
- **Plan ahead – think about your week ahead and then write a shopping list**
- **Never go shopping on an empty stomach**
- **Swap branded goods for supermarket’s own ‘value’ or ‘basic ’ range – these products will often taste the same and they’re usually much cheaper.**
- **Look out for ‘BOGOF’ and ‘three for 2’ offers on store cupboard staples or toiletries**
- **Learn to cook – buy a cookbook or look online for inspiration**
- **Do a food shop and take turns to cook with flatmates/ friends**

Useful links

Budgeting and money management

- Shop around for student discounts and vouchers:
 - www.nus.org.uk
 - www.savethestudent.org
 - www.moneysavingexpert.com
- Online budgeting tool:
 - Which? University www.university.which.co.uk/student-budget-calculator
 - Money Saving Expert www.moneysavingexpert.com/students/student-budgeting-planner/
- Check out the Financial Guidance team's Money Matters blog - <http://moneymatters.northampton.ac.uk>
- General advice for International students in the UK:
 - British Council www.britishcouncil.org
 - UKCISA www.ukcisa.org.uk

Financial Guidance team

Contact details

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Online

'Finance support' on the Student Hub northampton.ac.uk/financial-guidance-team

Money Matters blog

<http://moneymatters.northampton.ac.uk>

**Thank you for
listening**

www.northampton.ac.uk