



# THE COST OF LIVING



## AIM

Independent living can be expensive. Do you fully appreciate the cost of rent, bills, food and more? Have a go at making some cost predictions and consider exactly how much needs to be budgeted for when you finally move away from home.

## WHAT YOU'LL NEED

- The Cost of Living Activity Sheet and Discussion Questions
- Pens & Paper

# GET LEARNING: THE COST OF LIVING

THEME: MY SKILLS FOR LIFE



## LEADER PREPARATION

A leader should have a copy of the activity sheet and use this to lead the activity. Young people should be split into small groups and have a pen and some sheets of paper to use to make their cost predictions on.



**Download 'The Cost of Living' Activity Sheet**



## GETTING INTO THE ACTIVITY

- 1 Split into small groups. Each group will need some paper and a pen.
- 2 A leader should lead this activity, going through the different costs of living on the sheet. For each one, groups will be asked to predict the cost. You should write down your prediction in large numbers on a piece of paper. Once everyone has made their prediction each group should reveal their answer.
- 3 Groups can be scored on their predictions by giving 5 points to the closest group and 2 points to any group who were within 10% of the correct answer.
- 4 After each cost of living, go through the discussion questions and have a chat about if you think these costs are higher than expected, how you might cope with these costs and how does your current spending compare to the average cost?
- 5 Finally, you're asked to consider what other costs you go through each month. Things like your Netflix, music apps, online gaming and so on. Would you still want these in your own house and if so, can you afford them?



### DID YOU KNOW?

- In the UK, the average age to move out of a parent's home was 24.6 years old.
- The biggest factor for not moving out was due to the costs involved.
- 60% of adults living with parents say they can't afford to move out.
- Young men are twice as likely as young women to live with their parents when over 18.
- Whilst some 18-21 year olds move away to university, over 40% are choosing to continue living at home whilst studying due to costs.



## IDEAS TO TAKE THIS FURTHER...

Continue this activity by taking a look at budgeting and how you can plan for expenditure, to ensure you have enough money to cover all the bills coming in. Check out the 'Money Skills' activity on the Programme Hub.

# THE COST OF LIVING

This activity is designed to get you looking at how much it costs to live in your own place, paying for rent, food, bills and more. Work through the activity sheet as a group, with a leader asking the cost predictor questions and discussion questions.

For cost predictor question you should work in small groups writing down the prediction on a piece of paper in large numbers. Once each group have predicted their cost, reveal the answer and see who was closest.

**Scoring:** Nearest to the correct answer scores 5 points, 2 points to anyone else whose answer is within 10% of the correct cost. Which small group can get the highest number of points at the end of the activity?

## 1) Rent – Somewhere to call home

**Cost Predictor:** What does it cost to rent a property in your area/town?

Write down your predictions and then reveal them. Which group were the closest to the correct score? Let's find out...

The table below shows the average rental values for new tenancies in different regions of the UK (Correct as of May 2021) and the percentage difference in the 12 months before. The price will depend on things like the size of property (number of bedrooms), whether it is furnished and what part of town, but these figures show the average expected cost.

Use the internet to find specific details of rents for your city/town/area.

Region	Average Monthly Rent	Change in Previous 12 Months
London	£1,563	Decrease 3.9%
SE England	£1,094	Increase 7.1%
SW England	£919	Increase 8%
Scotland	£683	Increase 2.6%
NE England	£540	Unchanged
NW England	£775	Increase 1.4%
E of England	£979	Increase 7.9%
W Midlands	£741	Increase 6%
E Midlands	£698	Increase 6.4%
Northern Ireland	£648	Decrease 2.1%
Wales	£675	Increase 3.8%
Yorkshire & Humberside	£680	Increase 4.5%

## Discussion Questions:

- Are you surprised at the cost of renting?
- Why do you think some regions are far more expensive than others?
- What percentage of your salary would you expect to go on rent?

## 2) Food – Everyone has to eat

**Cost Predictor:** What does an average person spend on food per week including takeaways?

Write down your predictions and then reveal them. Which group were the closest to the correct score?  
Let's find out...

The average spend on food per person is £38.50 per week (£166.8 per month), including groceries and eating out — across all ages and genders. The average weekly food shop for 1 is £25.80 in the UK, plus we spend another £12.70 on eating out or ordering takeaways each week. (Nov 2020)

### Discussion questions:

- Were you close to the actual answer?
- How good are you at menu planning and sticking to a budget?
- How good are you at only buying what you need at a supermarket and not filling a trolley full of extras, snacks and non-essential items?
- If you lived by yourself, would your takeaway consumption increase? Do you currently spend more than £12.70 a week on takeaways? (i.e McDonalds, KFC, Subway etc)

## 3) Utilities – It all has to be paid for

**Cost Predictor:** What does the average household (family) spend on utilities per month?

Write down your predictions and then reveal them. Which group were the closest to the correct score?  
Let's find out...

Gas	£56
Electricity	£58
Water/sewerage	£34
Total	£148

### Discussion questions:

- How conscious are you of the costs of utilities?
- If you had your own home and paid the bills, would you be more likely to turn off the lights and conserve water etc?
- How could you save money on utilities?

## 4) What else?

What other things would you need to pay for if you had your own place? Create a list of things and give an approximate monthly price. Some suggested items are council tax, transport, phone, internet, entertainment (Netflix, Spotify, Xbox Live etc)

### Discussion questions:

- How much do the 'extras' come to?
- What is the total monthly cost of living? (i.e rent + food + utilities + extras)
- Does this cost come as a surprise?
- How does the cost of living make you feel?