

Managing Money

Most students find themselves on a tight budget, so managing your money is really important to cover everything you need. Learn how to budget properly and save money at university.

Accommodation, food, books, nights out... You might be surprised how quickly it all adds up once you get to university – especially when you are settling into student life and managing your money for the first time.

Did you know that – accommodation aside – the average student spends £247 per week? This skyrockets to £427 in freshers' week alone (UCAS '*Spend Student Lifestyle 2020*' Report).

Managing this cost is not easy. Almost a fifth of students (18%) told us that financial concerns had impacted their mental health or wellbeing, while 6% of university dropouts were finance-related (UCAS '*Freshers Experience 2019*' Survey – January 2020).

Regardless of what student finance or extra funding you receive, you need to make it last. Luckily, there are lots of tips, tricks, hacks, and helping hands for students living on a budget.

Did you know that three quarters of students who applied to a scholarship or bursary, were successful? (UCAS '*Freshers Experience 2019*' Survey – January 2020). If you have not done so yet, explore these extra sources of funding.

Create a budget

Creating a simple student budget based on your income and outgoings is a solid place to start. This should cover your regular, ongoing expenses (such as rent, utilities, phone bill, and gym membership), plus any one-off or special costs. See more here: <https://www.ucas.com/finance/managing-money/student-budgeting-tips>

Start pulling together a barebones budget as soon as you begin thinking about university. This will reveal which money holes you need to fill, giving you time to do so, or factor this into your university decision. Our guide on what to do if your student loan is not enough here are some suggestions. <https://www.ucas.com/finance/managing-money/what-you-can-do-if-your-student-finance-isnt-enough>

Our student budget calculator can give a rough idea of what your key income and outgoings might look like - <https://www.ucas.com/budget-calculator>

As you gradually narrow down your UCAS choices and learn how much you will need to live on, you can update your budget to reflect this.

At the same time, you will get a clearer idea of your income (once you receive your student finance confirmation, applied for extra funding, saved up money from part-time/summer jobs etc).

While there are lots of budgeting apps out there, an Excel spreadsheet could also do the job. Banks have their own apps to track spending too.

Sticking to your budget

Once you have created a budget, it is just a case of sticking to it.

It is easier said than done when you are in new surroundings and looking after yourself for the first time – especially when that juicy student loan lands in your account.

- **Move money around:** If your student loan, salary, or savings are sitting in your account, it is just waiting to be spent. Move these into a separate account – ideally one you do not have easy access to – and set up a direct debit that transfers your weekly budget into the account you use on a daily basis.
- **Give yourself a buffer:** Do not budget to the very last penny. If an unexpected expense pops up – like repairing a laptop, or an impromptu trip home – this will throw a spanner into your budget. An interest-free overdraft can help with emergencies like this.
- **Pay for essentials upfront:** Your budget should prioritise things like rent, food, travel, and books – these are the items you must have to live and study. Buy these first or arrange for payments to go out of your account at the start of term/the month, so you cannot accidentally spend that money.
- **Stick to a shopping list:** Plan your meals for a week and build your shopping list around this. While items like milk, bread, fruit, and vegetables go off quickly, student staples like pasta, rice, tea, and canned goods have longer expiry dates (and can be bought in bulk if there is a deal going).

It is also cheaper to cook big meals from scratch and freeze leftovers – just make sure you defrost/reheat them thoroughly when it is time to eat.

- **Finally, do not shop on an empty stomach** – you will be less tempted to stray from your list. Resisting treats and sales: Whether it's a cheeky takeaway, a new pair of shoes, or gig tickets, it's all too easy to part with your cash online thanks to apps, targeted ads, social media, and quick checkouts.

Hopefully our advice around tracking your spending will curb these impulses. You can also mute retailers or brands on social media apps, unsubscribe from email lists, and delete your card details from your browser. If something catches your eye, sleep on it, and see if you still want it the following day.

Finally, avoid Black Friday sales unless you are after a specific item (and you have the money for it). Keep an ongoing list of items you really need and track their price over time to see if they are cheaper at other times of the year.

- **Track your spending:** Almost nine in ten students said they used their bank's mobile app to manage their finances, while nearly a fifth used an online only bank app to do the same (UCAS '*Freshers Experience 2019*' Survey – January 2020). Set up alerts for weekly balance updates, every time you use your card, or when your balance falls below a certain amount.

This way, you can see exactly where your money is going, and if you're on track until your next student loan or payday. If you are not, you can amend your budget.

Make the most of your student bank account

One perk of being a student is definitely a student bank account. As well as tracking your spending using your bank's mobile app, and moving money between accounts, there are a couple more ways your student bank account can help you manage your money.

- Student accounts will boast fancy extras to catch your eye, such as travelcards, free/discounted cinema tickets, and supermarket gift cards. Do not be swayed by these alone though. Think about which ones you will actually use.
- A travelcard could save you a small fortune travelling to lectures, going home for weekends, or visiting friends across the country. Meanwhile, a discount for a supermarket or cinema will go to waste if there isn't a branch in your university city.

Check for student discounts

Discounts for students are available online and in person, at retail shops, cafes, restaurants, cinemas, theatres, museums, exhibitions, gigs, and more. You can usually get 10 – 20% off the full price, and over time, you can save quite a bit of cash, especially when it comes to birthdays, special occasions, or even just the occasional treat.

While you will usually be prompted at the checkout, look for a discount or student price, or ask if you are not sure.

Always keep your (valid) student ID on you, if asked for proof.

There are various sites and apps which let you search discounts and deals depending on what you're after, plus we have our own student discounts pages for you to access right now. <https://www.ucas.com/undergraduate/student-life/student-discounts>

Speak to campus services

If you are struggling with money, get in touch with your university or college's finance department, and see how they might be able to help. You might have to book an appointment, or there may be regular drop-in sessions.

They can give you trusted, confidential advice around hardship funds, emergency loans, and extra funding, as well as advise you on other financial matters, such as scams.

They can also put you in touch with other appropriate individuals or departments, including legal, wellbeing and jobs services, should you need them.

Whatever your situation, they have probably come across it before, having dealt with so many students in the past. So, do not be afraid to reach out.

Need help budgeting? Start with our student budget calculator and personalise the results based on your own spending. <https://www.ucas.com/budget-calculator>

Also, check out our full guides to the cost of university <https://www.ucas.com/finance/undergraduate-tuition-fees-and-student-loans>