



A COMPLETE GUIDE TO THE COST OF UNIVERSITY LIVING FOR THE PARENTS



Not a day goes by at the moment when parents are not constantly reminded by the media of the huge cost of going to university for their children. Headlines of £50,000 of debt, to a parent can sound like a horrendous burden to be taking on at such a young age, especially since that is probably more than your first mortgage.

But what doesn't get mentioned that often, is the cost to the parents and yet there is a cost, but it is somehow shuffled conveniently under the carpet and parents are expected to swallow the costs. Or, as in many cases, where the parents can't afford

to do this, it leaves the students struggling for money on a day to day basis, forced to take on one or several part time jobs while they study, which of course can make the parents feel like they have let their children down by not being able to support them.

So, for any parents, who are worried about the cost of their son or daughter going to university, here is our complete guide to what it will cost them and you.

OPEN DAY VISITS

Let's start at the beginning, long before they are taking out their loans. While your son or daughter is making their uni choices, they will want to go to university open days. This is an important part of the decision making process as actually visiting the university instead of reading about it online, gives you a much better feel for the institution.

However, this does come at a cost.....not for the day itself, but getting there and back and in some cases you will require overnight accommodation if it is far from home. Maybe your child has a few preferred choices which they can't decide between? Visit these universities first, planning ahead so you can get the best deals on train fares and accommodation if required and then if they don't like any of these (unlikely) you can go and see the others.

THE LOANS

Next step, the loans.

Applications for Student Finance usually open in February. Actually most of the concerns about the size of student loans, generally come from a lack of understanding about how they actually work, so it is important to make sure that both you and your student understand the loan system. It does not work like a normal loan.

WHAT IS AVAILABLE?

1. Tuition fee loan: this is to cover the cost of your tuition fees and is available to all UK students. The amount offered varies depending on the cost of their course, but currently the majority of courses are charging the maximum of £9,250 per annum. This money will be paid directly to the university and will never hit your son/daughter's bank account.

2. Maintenance Loan: this is to cover living expenses including accommodation, food, travel, entertainment, books and any other costs. It is paid directly in to the student's bank account in three instalments, once per term, and can be used as they see fit. The amount given is awarded dependent on the student's household income. So, the Student Loan Company is deciding whether they think you can afford to supplement your child's funds based on your household income and does not take in to consideration your outgoings.

This is where the system currently falls down as most maintenance loans barely cover the cost of accommodation and students will have a shortfall - which you, as their parent will be expected to make up the difference. Nobody tells you this. It is implied. Of course there is a choice and that is why many students now find themselves having to work part time while they study.

HOW DO THE LOANS WORK?

The difference between the student loan and any other loan is that the repayments are not based on your current ability to pay but your future ability to pay. It does not matter how much you borrow, the amount you pay back will always be based on what you earn when you graduate and not what you borrowed.

Students do not start paying back their loans until they earn over £25,725. This means that if they never earn over £25,725, they will never pay anything back.

However, of course, as parents, we'd like to think that by going to university they will earn more than £25,725 over the course of their career. Once they do start earning over the £25,725 threshold they will start to pay back the loan. They will pay 9% per year of anything they earn over £25,725. So if they earn £26,725, they will be paying back 9% of £1,000 a year or £90 a year, spread over 12 months that's £7.50 a month. If they earn £35,725 they will be repaying 9% of £10,000, so £900 a year or £75 a month.

Now you might think, it's going to take years to pay off at that rate, and you'd be right. But, student loans are currently written off after 30 years, so if they haven't paid it back by then, they don't have to.

LET'S TALK ABOUT INTEREST

Currently, at the time of writing, students are charged 6% interest on their loans, which grabs many headlines because it is higher than current interest rates on most other loans.

This rate varies depending on how much they earn as a graduate and the current Retail Price Index, but what you have to remember is that it doesn't affect what their repayments will be, which are based on what they earn and not what they borrowed. So even if the interest went up to 15%, they would still be repaying the same amount and would be even less likely to pay off the whole amount of the loan in 30 years.

APPLYING FOR STUDENT FINANCE - WHAT THEY WANT FROM THE PARENTS

As the maintenance loan entitlement is based on parental income, when your child applies for student finance, you will be expected to provide proof of your household (yours and your partner's or spouse's) income. This could be in the form of:

- P60
- Payslips
- Tax return
- Bank statements

Once your child has applied for Student Finance, you will get an email within 24 hours with a link to submit your information.

You will need to create an account as you can't use the same account as your child or partner.

OTHER SOURCES OF FUNDING

1. Scholarships, grants and bursaries

As well as the loans, there are also lots of alternative funding opportunities from scholarships, grants and bursaries. Despite popular belief these are not only given to those from disadvantaged backgrounds or the academically gifted. There are scholarships given for all sorts of reasons, including some which are open to all students and the application process is just writing a short essay.

Each university offers their own scholarships but there are also plenty of others offered by companies, professional associations and charities which are not generally advertised by the universities. You can learn more about these at <https://www.thescholarshipclub.org.uk/blog/how-find-scholarships-grants-and-bursaries-university> or by watching this video. Encourage them to apply for scholarships. You can register on our website as a parent or they can do it themselves and sign up for the newsletter which will keep you updated when new opportunities arise. You will be amazed how much they could be eligible for and this is free money which does not have to be repaid.

2. Funds4Uni

This scheme allows you, as the parents, guardians or even other members of the family or friends, to support a student by generating free donations to them, every time you shop online. Retailers signed up to the scheme make donations towards the students' university costs each time you make a purchase and it is a great way to generate some additional funds for them without it costing you anything extra. Find out more at <https://www.easyfundraising.org.uk/funds4uni-parents>



DIFFERENCES IN COSTS

Where your child chooses to go to university will have an impact on the cost, with London surprisingly being the second most expensive after Glasgow. (National Student Living Survey - 2017)

Weekly student rent in somewhere like Lancaster might be around £80/week whereas in Brighton it is more likely to be around £120/week. When students are getting the same maintenance loans regardless of where they are studying, these can be significant factors in the amount of extra money you will need to give them.

Add to that the train fares home - assuming you want them home and they want to come - for weekends or holidays, this can soon add up if they are far from home, or don't book ahead to get the best fares. This is something else you will need to take in to consideration when working out how much money to give them. A train fare from London to Leeds can cost around £60 return or more if not bought in advance, so they definitely won't be popping home every weekend to see you if their living expenses budget is £70 per week.

WHAT THEY WILL NEED TO SPEND MONEY ON

The biggest cost will be accommodation and the cost of this varies from location to location as well as by accommodation type. Every university will have different bands of accommodation from pretty basic to more "luxurious", ie it might have an en-suite shower room instead of a shared one, a communal lounge or kitchen. There is also the choice of private accommodation, off campus, which is generally cheaper than living in Halls but most Freshers prefer to live on campus. Living in halls provides an easy first step to independence, without the worry of paying bills, dealing with a landlord and if they choose catered accommodation, cooking for themselves.

Catered accommodation, although convenient, is not always a cheap option. Students usually have to buy a package and you could find you are paying for meals that they won't eat. Some catered halls offer food cards, so if the student doesn't return to halls for lunch they can use their card in the canteens on campus instead, but without this option, consider whether they will actually use the fully catered option. How often does your son or daughter get up for breakfast, especially at the weekends? If they have special dietary requirements, the university will try to cater for them, but again they may find these quite restrictive and end up eating elsewhere.

When working out the costs, and which accommodation to choose, it is worth comparing the weekly cost of catered accommodation to what you think they might need to spend on food, if they catered themselves. You would be surprised how even the laziest of cooks can manage to

feed themselves when you're not there to do it for them.

Other things you should factor in to their weekly budget are

- Laundry - most on campus laundries can cost around £5 a week. If you provide them with a clothes horse which they can use in their room this could save money on tumble drying.
- Books - textbooks are very expensive and they are a cost that most students don't always factor in to their budgets. One textbook can cost up to £50 or more and although there are generally some copies in the library, students are often restricted on how long they can keep them for and obviously can't make notes on the books. It is important not to rush out and buy all the books on the reading list at the start of term. They will soon work out which books are essential and which they can get away with borrowing from the library for a week at a time. There are also sites such as Abebooks or Amazon where you can pick up second hand copies.
- Course materials - this obviously varies tremendously depending on the course they are studying, but for sciences there will almost certainly be some special equipment they will be required to buy, in particular the cost of course materials for creative arts should also be factored including the cost of final projects, which can very quickly add up and there is no extra loan provided for this.
- Printing - although a lot of work can now be submitted electronically, there is still some requirement to print course work and this has to be paid for. Students are usually given a printing account which they can top up and use to print their work when they need to. Printing costs are usually around 5p/sheet, which can soon add up.
- Food - if they are self-catering, plus anything they might buy for lunch on campus
- Entertainment - socialising is an essential part of uni life and there will inevitably be some cost involved, although it is usually not hard to find cheap entertainment on campus. Entertainment in non-campus universities will inevitably cost more as students go in to town for their evening activities.
- Travel - to and from campus if they are not on campus and to and from home if you want them to come home. This can be a major expense if they are quite a long journey from home, but booking and planning ahead can save a considerable amount of money if you get Advance tickets.
- Toiletries and cleaning products - OK well the latter might not feature too highly on their list of priorities, but we'd like to think that they won't forsake the former entirely!

COOKING, BUDGETING, MANAGING MONEY AND SHOPPING AROUND

All things that you should try and drum in to them before they head off down the road as £70 a week given to one student who knows how to shop, cook and budget will go a lot further than it would in the hands of a student who doesn't look at prices, buys ready-made meals and doesn't keep an eye on their bank balance.

These skills are of course valuable life skills that will not only serve them while they are students but throughout their lives so teach the now as they set off for the first time with money in their pocket.

As a student, they are entitled to lots of discounts. Make sure they take advantage of these and encourage them to make this a part of their everyday shopping habits. Many universities will

have their own discount arrangements with local businesses and shops, which students can take advantage of simply by showing their Student ID, but there are also some national websites and discount cards which they should familiarise themselves with, as this can save a lot of money over the course of their student life.



Don't forget there is also the Young Person's Railcard and the National Express Student Coach Card which can save money on travelling costs to and from home.

TO WORK OR NOT TO WORK?

Most students these days have some sort of part time job to supplement their income. As you can see from all of the above it is not easy to manage on the Maintenance Loan alone and if, as parents you are unable to give them enough, they will need to work to earn some additional money.

University is stressful, especially around exam time, or when coursework is due and having the additional stress of having to go to work when you should be studying is not ideal, but they will certainly not be alone and even just a few hours a week on the checkout can make all the difference to struggling for money or managing.....plus as a staff member of a supermarket they will get a staff discount!

The traditional idea of a student who has 5 or 6 hours of lectures a week, stays out late every night, lies in until midday and then might deign to do a bit of studying is now an anachronism. Students have to work hard to ensure that they do not end up with massive debt and no degree and most of them are working part time too, so if you are able to help them with a bit of additional money, it will go a long way to reduce stress levels.

WHAT THEY WILL NEED TO TAKE WITH THEM

The initial outlay can also be a major expense which many parents will not have budgeted for. Your child is moving away from home, probably for the first time and so they will need a lot of equipment to get them started. It is estimated that each student spends around £150+ before they even step out the front door.

Here is our check list of things they will need to pack

Bedroom

- Duvet
- Duvet covers
- Sheets
- Mattress protector
- Pillows & pillow cases

- Blackout blind
- Doorstop
- Storage boxes

Bathroom

- Bath towels
- Hand towels
- Toilet brush

Kitchen - (if self catering)

- Saucepans and frying pan
- Kitchen knives
- Chopping board
- Colander/sieve
- Grater
- Potato peeler
- Spatula/masher/slotted spoon
- Measuring jug
- Weighing scales
- Bowl
- Wooden spoon
- Baking tray
- Oven proof dishes
- Can opener
- Bottle opener
- Cutlery
- Plates and bowls
- Mugs and glasses
- Storage containers
- Cling film
- Aluminium foil
- Tea towels/oven gloves

- Clothes horse
- Dish cloths

Stationery

Paper

Pens

Hole punch

Stapler

Glue and Sellotape

Files

Blue tack

Computer Equipment

Laptop

Memory stick

Laptop cover/bag

Microsoft Office

First Aid Kit

- Plasters
- Pain killers
- Cold & flu remedies
- Anti histamine
- Antiseptic cream
- Antiseptic wipes

Important Documents

- Passport (ID)
- Driver's Licence
- Correspondence from the University
- Student Loan documents
- National Insurance Number
- Bank Account details
- Insurance documents

IT'S ALL IN THE PLANNING

Perhaps, for the parents, the biggest concerns about what university is going to cost you come from not knowing or not understanding where the costs are incurred and therefore worrying that you won't be able to afford it.

We hope that this article has help assuage some of those concerns that that with some careful planning and budgeting and educating them, you can minimise the financial pressure that your son or daughter going to university can have on you.

FIND MORE FROM THE THE SCHOLARSHIP HUB [HERE](#)