

**CONSTRUCTING A PERSONAL BUDGET**  
**March 2006**

**Student funding is changing in 2006/7.**

To estimate your income as an undergraduate or PGCE student you can use the online calculator at [www.studentfinancedirect.co.uk](http://www.studentfinancedirect.co.uk)

- Here are some notes to guide you in constructing your budget. The left figure column for each expenditure item is our estimate, the right one is for you to construct your own. Our estimates assume four students sharing a house in Zone 2 for a full 52 weeks. Individual circumstances may vary!
- The academic year is only about 38 weeks. Some items of expenditure will be spread over 52 weeks, some over 38, depending often on where you stay during vacations.
- Be realistic rather than idealistic. In order to balance your budget you will almost certainly need to either increase income or decrease spending. The amount by which you exceed your budget is debt, and has to be repaid, usually with interest!
- Identify those items which you are likely to have to pay up front at the beginning of the academic year. Such items, although not making a difference to the total budget itself, do affect what is called 'cash-flow', and you might find yourself temporarily paying out more than you have in the bank. You may consider spreading the cost of some of these by paying in regular instalments. You might then draw up a month-by-month chart working out when the heaviest one-off expenses are likely to occur.
- Although in theory you should get the rent deposit back when you end a tenancy, it is best to play safe and assume that at least some of it might not be returned to you because of such things as unforeseen damage.
- Council Tax is normally not payable if you live in a household made up entirely of students. However, if there is someone who is liable in the household, you may need to negotiate cost sharing.
- Travelcard costs vary according to zones. Currently, Zone 2 costs £53.80 per month; Zones 1-4 costs £121.40. Full-time students are eligible for 30% discount on weekly or monthly travelcards.

**INCOME**

Your  
 Estimate

- Student Maintenance Loan
- Fees loan
- HE maintenance/Special support grant
- Part-time work
- Career Development Loan
- Charities, trusts and sponsors
- State benefits
- Other (eg. Student O/D)

**Total Income per year [A]**

**EXPENDITURE**

Your  
 Estimate

**Start-up Expenses (per person):**

	£	
Tuition fees (home)	3000	
Tenancy agreement fee	60	
Rent deposit	800	
Household equipment	100	
Contents insurance	100	
Phone installation (if needed)	19	
TV licence	30	
Season ticket (if not in fares below)	0	
Books and equipment	150	
Other	100	

**Total Start-up Expend. per year [B] 4359**

**Regular Expenses (per person):**

Rent	4800	
Gas	)	
Electricity	)	500
Water	)	
Council Tax	0	
Telephone rental at home	)	
Telephone calls at home	)	100
Telephone calls out	)	
Mobile phone rent and calls	400	
Fares in London (Zones 1-2)	716	
Fares away from London	170	
Food at home/housekeeping	1560	
Food out/college	400	
Theatre visits	200	
Gym/sports	300+	
Entertainment/social	700	
Habits (drinking/smoking etc.)	1040	
Small treats/luxuries/presents, etc.	100	
Clothes	250	
Toiletries	150	
Medications	30	
Stationery/photocopying	80	
Study materials/books	150	
Postage	30	
Miscellaneous/contingencies	250	

**Total Reg. Expend. per year [C] 11926**

**Total Expend. per year [B+C] 16285**

**Difference between Income and Expend. [A] - [B+C] =**