



# How to save more money

 **BARCLAYS** | LifeSkills



# Module overview

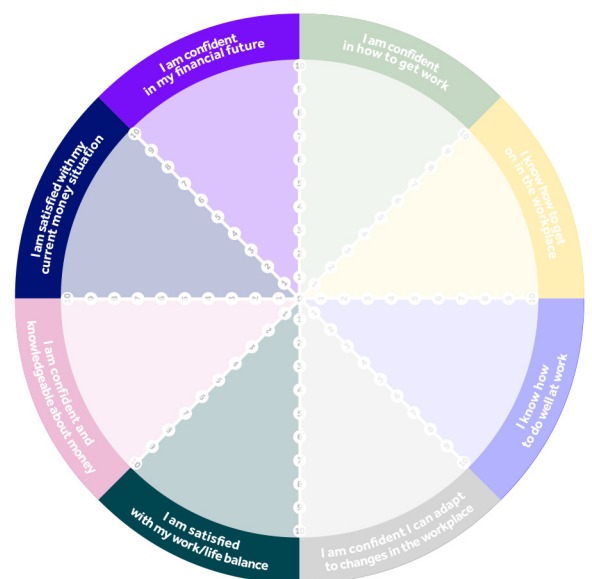
This module will help learners identify their spending and saving habits, using case studies to help with distancing.

Time	Key learning outcomes	Which will lead to
45 mins	At the end of the module learners will be able to: <ul style="list-style-type: none"> <li>Identify their spending and saving habits</li> <li>Understand the importance of working within a budget</li> </ul>	<ul style="list-style-type: none"> <li>Improved financial capability and money management</li> </ul>

## Important

Introduce the activity and theme and remind your learner of the coaching-based approach. Agree the desired outcome of the session with your learner.

Throughout the activity, we have included 'do now', 'do soon' and 'do later' actions which may help your learner to think about the next steps they could take. Alternatively, you could use the 'do now', 'do soon' and 'do later' headings to help your learner come up with their own actions.



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# Introduction

Time	Educator guidance	Expected outcome
⌚ 2-3 mins	<p>Refer back to your learner's LifeSkills wheel and discuss how they scored themselves in relation to this module.</p> <p>Discuss what they need to know/do to be able to increase how they rate their satisfaction with this area.</p>	<ul style="list-style-type: none"> <li>Learners are reminded of where they are now and what they need to do to reach a higher satisfaction score in this area</li> </ul>

## Core activity one

### What does it mean to save?

Time	Educator guidance	Expected outcome
⌚ 3-5 mins	<p>Explain to your learner that this session is about saving and share the <b>quotes examples</b>.</p> <p><b>Start with the question:</b></p> <p><b>What does saving mean to you?</b></p> <p><b>To facilitate a discussion and establish their level of experience and knowledge, choose from the prompt questions below:</b></p> <p><b>Is it always feasible for you to save?</b></p> <p><b>What are your challenges to saving?</b></p> <p><b>Are you a regular saver?</b></p> <p><b>Is there something you're saving up for?</b></p> <p><b>Based on your learner's situation tailor the discussion further using questions such as:</b></p> <p><b>Do you think of saving for a long-term goal or making savings when you shop?</b></p> <p><b>How would saving help you in daily life?</b></p> <p><b>How would you describe your spending and saving habits?</b></p>	<ul style="list-style-type: none"> <li>Learners have an understanding of what saving is and what it means to them</li> <li>Learners should understand that they may face barriers to saving and be encouraged to explore what these might be and how to overcome them</li> </ul>

# Core activity two

## Why it's important to save

Time	Educator guidance	Expected outcome
🕒 7-10 mins	<p>Share the quote: <b><i>'It's official – people who set their savings goal save faster and up to £550 a year more than people who don't.'</i></b> Source: NS&amp;I</p> <p>Explain that almost 10 million households in the UK don't have any savings. For some people, saving for a rainy day or a dream item, isn't always possible. But without any savings, these households face falling into problem debt should unexpected costs arise such as boiler breakdowns, car repairs or loss of income.</p> <p>The Money Advice Service recommends having three months of essential outgoings saved up in an instant access savings account. For example, if your essential outgoings are £1,000 a month then you should aim to have £3,000 in emergency savings.</p> <p><b>If your learner is working and on a lower income and in receipt of tax credits or Universal Credit:</b></p> <p>Explain that HM Revenue and Customs has announced a new tool in the HRMC app called Help to Save which is available to working people on Tax Credits and Universal Credit. The account offers working people on lower incomes a 50% bonus, with Help to Save rewarding savers on tax credits and Universal Credit with an extra 50p for every £1 saved. Over a four-year period, a maximum saving of £2,400 would result in an overall bonus of £1,200. It also lets savers set goals and personal reminders. Note, the accounts are for a limited time and are closed at the end of the four-year period.</p> <p><b>Ask the question:</b></p> <p><b>Is your goal to have savings for emergencies, save for something special or make savings when you go shopping?</b></p> <p>Discuss that if your learner gets really clear on why they want to save, this will help them to be able to save more successfully. They also need to set themselves a savings goal – this could be for something specific or as a buffer for unexpected costs.</p> <p>Ask learners to think about their savings goals and needs. Keep asking them to go deeper and more detailed with their 'why'. You can suggest that they use <b>Your saving goal</b> to create a drawing or mindmap of their savings goal and potential challenges.</p>	<ul style="list-style-type: none"> <li>Learners should have an understanding of the importance of setting a long-term goal and getting clear on why they want to save</li> <li>Learners should be able to identify their key motivator for saving</li> </ul>



# Core activity two

## Why it's important to save (cont'd)

Time	Educator guidance	Expected outcome
	<p><b>Suggested prompt questions:</b></p> <p><b>What could your future look like if you met your savings goal?</b></p> <p><b>What are the benefits of this saving goal?</b></p> <p><b>How much could you afford to save?</b></p> <p><b>How will this impact you and your family?</b></p> <p><b>Suggest that it can be helpful to keep the 'why' in mind when making spending decisions, as well as asking reflective questions such as:</b></p> <p><b>Will this take me closer or further away from my saving goal?</b></p> <p><b>Do I want this purchase as much as I want what I am saving for?</b></p> <p>Reflect on the score they gave themselves on the wheel and discuss how getting closer to achieving their savings goal would improve how they score themselves in this area of the wheel.</p> <p>If you have time, and access to the internet, you could explore the <a href="#">'downshift challenge'</a> and supermarket shopping hacks:</p> <p><b>Do now:</b> Save the link in your phone notes/browser bookmark or write it down for future reference</p> <p><b>Do soon:</b> Next time you're planning to do a supermarket shop, write a shopping list. Then spend a short while reading the 'downshift challenge' link – try and make five hack changes to your shopping list</p> <p><b>Do later:</b> Once you've shopped, look back at your receipt to plan five more hacks you can make to your shopping list next time</p> <p>Depending on the time you have available and the needs of your learner, choose from either Core activity <b>part three</b> or <b>part four</b>.</p>	<ul style="list-style-type: none"> <li>Learners should have an understanding of the importance of setting a long-term goal and getting clear on why they want to save</li> <li>Learners should be able to identify their key motivator for saving</li> </ul>

# Core activity three

## What makes good savings habits

Time	Educator guidance	Expected outcome
⌚ 10-15 mins	<p><b>Ask your learner the question:</b></p> <p><b>How can we make sure we create good savings habits?</b></p> <p><b>Make sure they understand that all of the below and more can go towards good savings habits:</b></p> <ul style="list-style-type: none"> <li>• Understanding how to budget effectively</li> <li>• Sharing goals with others</li> <li>• Reflecting on past and current spending habits</li> <li>• Considering the spending habits of those we live with/share income with</li> <li>• Where we can earn interest</li> </ul> <p><b>Ask your learner:</b></p> <p><b>Can you think of some different ways to save?</b></p> <p><b>Prompt ideas:</b></p> <ul style="list-style-type: none"> <li>• Physical jar</li> <li>• Pennies account</li> <li>• Separate account</li> <li>• Vouchers and discount codes</li> </ul> <p><b>Do now:</b> Consider what simple swaps could be made this week as part of existing spending patterns</p> <p><b>Do soon:</b> Set aside time to research more cost-effective spending habits such as lowercost bills, lifestyle spending e.g. transport etc.</p> <p><b>Do later:</b> Complete the <b>Planning your personal budget</b> module to revisit further ways to reduce non-essential spending</p> <p>Choose the <b>Case study</b> handout which would be most relevant to your learner.</p> <p>Read it through together and then use the questions below to explore their situation and come up with ways to help this person reduce non-essential spending, increase the opportunities this person has to save and get them closer to their savings goal.</p>	<ul style="list-style-type: none"> <li>• Learners should be able to identify what makes good savings habits</li> <li>• Learners should be able to recognise how to create a budget that works and be able to make suggestions on how to reduce non-essential outgoings to help make a good savings habit</li> </ul>

# Core activity three

## What makes good savings habits (cont'd)

Time	Educator guidance	Expected outcome
	<p><b>Questions to consider:</b></p> <p><b>Are they spending in line with their income?</b></p> <p><b>Are there any costs they haven't considered?</b></p> <p><b>What does a positive balance mean?</b> (more able to save, pay off debts)</p> <p><b>What does a negative balance mean?</b> (getting into debt, needs to look at reducing spending, needs to think about increasing/additional income)</p> <p><b>Which are the non-essential items, and where could they potentially reduce spending?</b></p> <p><b>What should their long term and short term actions be?</b></p> <p><b>Are there things they might not be able to do now, that they might be able to work towards?</b></p> <p><b>What might their savings challenges be?</b></p>	<ul style="list-style-type: none"> <li>Learners should be able to identify what makes good savings habits</li> <li>Learners should be able to recognise how to create a budget that works and be able to make suggestions on how to reduce non-essential outgoings to help make a good savings habit</li> </ul>

# Core activity four

## How could you reduce your spending?

Time	Educator guidance	Expected outcome
🕒 10-15 mins	<p>Look at the <b>Savings tips handout</b>. Explain how changing our spending habits can mean us saving more money.</p> <p><b>Ask the question:</b></p> <p><b>What ways can you think of to make savings?</b></p> <p>Work through the examples, then ask your learner to record their own suggestions for how they could reduce spending. Discuss the tips on the handout about how to make saving a habit and provide the handout as a takeaway.</p>	<ul style="list-style-type: none"> <li>Learners should be able to identify that they can make significant savings by changing some of their spending habits</li> <li>Learners will demonstrate where they are currently being successful to build confidence</li> </ul>

# Core activity four

## How could you reduce your spending? (cont'd)

Time	Educator guidance	Expected outcome
	<p>To build confidence, ask the question:</p> <p><b>Where are you already being successful?</b></p> <p>Get them to affirm what is already going well by asking your learner to add to the list of top tips.</p>	

## Wrap up

Time	Educator guidance	Expected outcome
⌚ 5-7 mins	<p>Ask your learner to think about what they have covered in this session and what steps they can take next to move forward in this area.</p> <p><b>Agree an action or next step that the learner can take to consolidate what has been covered in the session, for example:</b></p> <p>Agree an action or next step that your learner can take to consolidate what has been covered in the session, for example:</p> <ul style="list-style-type: none"> <li>• Set aside time to actively review outgoings each month</li> <li>• Calculate their take home income/potential take home income and use this as a basis for completing a savings plan/monthly budget</li> <li>• Calculate how much money I can regularly feasibly put away each month to increase savings</li> </ul> <p>Discuss any gaps that your learner feels they have in knowledge, skills or confidence in the area of financial responsibility and agree how these might be addressed.</p> <p>Refer your learner back to the LifeSkills wheel and check if they are closer to achieving their desired score.</p>	<ul style="list-style-type: none"> <li>• Learners are able to identify an action or next step to move forward in this area</li> <li>• Learners should feel more confident in discussing gaps in their knowledge when it comes to taking control of their income, and have a plan to address this</li> </ul>



# Optional extension

Time	Educator guidance	Expected outcome
⌚ 10-20 mins	<p>Spend some time researching money advice on sites such as <a href="https://moneyhelper.org.uk">moneyhelper.org.uk</a> or <a href="https://moneysavingexpert.com">moneysavingexpert.com</a> to help them compile some of their own top tips for saving that are relevant to their situation.</p> <p>Create a vision board to help visualise savings goal. This can be created in hard copy or using image apps: Canva, Pinterest, Pic Monkey.</p>	<ul style="list-style-type: none"> <li>Learners should feel comfortable and confident with considering their own budget and how best to make savings relevant to their situation</li> <li>Learners will be clear and confident on their own savings goals and have visuals to help them on the way to turning this into a reality</li> </ul>

# How to save more money

## Quotes

Author	Quote
Thomas Jefferson	"Never spend your money before you have it."
Charles A Jaffe	"It's not your salary that makes you rich. It's your spending habits."
Proverb	"The art is not in making money, but in keeping it."

### Martin Lewis mantras, as seen on MoneySavingExpert.com

If you're skint, Do I need it? Can I afford it? Have you checked the prices elsewhere? If answer is no don't buy it!

If you're not skint, Will I use it? Is it worth it? Have you checked the prices elsewhere? If answer is no don't buy it!

# How to save more money

## Your savings goal

### Your saving goal

Use the space below to draw or write your savings goal. Think about what you want your future to look like, why you want it and how achieving this goal will impact you and your family.

Include all of the small details – how you will feel, think, behave to achieve it. What are the challenges to meeting this goal?

# How to save more money

## Case study: Jason

Jason is a single male, aged 27. He currently lives at home with his mother and pays her some rent each month. He's currently receiving Universal Credit and is seeking employment. His saving goal is to have enough money to train as a plasterer, buy a van, and move out into his own place to live independently.

Jason's current challenges are that he doesn't have a plan and often says, "I don't know where all my money goes each month." Consider whether Jason currently has a negative or positive balance at the end of the month, and how he could change some of his spending habits to work towards his saving goal.

Income	Amount	Notes
Universal Credit	£317.82	Paid monthly
<b>TOTAL</b>	<b>£317.82</b>	
Expenditure	Amount	Notes
Rent	£80.00	Bills included
Mobile phone	£45.00	Monthly contract with 100 minutes and 1GB of data included
Groceries	£100.00	Usually includes some essentials for his mum as well as his food each month
Bus pass	£37.00	Used to visit friends and his partner
Cinema	£44.00	Likes to go at least once a week
Haircuts	£20.00	
TV licence	£12.54	Paid by direct debit over 12 months
<b>TOTAL</b>	<b>£338.54</b>	

# How to save more money

## Case study: Sadia

Sadia is a single female aged 34, with a five year old child. She is a mature student, training to be a nurse. Her savings goal is to pay off her student loan and credit card, and start saving for a deposit for her own place.

Sadia's current challenges are that she doesn't have a plan and has existing debts. She feels that she has unexpected outgoings that crop up each month that take all of her money.

Consider whether Sadia currently has a negative or positive balance at the end of the month, and how she could change some of her spending habits to work towards her saving goal.

Income	Amount	Notes
Wages after tax	£521.00	Paid monthly
Benefits	£730.00	Paid monthly
<b>TOTAL</b>	<b>£1,251.00</b>	
Expenditure	Amount	Notes
Rent	£450.00	Bills included
Loan repayments	£141.00	
Credit card repayments	£152.00	
Mobile phone	£10.00	
TV licence	£12.54	
Groceries	£125.00	
Petrol	£100.00	Uses her car to travel to work
Road tax	£2.50	Annual cost spread across 12 months (£30 annually, tax band C)
Car insurance	£45.00	Annual cost spread across 12 months
Car maintenance	£50.00	
Haircuts	£40.00	
<b>TOTAL</b>	<b>£1,128.04</b>	



# How to save more money

## Case study: Maria

Maria is in her late 30s and married with two children. Her savings goal is to pay off her loans and credit cards, and start saving for an emergency fund and for a family holiday abroad.

Maria's current challenge is that she has a large amount of debt. She doesn't currently have a budget in place and just "hopes for the best" throughout the month.

Consider whether Maria currently has a negative or positive balance at the end of the month, and how she could change some of her spending habits to work towards her saving goal.

Income	Amount	Notes
Wages after tax	£1,338.62	Paid monthly
Benefits	£1,640.85	Paid monthly
<b>TOTAL</b>	<b>£2,979.47</b>	
Expenditure	Amount	Notes
Rent	£625.00	
Council Tax	£153.00	
Electricity	£56.00	
Oil	£25.00	
Water rates	£98.00	
Telephone	£12.50	
Mobile phones	£47.00	For two mobile phones, 200 minutes and 5GB of data each
TV licence	£12.37	Paid monthly
Internet	£12.05	
Groceries	£550.00	This is an estimate and is sometimes more.
Takeaways	£50.00	They have a takeaway every two weeks
Petrol	£240.00	Used for work and to take the children to school
Road tax	£34.99	For two cars
Car insurance	£105.00	Annual cost for two cars
Car maintenance	£105.99	
Child-related expenses	£272.82	
Pet insurance	£45.34	
Contents insurance	£18.38	
Haircuts	£15.00	
Credit card and loan repayments	£500.00	
<b>TOTAL</b>	<b>£2,978.44</b>	

# How to save more money

## Saving tips

### Small sacrifices, big rewards

Item/spending	Amount saved
If I bought one less takeaway a week (£5) then in nine weeks I could save....	
If I started walking home from work instead of catching the bus (£10 per week) then in 12 weeks I could save...	
If I switched my mobile contract of £47 a month to a SIM only deal of £12 a month and kept my existing phone then in three months I could save....	
Space for learner to add their personalised suggestions	

### Saving tips

Top tips for saving	
Save regularly, even if it's only a small amount	Invest any spare cash in a savings account that will earn interest
Put loose change into a jar and bank it every three months	Transfer a regular amount in to savings as soon as you get paid
Shop around for best deals. Comparison websites are useful for this	Many hairdressers offer free or reduced haircuts from trainees
When you're food shopping, look out for 'buy one, get one free' deals	Go to the cinema on a night when there's an offer
Search for discount codes when you're shopping online	Commit to walking more, not only will you save money but you will get fit too
Search for restaurant voucher codes if you're planning to eat out	Instead of buying lunch, make a sandwich at home and take it with you
Try to fill up a taxi with friends, or leave early and get the last bus home	Find out where there are cash machines that don't charge
If you travel a lot, look into season tickets or railcard discounts	If you have a monthly mobile phone contract, make sure you know what your allowances are and search for the best