

# Video transcript: Getting a place of your own

**A:** I suppose I've grown up a lot. I've enhanced my cooking skills. I've learnt how to be a bit more frugal. I suppose my spending isn't as out of control as it was when I was a student as well, so it's essential skills that you need for life.

**B:** Before I was living with my girlfriend, I used to live at home with my parents, and just paid them board every month. At the time, I used to say to a lot of friends, and even hinted to my parents a few times that I seemed to be paying quite a lot of money, and it was expensive to stay at home. I was convinced it'd be a lot cheaper to move out. I was very wrong! And again, I think I should have looked into that one a bit more. I can only advise looking into that one is a big way to go.

**C:** When we first started to look at mortgages, we weren't really sure about what rate to use, whether it was a fixed or a variable rate. So what we did was fixed it over the two years that I'm doing my training contract, so we'd know exactly how much we're paying back each month. And then at the end of the two years, obviously we'll be able to swap that and we'll be able to change to the variable, because I'll be on a lot more money and we'll be able to sort of, hopefully manage that.

**D:** And shared ownership, where you would take out a mortgage on half of the house and the other half would be owned by the council, or a housing association, and you would pay the mortgage on that half, and rent on the second half to whoever owned the half of the house. But we found that the total cost of the mortgage, plus the rent, was way out of our budget.

**E:** Save up for your deposit and your first month's rent. Don't put it on a credit card, don't rely on an overdraft, because straight away you're in debt. Just save that. Persevere for a few months. Look for the right property. Choose somewhere that if you don't drive, is near local transport, because it's always going to be an extra cost to get to work, or just back to see your friends if you move too far away.

**F:** The hidden cost was the lump of every cost that was there. It was OK looking at things and thinking, the rent is x amount, I can afford that, the water's x amount, I can afford that, gas, that's fine, electric, yes, that's fine, council tax, that's fine. I think in my head, I hadn't gone 'and that equals...oh dear!' Because that was....looking at the end sum was not what I'd done. I tried looking at it all in smaller chunks and thought, fine, yes, I can do that every month and then not looked at the bigger end result and thought, well I can't afford to do anything else. I can only afford to rent this house and that's it.

**G:** Set up two bank accounts, one for your spending money, one for all your bills and your rent, and don't touch the one that all your money goes in for your bills. Don't even dip into it, because it just spirals out of control. Draw up a sheet of all your outgoings and what you have left to spend each month so you know. Keep receipts for everything you buy, so when you get your bank statement through, you know where your money's going. It's so easy not to account for money and when you come to draw money out you've got nothing.

**H:** I get paid four-weekly and on the payday, the Friday of every fourth week I go to the cash machine first thing in the morning. I take out my rent for that month, well for that next four weeks. I take out my gas for the four weeks, my electric for the four weeks, everything that I know I'll need comes out on that day and goes somewhere where I can't spend it.

**I:** Moving into the house, renting, and it seems like everything's going on bills. We have to save up to buy a bottle of wine very now and again, to stay in and have a drink.

**J:** And then there's other bills like electricity, gas, Sky, because we're really sports mad, so we have to have Sky. The broadband comes in with that as well, which increases that amount. Home contents insurance, building insurance...I'm trying to think...mobile phone bills, the BT landline bill. Also we bought our furniture on six month credit for the bedroom. This is the last month that we're going to have to pay that, but that was another £150 which

came out of my wage, which we did just to spread the cost, because when we first moved in, we didn't have any money at all, so it was interest-free and we thought, we may as well just buy that.

**K:** When I...obviously I had to contact the council to tell them that I'd moved into this place on my own, and all they said to me basically was, right, we'll send you some stuff out in the post, fill it in, send it us back and that'll be that. And it was one of my mates who said to me, you should be entitled to a single person discount of 25% of I think it's your annual bills, I'm, not sure.

**L:** Try and look where I could make cutbacks, simple things like taking your own dinner to work, because it's so easy to go in a shop and buy a sandwich and a magazine, and something else, and there's an extra £3-£4 a day, which is an extra £15 a week, which is £60 a month that you could save.

**M:** Start to cut back. See if you can actually adjust to it a bit more smoother transition, where you've took the plunge, you've moved in with them and all of a sudden; Aah! I've got no money!