

Raising Financially Savvy Students

This document contains important information and you should read it carefully and keep it safe for future reference.



CONTACT US



0203 949 1800



contact@lyncwealth.co.uk

IMPORTANT INFORMATION

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Introduction

In today's complex financial environment, possessing robust money skills is more crucial than ever for students about to embark on their university journey.

The transition to university life brings with it a newfound level of financial independence and responsibility, making the understanding and application of budgeting, financial literacy and saving vital for navigating this landscape successfully. Equipping your teenagers with these essential money management skills before they fly the nest can pave the way for not only a smoother university experience but also a more secure financial future.

This guide will guide you through the critical steps and strategies to support your teenager in becoming financially savvy before, during and after their university years.

From pre-university budget planning to managing money effectively while on campus and building a solid foundation for post-graduation financial health, we'll cover the essentials of financial literacy. Furthermore, we'll delve into the significance of saving and how it contributes to overall financial security, empowering them to take control of their financial destiny.



Understanding the financial landscape of university life

Navigating the financial landscape of university life involves understanding several key costs.

Tuition costs across the UK

Tuition fees vary significantly across the UK. In England face fees up to £9,535 annually seeing a 3.1% increase to address inflation and university funding needs. Welsh tuition fees are also rising to £9,535 aligning with the English increase. No tuition changes have been announced for Northern Ireland residents who will continue to pay up to £4,710 meanwhile Scotland continues to offer free tuition for most Scottish students, with those not from Scotland studying at a Scottish university paying up to £9,535.

Accommodation expenses

Accommodation costs also differ, [NUS and Unipol](#) release data every 3 academic years on the cost of student accommodation. Data from 2021-22 survey show that the average price of renting university-owned accommodation was £6,593 while a direct let from a private company was £8,002 per year. Updated research for London only has shown that the average rent for student accommodation in London [has increased by a fifth](#) between the 2022-23 and 2024-25 academic years.

When it comes to private renting typically beyond the first year of study, students tend to go via estate agents and private landlords.

[Save the Student's 2025 student accommodation survey](#) findings show that the average cost of private rent was £563 per month. This represents a 2.4% increase on 2024 (£550), which itself was a 2.8% increase on 2023 (£535).

Surveyed students in London faced the highest average rent costs of £812 per month which is almost £150 more than any other region.

Among the respondents who pay rent, their parents contribute an average of £224 per month to cover the cost. Just under three in five surveyed students (59%) said they struggled with the cost of rent at least some of the time, with 17% describing it as a constant problem.

Daily living costs: food and transportation

Budgeting for living expenses is essential. For many students, this is their first taste of independence and for some, their first time managing their own money. It might be the case that they don't have a car and don't have the taxi of mum or dad on hand so budgeting for transportation is also a must.

If you are lucky enough to be in a city centre university, most cities offer reduced rate bus travel but for those living out of the city or having to travel to campus, this cost could increase. If your course has a placement module as well, you may have to travel further afield to a place of work.

Additional expenses: course materials and social activities

Although students will have access to a university library, for some courses study materials may need to be purchased and the cost of this will vary from course to course. Social activities also need consideration. This includes any sporting activities which often required a paid membership as well as those nights out, which may be quite frequent!

Initial overspending can quickly deplete funds, therefore setting a reasonable budget for socialising is crucial for financial balance. Understanding these elements helps in effectively managing finances and avoiding unexpected financial strain during university life.

Pre-university budget planning

Now that you have an idea of how much the day-to-day university life costs, it is now time to look at how you can pre-budget so that you can afford to live life to the full.

Applying for student loans

You need to understand the eligibility and repayment rules for student loans in your region. The amount of maintenance loan that you can borrow is dependent upon your household income, where you live and your circumstances and is repayable.

Students living in England can use the [GOV student finance calculator](#) to see how much they would be entitled to.

There is extra financial support available depending on your circumstances. There is further information on the [GOV website](#) for various situations such as a childcare grant and disabled student's allowance.

For the 2025/26 academic year, the maintenance loan is as follows:

	Maximum loan	Minimum loan
Living at home	£8,877	£3,907
Living away from home and studying in London	£13,762	£6,853
Living away from home and studying outside London	£10,544	£4,915
Studying overseas as part of a UK course	£12,076	£5,838

Source: [GOV](#)

Assessing all income sources

Start by identifying all potential income sources before heading to university. List down how much student loan you will be getting, any grants you may be eligible for, any savings you have from any jobs you've had and whether you will be getting any financial support from family.

You can consider part-time jobs at university too as they can significantly supplement your income, easing your financial burden. If you have a job in a retail store you can consider transferring to your university town or if you have experience in hospitality, many university cities are always on the lookout for more staff.

Creating a Sustainable Budget

Once you have a clear picture of your income, you can budget accordingly. Tuition fees, often the largest expense, are directly paid through loans so this is something you luckily don't have to take into account.

Your budget should include:

- Accommodation / rent
- Food
- Transport
- Course materials
- Socialising
- Clubs/society memberships
- Any other financial responsibilities such as a phone contract or car loan.

Managing money while at university

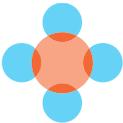
Managing your finances effectively while studying at university is crucial for both your academic success and personal well-being.

Here are some strategies to help you stay on top of your financial game during these crucial years.



Tracking spending and savings

Regularly track your spending to ensure that you're not going over budget. Utilise money tracking apps or spreadsheets to monitor where your money goes each month, which can help you adjust your spending habits if necessary.



Utilising student discounts

Take full advantage of student discounts available to you. Many local and national businesses offer reductions on everything from meals to transportation and retail. Always carry your student ID and inquire about possible discounts before making purchases. The likes of Unidays and Student Beans are common apps that many students, and even postgraduates use for discounts from everyday retailers.



Balancing social life and financial responsibilities

While enjoying university life, it's important to balance your social activities with your financial limitations. Set a reasonable budget for socialising and stick to it... easier said than done, we know... but remember, small savings on outings can add up to significant amounts.

Remaining financially savvy beyond university

As you transition from university life, it's crucial to continue honing your financial management skills. The discipline you build now will serve as a foundation for your future financial well-being.

Start by making the most of student discounts and consider long-term financial goals early on. Opening a savings or investment account can significantly enhance your financial stability. Even small amounts saved or invested can grow over time, thanks to the power of compound interest.

Your first post-university job presents a new set of financial opportunities and challenges. Budgeting remains crucial as you adapt to changes in income and expenses. Setting aside money for emergencies and retirement early in your career can secure your financial future.

Lastly, don't hesitate to seek professional financial advice. A financial adviser can provide personalised guidance tailored to your specific financial situation, helping you to navigate complex decisions and plan effectively for long-term goals. Remember, effective financial management is a continuous learning process that extends well beyond your university years.

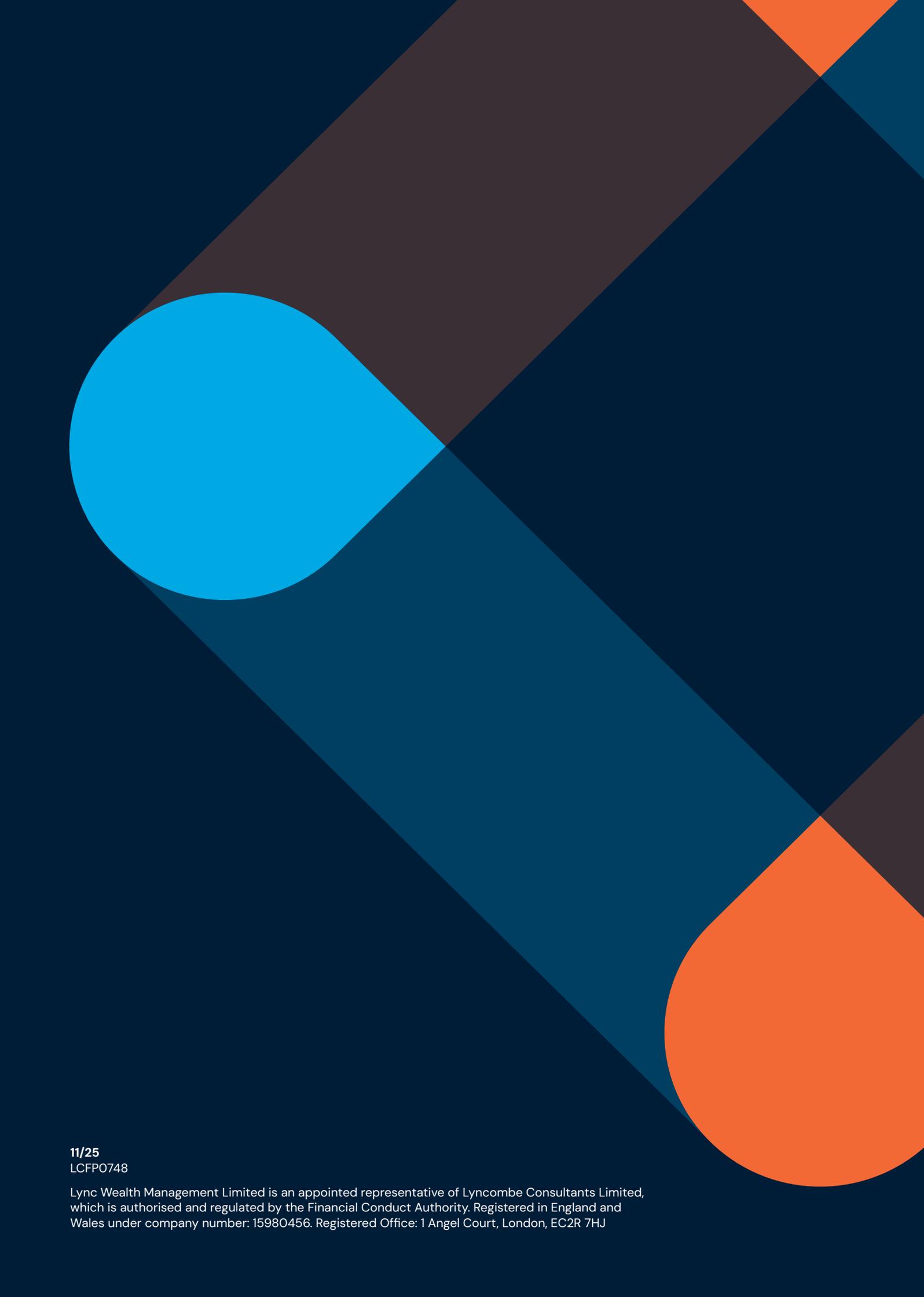
Throughout the journey from preparing for university life to navigating its financial challenges and looking beyond to securing a sound financial future, the skills of budgeting, saving and wise financial decision-making stand as crucial pillars.

If you have a child that is looking at going to university then now is the best time to be seeking financial advice to look at your finances to help you to create a plan of support moving forward.



A pension is a long-term investment not normally accessible until 55 (57 from April 2028). Your capital is at risk.

Your capital is at risk. The value of your investment (and any income from them) can go down as well as up and you may not get back the full amount you invested.



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