



Affordability Guidance with evidence base for assessing cost of living. V5

AHAS 2021

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AHAS 2021

September 2021 v5. This is the latest version of this guidance updating prices and taking on board Supreme Court decision in *Samuels v Birmingham CC.*(2019)

Project Sponsor	Project Manager	Date of Issue	Version
West London Housing Partnership / leaun Ap Rees	AHAS / Jon Dalton & Neil Wightman	8/10/2013	V 2.1
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“	AHAS/Jon Dalton	Sept 2019	V 4.0
AHAS	AHAS/Jon Dalton	Sept 2021	V 5.0

Background

This was originally developed for the introduction of the household benefit cap, Now that there is a considerable gap between actual private rents in the market and the amounts HB/LHA/UC pay toward housing costs many lower income households face shortfalls on their rent. The total benefit and other income for families may be enough for them to be able to make extra payments towards their housing costs, so this guidance is relevant for homelessness prevention and relief assistance for both working and non working households.

This aims to provide evidence to identify reasonable levels of expenditure for the necessities of family life to offer a guide as to what resources are available for paying for housing.

2.1 Purpose of guidance

The key aims are to give advisers

- An objective mechanism to determine how much households could reasonably be able to pay towards their housing by providing an evidence base of a reasonable minimum cost of living. The research has been done in London.
- Give information useful in providing budgeting advice
- Provide links to relevant online resources and data

2021 update. Changes since 2019 and when the original research was undertaken.

The latest review has just been completed using data available in August 2021, Surprisingly, food and other costs for lower priced goods have not significantly changed. And some items such as mobile telephone services have gone down.

So overall no changes are required: price reductions are offsetting any increases, at present. The 2019 costings can still be used.

Inflation.

There has still been very little food and other inflation. CPI for food between July 2019 and July 2021 shows 0.1% price increase.
(<https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/d7c8/m23>)

The effect of competition with Aldi and Lidl has kept prices down, and in some cases reduced the cost. We didn't use those supermarkets as a baseline as they are still not universally available, and don't have delivery options. Most supermarkets now price match some products with one or both.

Food/household goods. See sample food/household goods updated costings in Appendix 1A. Price change since Sept 2019 shows 5 items are higher and 13 are lower. So there is no overall impact on costs. 2019 costings remain valid.

There is no proposal to make any major amendment for food/household goods.

Travel. This has not been updated since 2019 as although fares have increased travel patterns have changed and fewer journeys are now made) If actual information is available for travel costs for the family, this can be used instead.

Telephone/broadband and TV. There are numerous new mobile phone providers that offer low costs. For example 1pMobile has a minimum monthly charge of £2.50 for which you receive 250 minutes of calls or 250 texts (or any combination of that). Extra minutes or texts above this costs 1p per minute or text. We do not recommend using mobile data on a PAYG contract unless a good deal is available; wifi is widely accessible now when out and about, and this should be used instead of mobile data. For slightly more Lebara has a monthly SIM with unlimited Mins and Texts and 5GB data for £4.42 for first 6 Months (£5.90 per month after that)

For Basic Broadband here are numerous sub £20 per month deals including evening/weekend phone calls. e.g. John Lewis

So no change is required and it is now cheaper than it has been in the past. By leaving this item unchanged leaves some flexibility in the household budget.

Clothing. There is no evidence prices have changed substantially, and because Covid reduced expenditure on clothing, competition has kept prices down. So there is no change from 2019.

White goods, TV, computers electrical devices etc. White goods etc. are currently still quite cheap. 65 inch TVs can often be purchased for under £500 and 50 inch TVs for under £400 probably half the price they were 3 or 4 years ago. Washing machine can be purchased for £189 and a laptop for £199. So again no change is needed.

Fuel and Water Rates. We know these are going to rise substantially. The capped tariffs rise by about 12% on 1st October and will probably rise by about another 15% in April 2022. The methodology is to use the actual payments the family are making, but unless they on a long term fixed deal, you should allow for these increases. Currently there is no likelihood of being able to switch to a better deal, but that advice has been left in place when hopefully the situation will improve in 2022. The only possible saving is if a household can move from a pre-payment contract to a standard monthly contact – but this can be difficult.

The Future

It is extremely likely that prices will rise significantly over the next year due to Brexit; Covid; extra taxes and higher fuel costs working their way through to prices.

This guidance will need to be reviewed again by next Summer rather than every 2 years as it has been in the past.

The fact the figures for expenditure aren't changing in this review doesn't mean that families won't face extreme pressures. (Lower income households will also have reduced income due to £20 per week cut in Universal Credit). So accommodation that has been affordable up to now may become

unaffordable (without subsidy) as income reduces and actual expenditure on fuel increase.

Other Expenses

It is very important that you consider extra costs for the family. For example:

- Special medical/dietary needs
- Priority debts.
- Train travel to school
- Council tax
- Contracts eg Mobiles or Sky until it expires
- Add extra costs if family is working

The calculation must be bespoke for the family. And then compared to Universal Credit rates. See the methodology below for the full process.

Jon Dalton
AHAS
September 2021

Calculating minimum family expenditure.

Throughout, prices are calculated on weekly amounts as this is the way legacy benefits are calculated. (Universal Credit is based on monthly payments).

We are not making recommendations as to how much a family could contribute to their housing costs. This is a tool to assist you in calculating likely expenditure for you to reach a decision on an individual basis.

You are recommended to use a benefit calculator such as [EntitledTo.co.uk](https://www.entitledto.co.uk), asking the applicant to provide all the information of benefits and employment etc, and this calculator will provide total household income. This also provides LHA information and Council Tax payments due.

You can use a calculator such as [ListenToTaxman.com](https://www.listen totaxman.com) to work out take home pay from gross earnings.

Compare this to the family's reasonable expenditure (calculated in the steps below)

The objective is not to produce an absolute minimum budget that would be hard to maintain in the long term. The information here aims to calculate reasonable expenditure in the long term; for example, it includes costs for replacing white goods etc.

The last matter to consider, following Samuels Supreme Court decision June 2019 ([2019] UKSC 28), is to compare the reasonable expenditure with Universal Credit Allowances. UC figures are a starting point. If your calculation shows their reasonable living expenses are less than UC Allowances you need to satisfy yourself that you have considered all their needs. You can decide that an applicant's reasonable living expenses are less than the standard allowances figure; but you need to have considered all their reasonable living expenses, their representations, and particularly the needs of the children. If you are satisfied having followed this step that the family still have enough resources to pay for all their reasonable needs including family life (socialising and entertainment), then you can use the figures you have calculated. You must document these considerations.

Step 1. Food.

A range of main meals can be produced for less than £1 per person per meal. A light meal such as lunch can be prepared for less than 75p per person per day. Breakfast can be provided for less than 50p per person per day. Add in 20p for tea, coffee, soft drinks, and 20p for a fruit/own brand yoghurt etc.

This comes to £2.65 per day per person

Allow £21 per person per week (no change from 2019)

See Appendix 1a for recipes, food costs etc. Most children will be eligible for free school meals, so during term time there will be a saving of £3-£5 per child per week which also adds a further margin. (Free school meal rules Appendix 1b). There are good savings to be made when shopping, special offers, buy one get one free etc. These possible savings have not been factored in, so this also gives a further margin. More savings can be made on fruit and veg by shopping locally (Appendix 1c).

Step 2. Other household shopping.

This covers cleaning products, toothpaste, shampoo, washing up liquid, washing powder, home medicines, plasters etc. See Appendix 1a that shows no change from 2019.

Allow £3 per person per week.

See Appendix 2 for costings.

Step 3. household fuel and water rates.

Use actual amounts.

We know these are going to rise substantially. The capped tariffs rise by about 12% on 1st October and will probably rise by about another 15% in April 2022. The methodology is to use the actual payments the family are making, but unless they are on a long term fixed deal, you should allow for these increases. Currently there is no likelihood of being able to switch to a better deal, but that advice has been left in place when hopefully the situation will improve in 2022. The only possible saving is if a household can move from a pre-payment contract to a standard monthly contract – but this can be difficult.

There is now evidence of fuel expenditure on a number of web based property portals such as Zoopla. We recommend you now use those figures for families moving to new properties, but add 10% to 15% to allow for the increases.

If there is evidence of actual use in a current property, and the family is not moving, use that, but bear in mind the likely price increases..

It is worth comparing with guideline usage in the web property portals to see if it is excessive (perhaps because of estimated bills) or if a saving could be made by changing supplier (find a comparable size property with the same EPC band in the same area -there is an EPC register of properties on line, if EPC is not known). There are a number of web portals for finding cheaper suppliers. You could check: www.MoneySavingExpert.com.

Step 4. Phone/broadband/TV.

Broadband and unlimited calls (fixed line)

£8.50 per week for the household.

Add £3 per week for TV licence for the household (licence is £154.50 per annum)

Plus add average £2.50 per person per week for a pay as you go mobile to make a few calls and send a few texts. (Receiving is free). Or make the occasional mobile call or call abroad, or call a premium rate number from a home phone line. Free Wi-Fi is now widely available and using this could reduce the use of expensive mobile phone data (WhatsApp type free calls).

Competition with new entries into the mobile market has reduced costs.

Also Skype (or other V.O.I.P) calls are free to other Skype users or very cheap for international calls.

See Appendix 4 for details.

Step 5. Clothing.

Allow £4 per person per week.

Competition has kept prices stable.

See Appendix 5

Step 6. Travel

Most travel is free for children up to 18 in full time education

Allow £7.50 per person per week for adults and children 17 and over not in full time education. (This has not been uprated since 2019 as although fares have increased travel patterns have changed and fewer journeys are now made) If actual information is available for travel costs for the family, this can be used instead.

Add an additional £5 per week for the household for a supermarket delivery, to ensure the household has access to lower priced groceries etc. (By using less popular delivery times it can often be lower than this or free)

See Appendix 6

Step 7. Replacing white goods, TV, computers electrical devices etc

Generally washing machines etc. last 5+ years, Computers, TV etc. average 4 years. In order to save up to replace such items a weekly household allowance is made.

Add £8 per week for the household for replacing electrical items

See Appendix 7

Step 8. Discretionary spend

To allow for entertainment, smoking, drinking, confectionery, pets, pocket money, presents etc.

Add £10 per person per week

See Appendix 8

Step 9. Extra costs for the family.

This is the most important step. Consider the family's individual needs and extra reasonable expenditure. Nearly all working age families will now need to pay some council tax and may have other special expenses. So ensure you consider:

- Special medical/dietary needs
- Priority debts.
- Train travel to school
- Council tax
- Add extra costs if family is working. More allowance should be made for clothing, food, transport, child care etc. A working family would normally also have a larger income, which should be used in the affordability calculation.
- Any other essential extra costs not covered above

To decide on any possible excess income over minimum reasonable expenditure, add steps one to nine and see how that compares to the family income. Income from adult children can be included.

See Appendix 9.

Now compare to Universal Credit Allowances (as suggested in Samuels v Birmingham)

If the reasonable expenditure is lower Universal Credit Allowances,

then we would need to decide that we had allowed sufficient for the family's expenditure, including some entertainment and social life. If we are satisfied, having properly considered expenditure and the needs of the children (and documented this), then we can still use our lower figure produced by this guidance.

Budgeting Advice

We are going to have to advise customers on how to cut down on other expenditure in order to be able to prioritise paying the rent. Here are some suggestions on what we can say:

If you are having to cut back on what you spend, it is a good idea to start keeping a note of what you currently spend your money on. So you can see where you can make savings. (*Give an income and expenditure form to help*).

Shopping in supermarkets.

We all spend more than we mean to when we go to the supermarket, so try to plan exactly what you need, and check out the prices by comparing the cost per kg or 100g of different products, (that information is usually on the price label on the shelf). Many people say it is cheaper to shop online and get the shopping delivered, as you can plan better and don't make impulse purchases of things you don't really need, and can access the lowest priced supermarkets. Even though it can cost £3 to £5, they'll also be saving on the fares or fuel to get to the shop. They should try to avoid buying ready pre-packed and/or prepared foods such as pre washed vegetables and peeled or mashed potatoes, as it is an expensive way to buy those foods – much cheaper to do it yourself. Unless it is on offer and is cheaper than the unprepared equivalent.

If they live near a market, they should check out the prices of fresh fruit and vegetables, it is often cheaper than supermarkets.

When there are good deals, BOGOFs (buy one get one free), and if they have some money they can spare, it is worth buying quite a lot... but only if it is not perishable (e.g. jars of coffee, toilet paper, tins of tuna, toothpaste etc), and they know they will definitely use it.

They should encourage children to eat school meals. It will cut down on the food they have to buy. The quality of the meals are getting better, and it is pretty good value. (Make sure they claim any discounts/free meals they are entitled to).

It is tempting to get take-aways or go to fast food restaurants for the kids, but it is a very expensive way to eat. So they should try to only do this as a special treat, not as a regular habit, the extra cost would have to come out of the discretionary spend. Many "fast food" options can be cooked at home more healthily and cheaply. Burgers, chicken nuggets, curries etc.

Mobile Phones

The other thing everyone spends too much money on is mobile phones. If they're not tied into a contract, shop around for pay as you go SIM only deals,

and use the existing phone. They may need to pay £5 to £10 to get it unlocked if they change the phone company. These deals can be much cheaper and they won't get any unexpected big bills - they pay what they can afford. There are comparison sites on the internet that will inform you of the best deals.

TV

The other simple saving (if you're not tied into a contract) is to move from subscription TV services that can cost £50 or more a month, to freesat or freeview. There are now loads of free channels, even if they have to buy the equipment for it, they'll be saving within a couple of months. If you want a bit more variety (if they can afford it), they could add one of the streaming services for £6 per month or kids TV for £4 per month, and/or pay a few pounds per film they view.

Internet/Broadband/Landline Telephone.

This is now very competitive and they can often get broadband connections for a few pounds a month. For example Sept 2019, NowTV broadband had unlimited high speed fibre, phone line rental and unlimited calls at any time for £30 per month. For slower broadband and/or free calls only evening & weekend deals under £24 per month can be obtained.

If they make phone calls on their landline, make sure they know when it is free (such as in the evening or weekend) and make calls then. Often it is only free for a call up to one hour, so remember to hang up and re-dial if they want to talk longer than this. But if they don't need a landline, and you are sure you won't use the internet too much (i.e. don't watch films or video clips, or download lots of music), they could consider getting a mobile broadband connection starting from about £5 to £10 per month and save the cost of a landline. There are plenty of places where you can get free broadband on a (wifi) mobile or laptop such as libraries, coffee shops, and fast food outlets to reduce the amount you have to pay for each month. This is probably only an option for households without children as much school work is now dependent on an internet connection.

Gas/Electricity

There are plenty of free comparison sites on the internet where you can check out the best deals. (If possible, get a monthly account and pay by direct debit instead of using a pre-payment meter which is generally more expensive). Do make sure they are not still tied into a contract before they switch, otherwise they may have to pay to leave their current provider. All new rentals need to be EPC rated A-E from 2018, and from April 2020 F&G properties will no longer be allowed to be rented out (with minor exception in conservation area if the property can't be brought up to standard). HMOs do not have to have an EPC, but generally tenants do not pay separately for their fuel.

Generally

They should keep their eyes open for special offers or check out the “deals” websites such as HotUKDeals, Groupon, or Wowcher on the internet.

With a bit of planning they can save lots of money each month.

There are also now supermarket comparison sites to help decide where to shop and/or offers online purchasing:

www.mysupermarket.co.uk - This compares 14 supermarkets. An aid for shopping for groceries, household, health & beauty etc. Finds the cheapest deals and a “shopping list” can be imported and the items purchased through the website.

www.supermarket.co.uk/compare-supermarkets.html Compare supermarket prices for key everyday food and household items. Browse between supermarkets and compare deals, buy one get one frees, discounts etc

Support

For many families it will be a complete change in the way they have shopped and spent money. To stick to a budget they will need to be organised. You need to consider what advice and support you can offer them. It may also take a while before more expensive contracts can be ended and before they can completely reduce their expenditure.

Universal Credit Amounts

Universal Credit payments combine a standard allowance with any extra amounts that may apply.

For example, there may be additional payments if:

- There are children.
- Someone has a disability or a serious health condition.

You can check the latest Universal Credit Allowances here:

<https://www.entitledto.co.uk/help/Universal-Credit-Rates>

(Actual amounts of UC may be capped if a family is not working)

Example Case Study (Figures are for illustration purposes only)

Couple with 4 children (2 teens and 2 under 10)

One Adult working full time at about minimum wage. (Gross earnings £320 per week)

Living in 3 bed PRS property at rent £350 per week (£1516 pcm) which is above LHA of £321.45 per week.

ListenToTaxman.com to calculate net pay from gross income.

Weekly net pay is £281.63

Your pay details	Salary Summary	View	Yearly	Monthly	Week
? Select tax year					
2019/20					
? Tax Region					
UK					
? <input type="checkbox"/> Married <input type="checkbox"/> Blind <input type="checkbox"/> I pay no NI					
? Repay Student Loan?					
No					
? Age					
under 65					
? Any Allowances/-Deductions					
0					
? Tax code (optional)					
? Pension Contribution (% or amount)					
5					
? Childcare Vouchers					
£ 0 per week					
I earn (pre-tax)					
£ 320 per week [52 Weeks]					
Gross Pay			£16,640.00	£1,386.67	£320.00
☑ Tax free allowance			£12,509.00	£1,042.42	£240.56
Total taxable			£3,871.00	£322.58	£74.44
☑ Total Tax due			£774.20	£64.52	£14.89
20.0% rate			£774.20	£64.52	£14.89
40.0% rate			£0.00	£0.00	£0.00
45.0% rate			£0.00	£0.00	£0.00
National Insurance			£960.96	£80.08	£18.48
▶ Pension [you]			£260.00	£21.67	£5.00
Total Deductions			£1,995.16	£166.26	£38.37
Net Wage			£14,644.84	£1,220.40	£281.63
Employers NI			£1,105.10	£92.09	£21.25
Net change from 2018			+£154.96	+£12.91	+£2.98

EntitledTo printout.

Total Benefit £547.68 / weekly

(Made up from Tax Credit, HB and Child Benefit)

(Under the current system)

Our estimate is based on the information you have entered and does not guarantee entitlement. It uses

19/20 benefits and tax rates.

If you are making a new claim for benefits you will need to claim Universal Credit instead of the benefits

below. Click the Universal Credit tab above for more details.

You may also need to claim Universal Credit if you experience a change in circumstances. For more

information see our guide to [what triggers a move to Universal Credit](#).

Tax Credits

£236.80 / weekly

Initial tax credit award: £236.80. This figure is based on the income you received last year. The

Tax Credits figure shown below is based on your current income amount.

Final tax credit award: £236.80. Working tax credit and child tax credit.

[More information](#)

[How to claim?](#)

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Council Tax Support

£0.00 / *weekly*

The amount you get can be affected by other benefits. We have included the amounts we have calculated for Working Tax Credit (£12.34 per week) and Child Tax Credit (£224.46 per week).

[More information](#)

[How to claim?](#)

Housing Benefit

£249.08 / *weekly*

The amount you get can be affected by other benefits. We have included the amounts we have calculated for Working Tax Credit (£12.34 per week) and Child Tax Credit (£224.46 per week).

[More information](#)

[How to claim?](#)

Child Benefit

£61.80 / *weekly*

[More information](#)

[How to claim?](#)

There is a shortfall between the rent that you pay and the maximum benefit you can receive under Local Housing Allowance rules to help with that rent. You may want to apply for a [Discretionary Housing Payment](#).

Your rent is more than the maximum benefit you are allowed

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According to the details entered you are entitled to 3 bedrooms. This means your Local Housing Allowance is £321.45 / weekly.

Your rent is higher than your Local Housing Allowance (LHA) rate. Our calculation is based on your LHA rate, not your rent, as you can not claim for an amount higher than your LHA rate.

Postcode: HA1 1PQ

Broad Rental Market Area: North West London

Shared room LHA rate: £92.72

1 bedroom LHA rate: £203.03

2 bedroom LHA rate: £257.09

3 bedroom LHA rate: £321.45

4 bedroom LHA rate: £385.63

Your bedroom entitlement: 3

Relevant LHA rate: £321.45

Current rent amount: £350.00 / Weekly

Excess of rent over LHA rate: £28.55

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Council Tax band for property C

Eligible for disability-related reduction? No

Discounts applicable none

Estimated Council Tax £1,586.49

Council Tax liability (AFTER any discounts eg, disability, single person)

£ 0.00

Payment period Yearly

Weekly Family Income (from above)

Benefits £298.60 (TC and CB)

LHA £249.08

Council Tax Credit nil

Income from earnings £281.63

Total £580.23 plus LHA £249.08 = £829.31

Reasonable Weekly Expenditure:

Food: £126

Other Shopping £18

Fuel/Water £28

(Zoopla for 3 bed flat in postcode HA1, with 10% added and rounded up to nearest £))

Broadband/Phones £8.50

Phone Calls £15

TV licence £3

Clothing allowance £24

Travel £15

Shopping delivery £5

White goods/electrical £8

Discretionary spend £60

Extra Costs (Council Tax) £30.50

Extra cost due to 1 Adult working (travel & lunch) £35

TOTAL MINIMUM SPEND £376 per week.

(Income in excess of minimum £204)

Add housing costs £320

Total Outgoings £696 per week

Total Income £829.31

So the accommodation appears affordable. In fact the family may be able to afford a weekly rent of £420

Now compare to Universal Credit Allowances

(as suggested in *Samuels v Birmingham*)

Couple plus 4 children (claims before 2017 changes)

£1470.98 per month. £339.45 per week.

So allowance for reasonable expenditure is more than Universal Credit Allowance.

If the reasonable expenditure was lower, then we would need to decide that we had allowed sufficient for the family's expenditure, including some entertainment and social life. If we are satisfied, having properly considered expenditure and the needs of the children (and documented this), then we can use our lower figure produced by this guidance.

Appendix 1a

Prices compared to 2019

CPI for food between July 2019 and July 2021 shows 0.1% price increase.
(<https://www.ons.gov.uk/economy/inflationandpriceindices/timeseries/d7c8/m23>)

Food/Household shopping. Sainsbury's (generally own brand or basics)	March 2017	Sept 2019	Sept 2021 Comparison using Tesco
500 ml Shampoo	75p	75p No change	35p (Reduction) Essentials Shampoo 750ml 50p Equivalent to 35p for 500ml
250ml Deodorant	£1.00	£1.00 No change	£1.46 (Increase)
Toothpaste	35p 75ml (Equivalent 46.7p for 100ml)	50p 100ml	50p 100ml
Toothbrushes x2	25p	25p No change	25p
Washing Powder 40 washes	£4.50	£4.00	£3.50 (Reduction) Tesco Tropical Sunshine Bio. Powder 2.6Kg 40 washes
Washing up liquid 450ml	45p	50p	33p (Reduction) Tesco Washing Up Liquid Limited Edition
Bleach 2Litres	£1.00	Thin 60p Thick £1.20	95p (Reduction) Tesco Thick Bleach 24 Hour Citrus 2Ltr
Frozen White Fish 5 or more fillets	£1.90	£2.20	£2.18 (Reduction)

			Bay Fishmongers White Fish Fillets 520G 5 servings
Frozen chicken portions	£4.00. 50p per portion	£4.00 No change	£3.25 for 8 servings (Reduction) Butchers Choice Chicken Breast Filletts 1Kg
Frozen pork/beef mince 1Kg	£3.00	Fresh Beef mince £3.20	£4.00 (Increase)
4 frozen battered haddock	£3.00 (75p per portion)	Frozen battered cod £2.20 (55p per portion)	£2.40 (Increase) Youngs Chip Shop 4 Omega 3 Fish Fillets or Hearty Food Co 4 Fish Steaks In Butter Sauce 552G £2.20
30 frozen fish fingers	£2.80	£2.80 No change	£2.07 (Reduction) Hearty Food Co 10 Fish Fingers 250G 69p. (30 fingers £2.07)
4 x Tins of Tuna	£3.70	£3.60	£3.25 (Reduction) Princes Tuna Chunks In Spring Water 4 4X145g
Frozen chips 900g	80p	80p No change	56p (Reduction) Hearty Food Co Straight Cut Chips 1.5Kg 90p (equivalent to 56p for 900g)
Frozen pizza	£1.15 (350g)	£1.00 (403g)	84p

			(Reduction) Hearty Food Thin Cheese & Tomato Pizza 314G 66p (equivalent 84p for 400g)
4 spicy veg beanburgers	£1.50	£1.50 No change	£1.15 (Reduction) Tesco Plant Chef 4 Spicy Bean Burgers 454G £1.15
Tin kidney beans 400g	35p	35p No change	30p (Reduction) Growers Harvest Red Kidney Beans In Water 400G
Tin of soup eg 3 bean/tomato or mushroom	50p	45p	30p/45p Stockwell & Co Vegetable Soup 400G 30p. Large variety of soups for 45p
Wholemeal bread. Medium sliced 800g	35p	45p	36p (Reduction) H W Nevill's Wholemeal Bread 800G
Corn flakes	£1.45 (750g)	55p 500g (equivalent 83p 750g)	85p for 750g (Increase)
24 breakfast biscuits	£1.05	80p	95p (Increase)

Price change since Sept 2019. 5 are higher. 13 are lower. So there is no overall impact on costs. 2019 costings remain valid.

The following give sample costings. Some elements have increased in price since this was produced, and some elements reduced so the overall cost of meals remains about the same.

Breakfast option 1

Toast + spread + jam + boiled egg + tea/coffee = 47p

Breakfast option 2

Cereal + tea/coffee + fruit = 50p

Breakfast option 3

Porridge + tea = 43p

If you buy breakfast items in Tesco, the Everyday value wholemeal loaf has 20 slices at a price of £0.47. The cost of toast = < 3p a slice. Eggs are £0.87 and under 15p a serving.

Everyday value cornflakes are 31p for 500g. The breakfast comes to less than 31p per person.

Tea/coffee white with sugar <7p per cup

2019 Update. See table below. Some prices have increased and some reduced. Overall cost remains about the same.

Cost at Sainsburys

Breakfast

Item	Cost 2017	Changes in 2019	Cost per serving
Hovis 16 slices excluding the crusts	£1.45		<20p for 2
Shreddies 750g box	£2.39		<16p per 50g
Own brand Corn flakes 1 Kg	£2.49	Fruit & Fibre own brand. 500g £1.00	18p per 70g (2019 <15p)
Own brand wholewheat biscuits (like Weetabix) 48 pieces	£3.39	£1.60	<15p for 2 (2019 <7p)
Porridge 10 sachets (various flavours own brand)	£1.59	20 plain £3.40	<16p (2019 now 17p)
Sugar 99p 1kg	£0.99		1p for 2 tsp (tea or coffee) 5p for cereal
Milk 1 litre	£1.00	2 pints 80p (1.13L)	<15p for cereal 150ml <3p for tea or coffee 25ml
Basics strawberry jam 454g	£0.29	40p	<2p per 20g (2019 still < 2p)
Coffee Sainsburys Rich Roast Instant 200g	£2.45	£2.00	<3p per 2g/cup (2019 2p per cup)
Tea Red label Fairtrade 80 bags	£1.26	£1.10	<2p per bag/ cup
Tea PG/Tetleys 80 bags	£2.50		<3p per bag/cup
Margarine/ spread 500g	£1.00		<1p per 4g (for two slices of toast)
Fruit – bananas/apple	10p		10p
Eggs – 6	£1.00	Lower cost eggs available. Free range £1	<17p

Total breakfast cereal/porridge/toast with tea/coffee <50p

Lunch

Lunch option 1

Cheese and ham sandwich + crisps + yogurt = 74p

Lunch option 2

Jacket potato with tuna and mayonnaise + juice = 89p

Lunch option 3

A can of Soup + bread+ = £0.31

Lunch option 4

Sandwich + crisps + yogurt = 58p

Lunch option 5

Lentils soup and bread (Tesco) for 4

Red lentils 500g £1.09

Onion one 8p

Carrot one 9p

Stock cube (10 for 10p) 3 cubes 3p

Garlic bulb 20p

Oil 10p

Bread crusty bloomer 70p

Cost £2.29

Cost per head <58p

Cost at Tesco

Item	Cost 2017	Cost per serving
Tesco Bread – 18 slices	£0.47	<6p for 2
Cheese Cathedral city/Pilgrims Choice 350g	£3.00	<18p for 20g
Various sandwich fillers 250g	£1.35	<14p for 25g
Tomatoes – 6 pack	£1.00	<17p for 1
Cucumber – 1	£0.65	<11p for 1/6
Salad – lettuce 260g	£1.00	<20p for 50g
Everyday value Ham 364g	£1.50	<11p for 25g

Jacket potatoes 700g	£1.15	<33p for 200g
Mustard 180g	£0.59	<2p for 5g
Bernard Matthews Turkey 250g	£2.00	20p for 25g
Can of soup	£0.25	25p
Tesco Crisps 6x25g	£1.19	<20p
Tesco Margarine/spread 500g	£1.00	<1p per 4g (for sandwich) 2p per 10g (for jacket potato)
Tesco Mayonnaise 500ml	£1.00	4p per 20ml
Princes Tinned tuna 4x185g	£4.00	<28p for 50g
Fruit Yogurts 6x125g	£1.00	<17p
Everyday value orange juice 1 litre	£0.65	<22p for 330ml

Main meals

1. Chicken pie and mash – family of six

Puff pastry £0.66
 Chicken thighs 1kg £2.50
 Onions ½ kg £0.50
 Carrots ½ kg £0.50
 Stock cube £0.10
 Potatoes 1 kg £1.25
 Oil (£1.50 per litre) 10ml £0.02
 Butter (£0.98 per 250g) 30g £0.13
 Overall cost = £5.66

Cost per head <£0.95

2. Fish, chips and peas

Birds Eye Breaded or Batter Fish portion. 4 for £3. 75p a portion.
 Own brand oven chips. 1.8Kg. £1.80. recommended 125g serving (say 150g). 15p a serving
 Own brand frozen peas. £1.60 1.6kg. 80g serving. 8p a serving.
 Own brand tomato ketchup. £1.35 680g. serving 20g. 4p per serving.

Cost per head is £1.02

3. Chicken, chips and peas

Chicken leg quarters 4 for £2.40. 60p a portion.
 Own brand oven chips 1.8Kg. £1.80. recommended 125g serving (say 150g). 15p a serving

Own brand frozen beans. £1.60 1.6kg. 80g serving. 8p a serving.
Own brand tomato ketchup. £1.35 680g. serving 20g. 4p per serving.

Cost per head is £0.87

4. Somali dishes – Meat pilau – family of six

Rice (£5.00 per 5kg bag)) 1kg £1.00
Halal Chicken legs 1kg £3.49
Potatoes 1 kg 90p 250g £0.23
Tomatoes chopped 400g £0.25
Onions 500g £0.50
Masala packet £0.30
Overall cost £5.77

Cost per head <£0.97

5. Somali dish – Beans curry and maize meal for 4

Beans £1.00
Maize £1.00
Oil, onions and masala £2.00

Cost per head £1.00

6. Sausage and potato casserole for 4 (Tesco)

Onion 17p
New potatoes 72p
Green pepper 80p
Value pork sausages (8 pack) 50p
Value pasta sauce (440g) 33p
Cost: £2.52

Cost per head <63p
Or with vegetarian sausages it would still be under a pound

7. Low-fat chilli con carne for 4 (Asda)

Lean beef steak mince £1.48
Onion 8p
Chopped tomatoes 58p
Red pepper 80p
Smartprice kidney beans 18p
Smartprice sweetcorn 32p
4 baking potatoes 50p
Cost: £3.94

Cost per head <99p
Can use quorn for a vegetarian option but it is slightly more expensive

8. Asian meat balls and pasta or rice for 6

Herbs 60p for 15g 5p
Onion 8p
Carrot 10p
Chopped tomatoes 50p
Mince meat 500g £2.50
Masala 50g is 50p , teaspoon 5p
Chillies 3 for 10p
Spaghetti 500g 35p
Oil 10p

Cost £3.83

Cost per head <64p

With rice this dish would still be under £1

9. Spaghetti bolognaise (Asda)

Smartprice mince (2 x 454g) £1.80
Smartprice spaghetti 20p
Smartprice plum tomatoes (2 x 400g) 62p
Tomato puree 25p
Onions 16p
Garlic 30p
Basil 50p

Cost: £3.79

Cost per head <64p

10. Corned beef hash (Asda) for 4

Smartprice corned beef £1.19
Smartprice canned new potatoes 22p
Smartprice sweetcorn 32p
Smartprice eggs 85p
Onion 8p
Warburtons crusty loaf 85p

Cost: £3.51

Cost per head <88p

11. Mixed vegetable curry and rice for 6 (Tesco)

Frozen Veg 1kg £1.00
Onion 8p
Oil 10p
Masala 5p
Rice 1kg £1.00
Chillies 3 for 10p

Ginger garlic paste (283g £1.39) 30g 15p
Chopped tomatoes can 50p

Cost £2.98
Cost per head <50p

Asian/Indian vegetarian dishes can be made for under 50p and can be accompanied by other sides like raita or salad for under 50p per head.

12. Macaroni cheese with broccoli and tuna for 4

200g macaroni (1kg £1.40) 28p
180g broccoli, divided into small florets 32p
30g sunflower spread (500g 75p) <5p
30g plain flour (500g 40p) <3p
400ml semi-skimmed milk under 25p
125g Cheddar, grated (250g £2.00) £1.00
185g can tuna, drained and flaked 86p

Preheat the grill to medium. Bring a pan of lightly salted water to the boil and cook the macaroni as per the pack instructions – this should take about 8 minutes. Add the broccoli to the water for the last 4 minutes of the cooking time. Drain well.

While the pasta is cooking, make the sauce by melting the spread in a pan. Stir in the flour and cook, stirring, for 1 minute. Gradually add the milk and cook, stirring, until you have a smooth, thickened sauce. Then beat in 100g of the Cheddar.

Mix the drained pasta and broccoli with the sauce and tuna then spoon into a heatproof dish. Sprinkle with the remaining cheese and grill for 3-4 minutes, or until the cheese topping is bubbling

Overall cost £2.79
Cost per head <70p

13. Chick Pea Curry with rice for 4 (Tesco)

Chick peas are a very nutritious and cheap food - having dried ones in the cupboard ensures a cheap meal anytime (after soaking overnight).

Ingredients:

1 - 2 Tablespoons of light vegetable oil 10p
1 onion, chopped 8p
3 cloves of garlic, finely chopped or crushed (17p per bulb) <5p
1 green pepper, finely chopped (optional) 80p
2 - 3 teaspoons of curry powder 5p
2 tins of cooked chick peas (or soak dried ones overnight and cooked - cheaper) 78p
1 can of tomatoes 39p
Salt 1p
Long grain rice 1kg 40p

Fry the onion and garlic in the oil for a few minutes. Add the curry powder and stir for two minutes. Add the tomatoes and green pepper. Cook for about 15 minutes at simmering level and then add chick peas and cook for a further 10 minutes. Add salt to taste. Serve with white long grain rice.

Overall cost £2.66

Cost per head <67p

Dessert

6X125G ASDA Low Fat Strawberry Yogurt £1.00 (13.3p/100g)

6 portions. 17p per portion.

ASDA. 425G Pakeeza Natural Live Set Yogurt 50p (11.8p/100g)

4 portions 12.5p per portion

4X125G ASDA Smartprice Low Fat Yogurts 33p

4 portions. 9p per portion.

10PK ASDA Bananas £1.50 (15.0p/each)

Tesco Everyday Value Syrup Steamed Pudding(2 per pack - 200g)
£1.00(50p/100g)

Tesco Chocolate Eclairs(6 per pack - 160g)
£1.00(62.5p/100g)

Tesco Vanilla Slices(6 per pack - 240g)
£1.00(41.7p/100g)

Aunt Bessie's Perfect for Two Apple Crumble(240g)
£1.00(41.7p/100g)

Tesco Everyday Value Strawberry Swirl Cheesecake(375g)
£1.00(26.7p/100g)

Tesco Double Chocolate Gateau(350g)
£1.25(35.7p/100g)

Tesco Strawberry Gateau(375g)
£1.25(33.3p/100g)

Tesco Country Store Mixed Fruits(500g)
£1.39(27.8p/100g)

Tesco Country Store Raspberries(300g)
£1.39(46.3p/100g)

Aunt Bessie's Delicious Spotted Dick(300g)
£1.49(49.7p/100g)

Aunt Bessie's Sticky Toffee Sponge Pudding(330g)
£1.49(45.2p/100g)

Comparative supermarket prices – research 2013.

Item	Asda	Tesco	Morrisons
White Potatoes 1kg	(2kg £1.94) 97p	(2.5kg £1.80) 72p	(2.5kg £2.30)
Tomatoes 1kg	£1.99	£1.99	£2.29
Tomato ketchup 500g	£0.18	£0.18	£0.22
Tomato soup 400g	£0.24	£0.29	£0.24
Long Grain Rice 1kg	£0.40	£0.40	£0.40
Can chopped tomatoes 400g	£0.34	£0.31	£0.31
Sliced white bread 800g	£0.47	£0.47	£0.50
Pasta 500g spaghetti/penne	£0.23/£0.29	£0.15/£0.29	£0.29/£0.32
Frozen chips 1.5kg	£0.82	£0.82	£0.99
Frozen potato waffles 12 pack	Asda£1.00	£1.00	£1.00
Frozen mixed vegetables 1kg	£0.75	£0.75	£0.89
Frozen green beans 750g	£0.75	£0.75	n/a
Frozen peas	£0.98 for 1kg	£0.89 for 900g	n/a
Frozen sweetcorn	£0.98 for 1kg	£1.00 for 907g	£1.34 for 1 kg
Baked beans in tomato sauce	£0.32 for 410g	£0.38 for 420g	£0.25
Tinned marrowfat peas 300g	£0.21	£0.29	£0.37
Tinned sweetcorn	£0.35 326g	£0.35 325g	£0.37 326g
Kidney beans 400g tin	£0.27	£0.21	£0.39
Chick peas 400g	£0.37	£0.39	£0.39

Packet soup 4 per pack	£0.68	£1.00	£0.65
Beef mince 500g	£2.00	£3.00	£2.00
Half lamb leg	£6.50 for 1kg	£5.30 for 900g	
Turkey mince 500g	£3.00	£2.99	n/a
Fish fingers 10 per pack	£0.60	£0.60	£0.60
Battered white fish 4 per pack	£2.00	£1.70	£3.00
Breaded white fish 4 per pack	£2.00	£2.00	£3.00
Free range medium eggs 12	£1.98	£2.20	£2.50
Whole/skimmed milk 4pints	£1.00	£1.39	£1.39
Sugar	£0.88	£0.94	£0.99
Lemonade 2litres	£0.17	£0.17	£0.17

Appendix 1b

Cost of school meals

School meals currently cost £2.30 per day paid in advance. So if the children are not eligible for free school meals, a packed lunch is more economical. If free school meals are available, they should be used.

Free school meals. If you get any of the following support payments your child may be entitled to receive free school meals:

- Income Support
- income-based Jobseeker's Allowance
- income-related Employment and Support Allowance
- support under Part VI of the Immigration and Asylum Act 1999
- the guaranteed element of Pension Credit
- Child Tax Credit (provided you're not also entitled to Working Tax Credit and have an annual gross income of no more than £16,190)
- Working Tax Credit run-on - paid for 4 weeks after you stop qualifying for Working Tax Credit
- Universal Credit - if you apply on or after 1 April 2018 your household income must be less than £7,400 a year (after tax and not including any benefits you get)

Children who get paid these benefits directly, instead of through a parent or guardian, can also get free school meals.

Your child may also get free school meals if you get any of these benefits and your child is both:

- younger than the [compulsory age for starting school](#)
- in full-time education

If your child is eligible for free school meals, they'll remain eligible until they finish the phase of schooling (primary or secondary) they're in.

<https://www.gov.uk/apply-free-school-meals>

Appendix 1c

Finding bargains, making regular savings.

The costings in this report are based on the usual prices of groceries etc. obtained at supermarkets. However it is possible to make major savings by checking internet "deal" websites such as MoneySavingsExpert.com, HotUKDeals.com and Groupon.co.uk.

All the major supermarkets also have deals and Buy One Get One Free information on their websites.

By careful purchasing and stocking up with non perishable items in bulk, the weekly grocery budget can be significantly reduced. Other items such as white goods, linen, towels, clothes etc, when needed, can also be sourced through these sites.

Local Fruit and Veg shops

It is possible to make more savings by shopping locally for fruits and vegetables. Local Caribbean/Asian/Indian/SriLankan shops are very common in several areas of London . Such shops are obviously run by independent traders and so the savings available in different parts of the London/UK are likely to vary. But it's definitely worth checking out to see how much can be saved.

Cost of a selection of items at a local fruit and veg shop (2013)

Tomatoes 1kg £0.64
Onions 1kg £0.55
Spinach 3 large bunches £1.00
Cucumber 3 for £1.00 or 1 for £0.39
Oranges 6 for £1.00
Kiwi 8 for £1.00
Avocados 2 for £1.20
Bananas 1kg £1.30
Garlic 450g £1.69
Ginger 1kg £1.96
Peppers 1kg £2.84
Cabbage 1kg £0.86
White potatoes 2kg £0.89
Red potatoes 2kg £1.29
Pasta (all varieties) 500g £0.69
Chickpea 4x400g £1.20
Basmati rice 5kg £5.99
Yogurt 500g £1.00
Red lentils 1kg £1.29
Masala powder 100g £0.50

Approximately 85% of the items on this list are cheaper than in supermarkets

Appendix 2

Other household shopping like toiletries and cleaning products

(Update 2021. No major price changes, so original research remains valid)

Item		Sainsburys	Asda	Tesco	Aldi	Cost per person per week
Shampoo		Basics 1 litre £0.40	Smartprice 500ml £0.20	Everyday Value 1litre £0.40	Carino 500ml £0.59	5ml x7washes = 1.5p
Soap		3x125g bars £0.50	3x125g £0.35	3x125g £0.45	n/a	0.5 bar per week= <9p
Shower gel		300ml £0.30	500ml £0.50	300ml £0.30	300ml £0.45	5ml x7washes =<7p
Hand wash		500ml £0.38	500ml £0.55	500ml £0.38	500ml £0.55	250ml <28p
Toothpaste		100ml £0.55	100ml £0.39	100ml £0.40	100ml £1.00	3ml x 7 <9p
Toothbrush		2 £0.60	2 £1.00	2 £0.18	2 £0.79	1 a month p

Toilet cleaner		750ml £0.30	750ml £0.27	750ml £0.27	1 litre £0.49	250ml <15p
Bathroom cleaner		500ml £0.30	500ml £0.66	500ml £1.25	750ml £0.69	100ml 13p
Anti-bacterial surface cleaner		500ml £0.70	500ml £1.00	500ml £0.79	500ml £0.79	200ml 16p
Bleach		750ml £0.80	999ml £1.00	750ml £0.55	2 litres £0.99	200ml 20p
Floor cleaner		1 litre £1.12	500ml £1.00	1 litre £1.50	n/a	100ml 15p
Washing powder		Nonbio/whites/col 800g (10 washes) £2.00 20p per wash	Nonbio/whites/col 800g (10 washes) £1.75 17.5p per wash	Bio/col capsules (10 washes) £1.50 15p per wash	Bio tablets (36 washes) £2.49 13.8p per wash	30p per person per week (to allow extra usage in hard water)
Fabric conditioner		750ml(21 washes) £1.25 6p per wash	1.47l (42 washes) £0.66 1.6p per wash	1litre (21 washes) £0.80 2.7p per wash	2litre (40 washes) £1.15 2.9p per wash	50m 5p

Which totals £1.71 per person per week. Round this up to £3 per person per week to allow for toilet rolls, plasters, pain killers, antiseptic cream, shaving

cream , razors, disinfectant, , cotton, stationery, and other household products used occasionally.

Appendix 3

Gas, electricity, water costs

Use actual amounts.

We know these are going to rise substantially. The capped tariffs rise by about 12% on 1st October and will probably rise by about another 15% in April 2022. The methodology is to use the actual payments the family are making, but unless they are on a long term fixed deal, you should allow for these increases. Currently there is no likelihood of being able to switch to a better deal, but that advice has been left in place when hopefully the situation will improve in 2022. The only possible saving is if a household can move from a pre-payment contract to a standard monthly contract – but this can be difficult.

There is now evidence of fuel expenditure on a number of web based property portals such as Zoopla. We recommend you now use those figures for families moving to new properties, but add 10% to 15% to allow for the increases.

If there is evidence of actual use in a current property, and the family is not moving, use that, but bear in mind the likely price increases..

It is worth comparing with guideline usage in the web property portals to see if it is excessive (perhaps because of estimated bills) or if a saving could be made by changing supplier (find a comparable size property with the same EPC band in the same area -there is an EPC register of properties on line, if EPC is not known). There are a number of web portals for finding cheaper suppliers. You could check: www.MoneySavingExpert.com.

Appendix 4

Broadband and Phone

For Basic Broadband here are numerous sub £20 per month deals including evening/weekend phone calls. e.g. John Lewis

Unlimited landline calls at all times is typically an extra £5 per month

So no change is required and it is now cheaper than it has been in the past. By leaving this item unchanged leaves some flexibility in the household budget.

So unlimited calls and broadband is £7 to £8.50 per week.

Data moneysavingexpert.com

Pay as you go mobile phone.

There are numerous new mobile phone providers that offer low costs. For example 1pMobile has a minimum monthly charge of £2.50 for which you receive 250 minutes of calls or 250 texts (or any combination of that). Extra minutes or texts above this costs 1p per minute or text. We do not recommend using mobile data on a PAYG contract unless a good deal is available; wifi is widely accessible now when out and about, and this should be used instead of mobile data. For slightly more Lebara has a monthly SIM with unlimited Mins and Texts and 5GB data for £4.42 for first 6 Months (£5.90 per month after that)

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Appendix 5

Clothing

At Tesco, for a child between the ages of 11 to 16 school uniform costs

School jumper	£5
Sweatshirt	£2
Shoes	£20
4 Shirts (2 for £7)	£14
2 Trousers	£10
Blazer(up to yr 14)	£12
Coat	£20
Socks 5 pairs	£4
Underwear 6 pairs	£5 (boy - 3 boxers £2.50 and girl - 7 briefs £2.50)
PE T shirts 2	£3
PE Shorts	£9

One off cost per year £104 works to £2 per week

Plus other clothing allowance works to £4 per week

Clothes for an adult

Coat	£30
Shoes x2	£40
Shirts / tops	£30 (£5 per item)
Underwear	£20 (male – 3 boxers £5 and 2 vests £5 and female – 4 briefs £2.50 bra £6)
Socks	£12 (6 pairs for £6)

Cost per year £132 plus miscellaneous allowance works to £4 per week

Standard items are often cheaper at Primark or sometimes online.

Appendix 6

Travel costs

There is a weekly supermarket delivery included to ensure all families (in London) can access low cost supermarket shopping. So no other shopping costs need to be included as other miscellaneous shopping can be done by walking in the local vicinity.

Children 11-15, and 16-18 in full time education are assumed to use buses/trams only. Some children may need to take the train to schools so such train fares would be an essential cost.

Eligibility for free travel

Children under five travel free at any time on buses, the Tube, trams, DLR, London Overground, National Rail. They must be with someone who has a valid ticket, is using Oyster to pay as they go, has a Freedom Pass, 60+ London Oyster photocard or has a Veterans Oyster photocard.

In some instances, children need their own [Oyster](#) card, or Zip card, which is a young person's Oyster photocard. The Zip card allows children and some students to travel free or at a discounted rate.

Children under five can travel free at any time on the [Tube](#), [Docklands Light Railway](#) (DLR), [buses](#), [trams](#) and [London Overground](#) as long as they are accompanied by an adult with a valid ticket.

Children aged five to 10 can travel free at any time by Tube, DLR and London Overground as long as they travel with an adult who has a valid ticket (up to four children can travel free with one adult) or have a 5-10 Zip Oyster photocard. They can travel without a photocard and unaccompanied on trams and buses. Find out more about [5-10 Oyster photocard](#) on the Transport for London website.

Children aged 11 to 15 years can travel free on buses and trams and at child rate on Tube, DLR and London Overground services, provided they have an 11-15 Oyster photocard. Find out more about the [11-15 Oyster photocard](#) on the Transport for London website.

16 and 17-year-olds can purchase seven-day, monthly or longer period travelcards, plus bus and tram passes, at child rate, and pay half the adult rate for pay-as-you-go on buses, Tube, DLR, London Overground and trams, provided they have a 16+ Oyster photocard.

16 to 18 year olds who live in a London borough and are in qualifying full-time education can also apply to get free travel on buses and trams, and reduced rate on some services. From <http://www.visitlondon.com/traveller-information/getting-around-london/kids-travel-free-on-london-transport>

Appendix 7

White and electrical goods example costs

White goods.

Sample costs from AO.com August 2021:

Beko WTK62051W 6Kg Washing Machine £189.

Basic Laptop. Asus E210MA 11.6" £199.

LibreOffice is free software compatible with MS Office.

On ebay a number of retailers such as AO and Currys have as good as new returned products for significant savings.

So no adjustment is needed to 2019 figures is required.

Allow £330 to replace a washing machine (larger load). Say every 5 years.

Fridge Freezer. Allow £350 to replace every 5 years.

Kettle, Toaster, Microwave. Together Allow £100 every 2.5 years (£200 for 5 years).

Total £880 for 5 years. Need to set aside £176 per year, **£3.50 per week** for replacement white goods.

Other electrical goods.

Laptop costs from £260 new, or smaller netbook from £200 (can be used with TV for a larger screen). Second hand computers on ebay from £100. Desktop that can be plugged into a TV costs about £150. Cheap Android Tablets cost from £50 and can be used for word processing and surfing on the internet.

As an alternative to Windows, Linux is a free operating system (such as Ubuntu) and there are free Office compatible Word Processors Spreadsheets etc (eg LibreOffice) for both Windows and Linux.

Smaller TVs cost from £125, 40" TV from £240.

Mobile phones (PAYG) cost from £15, or with internet capability from <£70.

So allowing an extra £4.50 a week for these kinds of goods allows £900 to be spent for these over 4 years.

Total white goods/electrical goods allowance of £8.00 per week (to be saved up and used when replacing items. (This fund can also be used as an emergency contingency)

Example products From Appliances online (AO.com)

Zanussi 7kg Washing Machine

Rated [A++ for efficiency](#) this Zanussi is only going to cost you **£25.20 a year** to run, which works out to just 12p per wash. The **7kg drum** means you'll get up to **35 T-shirts** in at once, but if you need to run a smaller load, you've also got a [Quick Wash](#) too. It'll have your clothes clean in no time.

£249

Cost to Run	£25.20 (per year)
Drum Size	7kg (35 T-shirts)
Spin Speed	1400rpm
Energy Rating	

Hotpoint Ultima 9kg Washing Machine

It also has a huge **9kg drum** - which is the equivalent to 45 T-shirts in one go. Making this a great choice for a larger household. And with **steam refresh** you can quickly spruce up clothing that's maybe got a bit smoky. Brilliant if you live in a city. This model will hardly cost you much to run either with an [A++ energy rating](#). In fact, it'll cost less than £30 a year.

£329

Cost to Run	£29.28 (per year)
Drum Size	9kg (45 T-shirts)
Spin Speed	1600rpm
Energy Rating	

Beko 8kg Washing Machine

This is an outstanding family washing machine. Getting through lots of laundry at once is so easy thanks to the generous **8kg drum**. You'll fit the equivalent of **40 T-shirts** in per wash – you can even combine two smaller loads into one, saving the cost of an entire wash.

You'll **save up to 50% on energy** compared to standard models, which is extremely impressive. It costs just **£18.72 a year to run** too, which is fantastic for a washer than can do so much. It works out to a saving of nearly £15 a year on energy. That's **over £150** during the life of the machine.

The [14 minute Quick Wash](#) is amazing if you're in a hurry. It's designed for small loads of 5 or 6 items, though if you have a load twice that size, you're

also getting a **28 minute Daily Wash**. It's just the job for washing a handful of T-shirts and a couple of pairs of jeans.

In short, you get more done and it actually costs you less to do it.

£289

in stock

[Add to basket](#) [Compare](#) [More Info](#)

Quick Look	
Cost to Run	£18.72 (per year)
Drum Size	8kg (40 T-shirts)
Spin Speed	1400rpm
Energy Rating	

[25 images](#) | [12 videos](#)

Hotpoint 60cm Fridge Freezer in White

£349

Cost to Run	£37.00 (per year)
Energy Rating	
Frost Free	Yes
HxWxD (cm)	200 x 60 x 65.5

Beko 60cm Fridge Freezer in Black

My number 4 comes with its very own **water dispenser**. You don't need to faff about plumbing it in; just top it up as and when it's running low and you'll have chilled water on demand. It should encourage your kids to drink more water than pop too!

Like the one above, it's very tall at **190cm**, which means there's loads of storage space. The fridge holds **166 litres** and has 4 sturdy shelves as well as a big salad drawer. This is plenty of room for a family of 4 or more. The door storage is slightly compromised by the water dispenser, but there's still room for big bottles of milk, yoghurts and jars.

The freezer won't let you down either. You get **94 litres** of storage in 4 see through drawers, so you'll easily find what you're after and there's a separate thin pull out shelf just for ice cube trays. You can forget about defrosting too as it's **frost free** too, so will do it all for you.

A+ rated for **energy efficiency**, it's going to be cheap to run and you get a wine rack and reversible doors like on the one above too.

£386

Cost to Run	£35.40 (per year)
Energy Rating	
Frost Free	Yes
HxWxD (cm)	190.6 x 59.5 x 60

Hotpoint 60cm Fridge Freezer in Graphite

This Hotpoint at number 3 is very tall at 187.5cm (that's over 6ft!), which means there's loads of storage space on offer. The fridge holds **182 litres** over **3 sturdy shelves** and 2 half width salad drawers, which is plenty of room for a family of 4 or more. The door storage gives you plenty of room for big bottles of milk, yoghurts and jars.

The freezer is a really good size too, with **87 litres** of storage. There are 4 see through drawers so you'll easily find what you're after. It's **frost free** too, so you don't need to worry about ice building up.

A+ rated for energy efficiency, it's cheap to run and comes with reversible doors, which makes it one of our best buys.

HOTPOINT £349.

Quick Look

Cost to Run	£37.78 (per year)
Energy Rating	
Frost Free	Yes
HxWxD (cm)	187.5 x 60 x 65.5

[£259.00 Laptop at Asda - 500GB HDD, 4GB Ram, windows 8, 15.6 inch screen](#)

Medion E6234 15.6ins Laptop - Intel Celeron - 500GB HDD
For £259 at Asda.

Appendix 8

Discretionary spend

Based on the Annual Halifax Pocket Money Survey, the amount of pocket money parents are giving each week has increased from £5.98 last year to £6.50 in 2013. This has been factored into the discretionary spend per person.

Families may also want to keep their Sky/Virgin/BT packages and this can be paid for from the discretionary allowance

Entertainment

There are often deals for kids during the holidays to see early films cheaply, or half price on Wednesdays (eg Orange phone users). Lots of councils have free or reduced use of swimming pools etc during the holidays. If they go on lots of day trips, make sure you check out all the discount transport deals such as a family rail card.

Appendix 9

Extra Costs

Priority Debts

The following are priority debts and payments to these debts need to be budgeted for. Negotiate as low a weekly repayment as possible.

Priority Debts	Sanction
1. Rent/Mortgage arrears	Repossession/eviction
(2. 2nd mortgage arrears	Repossession/eviction)
3. Fuel debt	Disconnection
4. Council Tax	Distrain/liability order/ imprisonment
5. Water rates	Disconnection
6. Unpaid fines	Imprisonment
7. Maintenance arrears	Imprisonment

Other debts such as overdraft, credit card etc. are not priority debts. Household should be put in touch with money adviser to negotiate over those. They may need to be given help to cancel any direct debits or other payments to non priority debts, or set up a new bank account to avoid income being diverted to non priority loans.

You need to decide if existing contracts such as Sky TV/Virgin, mobile telephones should be honoured until they can be cancelled or treated as a non priority debt.

It is very important that you also consider extra costs for the family. For example:

- Special medical/dietary needs
- Priority debts.
- Train travel to school
- Council tax
- Contracts eg Mobiles or Sky until it expires
- Add extra costs if family is working
-

The calculation must be bespoke for the family. And then compared to Universal Credit rates.

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