

CASE STUDY - Jeffrey (Young school leaver)



speaking to your local college (which may pass your details on to employers) or by visiting the Apprenticeships.org.uk website.

National Vocational Qualifications (NVQs)

An NVQ is a qualification related to a specific job or vocation. You can get an NVQ while at college or on an apprenticeship but you can also study for one while at work. There is a wide range of subjects as well, from business and administration to health and social care or manufacturing and engineering, and many others.

The qualification is based on your competence in practical tasks related to the job. You are assessed through your performance on practical assignments and by building up a portfolio of work. There are five levels of NVQ and there is no time limit for you to complete one. You learn and are assessed at your own pace but most people take around a year or two for completion, depending on the level.

Because you can study for an NVQ while in full-time employment, this route means that you can gain a qualification (helping to boost your CV and ultimately your career prospects) without suffering from a drop in income.

MINIMUM WAGE

Minimum wage changes from time to time. In October 2010, it was £3.64 per hour for 16 and 17 year olds, £4.92 per hour for people aged 18-20, and £5.93 per hour for people aged 21 and over.

EXPENSES TO CONSIDER

Just like Jeffrey, those who have left school at a younger age need to consider what expenses they may have and if their income is sufficient to cover these. Perhaps you need a car to get to work or a mobile phone to keep in touch with your mates, but these both cost money!

COSTS OF OWNING A CAR

Besides the costs of learning to drive, passing your test and actually buying a car, there are a number of other necessary costs associated with owning a car. Remember that if you are buying a second hand car, do take care to get proper advice and make sure it's from a dealer with a good reputation.

- Lessons - Driving lessons can be anywhere between £20 - £30 an hour with many learners needing between 30 - 45 hours of lessons before they are ready to take their tests. Once learner drivers are ready they need to take both a theory and a practical test which cost around £100.
- Car insurance - One type of car insurance, 'Third Party' (covering injuries to others and damage to others' property) is compulsory for all drivers but many drivers take out

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'Fully Comprehensive' insurance to cover themselves and their own car too. Costs vary according to factors such as the type of car, age of the driver and where you live. See the **Risk - Insurance** dossier for more information.

- **MOT tests** - Yearly MOT (Ministry of Transport) tests are compulsory after a car is three years old. The car is examined for safety, roadworthiness and exhaust emissions. The tests are carried out by authorised garages (or at Driver and Vehicle Agency test centres in Northern Ireland) and usually cost around £50, plus the cost of any repairs needed to pass the test.
- **Tax Disc** - In order to legally drive on the road, you must have a tax disc. The amount you pay depends on a number of factors and can range from £20 to over £400 for the year. The tax disc proves the car is insured and has passed its MOT test.

- **Repairs and maintenance** - If something goes wrong with the car, costs can run into hundreds of pounds. Get to know your car so you can check things yourself like oil, brake fluid, tyre pressure and the coolant and look out for dashboard warning lights that might indicate a problem. Paying for regular service checks is usually cheaper (and safer) than waiting for something to go wrong.
- **Parking tickets and fines** - Don't forget you have to allow for car parking fees in many places where you might shop - or live (you can usually apply for a parking permit where you live). Also, if you are illegally parked, fines can be hefty, and so are fines for speeding!

MOBILE PHONE COSTS

Although you may be tempted by the latest flashy technology to hit the market, these phones often come with a high price tag. Make sure you shop around (e.g. on price comparison websites) before you settle on the phone you want to buy. Depending on your needs, there are

several options you can consider, including getting a longer-term contract or pay as you go.

- **Contract** - there are many different contracts out there, ranging from just one month to 36 months, depending on the network and plan you choose. Consider what you would use your phone most for (e.g. sending text messages or calling), as this will help you to choose the plan that is right for you!
- **Pay as you go ('prepaid')** - If you don't think you will use a mobile phone very often but would like to have one for emergencies, you may want to consider a pay-as-you-go option. Also referred to as 'prepaid', this will allow you to buy 'credit' (i.e. usage for calling/texting) upfront. Once this amount has been used up, you will not be able to use your phone until you add more

credit (or 'top up'). You can do this easily either online, at an ATM or by buying a voucher at a supermarket or corner shop. One advantage of prepaid over a contract is that you always know how much money you are spending, and you can check your balance at any time.

