

Managing your money

A useful budget pack for residents



Managing your finances can be tricky with so many demands on your money. The way to stay on top of things is to prioritise your spending to ensure you don't get into debt. Paying your rent and/or mortgage for example, should be your top priority and it is down to you to tell us if you are having problems with paying. If you do get into debt, it is important to prioritise which are the most important to pay off.

This budget pack gives tips on how to control your money, including ideas on how to save money, working out priorities and how to budget.

The most important tip is to make sure you talk to us if you are having problems paying your rent and/or mortgage. We can give you the advice you need and help to keep you in your home. If you do not pay your rent and/or mortgage, you could be evicted.

Please contact your Area Housing Manager for help.



Why it is important to budget

It is important to budget properly - to know what money you have coming in and what you can afford to spend. Budgeting:

- Gives you a clear picture of where you stand financially.
- Can help make your money go further.
- Can be a good way of stopping rash spending.
- Can help prevent future debts.
- Will help you be less stressed.

Who do I pay first?

When bills mount up it can be hard to know who to pay first. It is important to prioritise debts so you can work out which would have the most serious consequences if you did not pay them. These debts then need to be paid first - even if that means giving up something else. Below are some common bills and outgoings and what can happen if they are not paid.

DEBT	POSSIBLE OUTCOME OF NOT PAYING
Rent and/or mortgage	Eviction from your home
Gas/electricity/telephone	Supply cut off
Council tax	Personal goods seized, deduction from wages or income support or job seekers allowance, prison sentence
TV licence	Fine/personal goods seized, prison sentence
Magistrates' court fines	Personal goods seized, deduction from wages or income support or job seekers allowance, prison sentence
Maintenance	Personal goods seized, deduction from wages or income support or job seekers allowance, prison sentence
Income tax, national insurance and VAT arrears	Personal goods seized, bankruptcy
Hire purchase agreement	Repossession of the goods

While all of these are important, the last one on the list is worth looking at. Having an item repossessed if you cannot afford the repayments may seem awful, but there is little point in having a lovely new sofa or new TV if you have no home to put them in. Although hire purchase can be an effective way of buying items, it is worth considering the total cost of the item and asking yourself if you can really afford it. A good budget will help you decide 'yes' or 'no'.

Advice on paying bills

It is a good idea to pay a week or so in advance to help stay on top of your bills.

Wherever possible, pay by direct debit as this means you won't forget to pay and sometimes you get a small discount for paying this way.

Consider buying 'saving stamps' from the post office as they can help you budget. They cost £5 each and can be

bought at post offices to cover bills from gas, electricity, telephone and water companies among others.

Tips for making your money go further

- Make sure you are with the cheapest supplier for your gas, electricity, water, telephone and internet services.
- Prepare a detailed shopping list based on a menu planner to help prevent those expensive impulse buys and to cut waste.
- Consider making your own packed lunches rather than buying ready-made sandwiches.
- Make sure you shop around when taking out any form of insurance to get the best deal.
- Look in the local papers or what's on magazines to find out cheap or free entertainment ideas.

Five steps to follow

1. Get help immediately if debts start to grow.
2. Make sure you prioritise your debts and pay the most important ones first.
3. Check to make sure you are claiming all the benefits and tax credits to which you are entitled.
4. Don't borrow money to pay off your debts without getting proper advice first. See the back page for suggested contacts.
5. Put together a budget and stick to it if possible. As well as budgeting for regular costs, try and put some extra money aside for unexpected bills.

Helpful contacts

If you are worried about debt or are having difficulty in paying your rent, please contact your Area Housing Manager.

If you would prefer to talk to someone else, you can contact an independent agency for specialist debt management and budgeting advice.

National Debtline

0808 808 4000

www.nationaldebtline.co.uk

Consumer Credit Counselling Service

0800 138 1111

www.cccs.co.uk

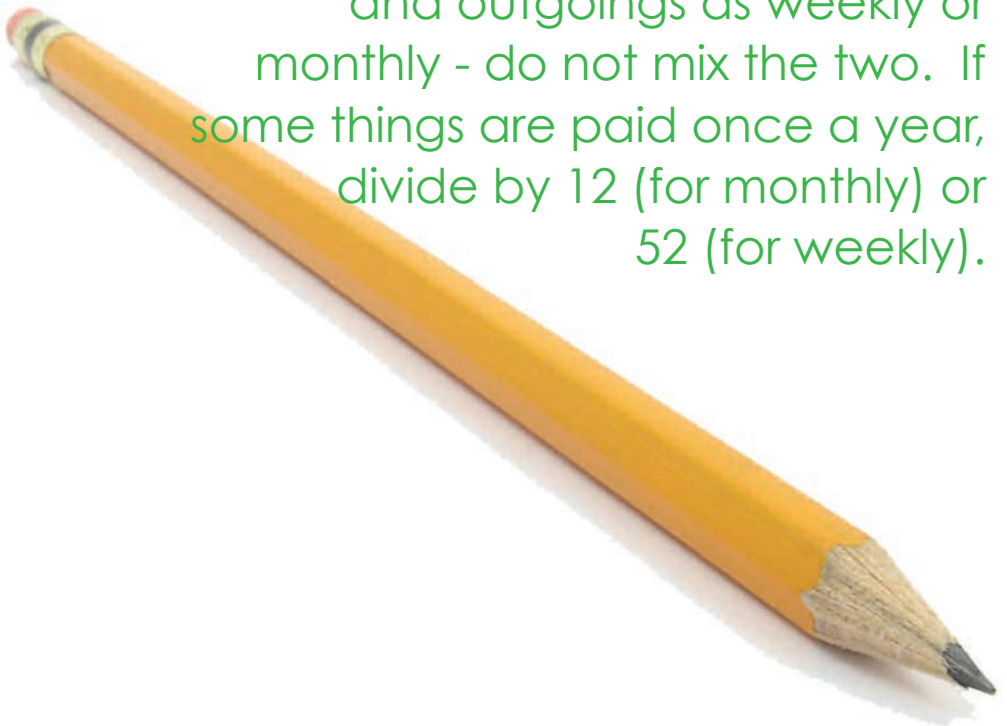
Citizen's Advice Bureau

See your local directory
www.citizensadvice.org.uk

Working out your budget

To help work out your budget, follow the steps outlined on the next few pages. We have included the most common income and outgoings headings, but you may have others.

Remember, either do your income and outgoings as weekly or monthly - do not mix the two. If some things are paid once a year, divide by 12 (for monthly) or 52 (for weekly).



Step one: weekly or monthly income	
Wages/salary	
Wages/salary (partner)	
Job seeker's allowance	
Income support/pension credit	
Tax credit	
Retirement/works pension	
Housing benefit	
Child benefit	
Incapacity benefit	
Maintenance	
Non-dependants' contributions	
Other	
Total income: Box A	



Step two: weekly or monthly outgoings

Rent and/or mortgage	
Council tax	
Water rates	
Service charge/ground rent	
Buildings/contents insurance	
Life insurance/pension	
Gas	
Electricity	
Other fuel	
Housekeeping (including food)	
TV rental/licence	
Magistrates' court fines	
Maintenance payments	
Hire purchase vehicle	
Travelling costs	
School meals/meals at work	
Clothing	
Laundry	
Telephone/mobile	
Prescriptions/health costs	
Child and other care costs	
Internet connection	
Entertainment	
Other 1	
Other 2	
Total outgoings: Box B	

Step three: money for creditors	
Box A	minus
Box B	
Money for creditors: Box C	

Step four helps you work out your priority debts. To do this, fill in the total amount owed (under balance owed) and the agreed weekly or monthly payment. If you have not yet agreed a repayment plan with the person or organisation you owe money to, you should do this as soon as possible. It is better to contact them as they will be happier to talk to you than not hear from you - after all they will be better off with some money than none at all.

Step four: priority debts		
	Balance owed	Weekly or monthly offer of repayment
Rent arrears and/or mortgage arrears		
Council tax arrears		
Gas debts		
Electricity debts		
Other fuel debts		
Magistrates' court fine arrears		
Maintenance arrears		
Hire purchase arrears		
Other 1		
Other 2		
Other 3		
Total Priority debts repayment: Box D		

Step five shows you how much money you have left for paying other creditors once you have paid your priority debts.

Step five	
Money for creditors (Box C)	minus
Total priority debts repayment (Box D)	
Money for other credit debts: Box E	

Step six gives you space to note down any other debts you might have, such as store cards, credit cards and so on.

Step six: other credit debts		
Creditor	Balance owed	Weekly or monthly offer of repayment
Total balance owed: Box F		
Total weekly/monthly repayment: Box E		

If you need help completing this form please get in contact.

How to contact us

Write

Hastoe Direct, Hastoe Housing Association,
Marina House, 17 Marina Place, Hampton Wick,
Kingston Upon Thames, Surrey KT1 4BH



Alternative formats of this document

If you require this information in another language, large print or different format such as braille or audio CD please contact Hastoe Direct.

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Accreditations

We value fairness and diversity. We strive to do the best we can and to improve to achieve excellence. External organisations check that we mean and do what we say, and have accredited us. These include:



iN business for neighbourhoods means we have made a set of promises – to customers, neighbourhoods and excellence – in line with other National Housing Federation members.



Positive about disabled people means we have agreed to take action to meet five commitments regarding the employment, retention, training and career development of disabled employees.



SHIFT provides an assessment of our sustainability performance.



Investors in People is a standard which helps organisations transform their business performance through staff development. Gold means we have achieved the highest standard of the award.



Stonewall works with a whole range of agencies- diversity champions - to address the needs of lesbians, gay men and bisexuals in the wider community.