

Help the Aged produces 24 free advice leaflets (see inside for full list). These are available from the Information Resources Team at the address below, email [adviceleaflets@helptheaged.org.uk](mailto:adviceleaflets@helptheaged.org.uk) or fax: 020 7239 1839.

January 2006

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## Fighting for disadvantaged older people in the UK and overseas,

### WE WILL:

**COMBAT POVERTY** wherever older people's lives are blighted by lack of money, and cut the number of preventable deaths from hunger, cold and disease

**REDUCE ISOLATION** so that older people no longer feel confined to their own home, forgotten or cut off from society

**CHALLENGE NEGLECT** to ensure that older people do not suffer inadequate health and social care, or the threat of abuse

**DEFEAT AGEISM** to ensure that older people are not ignored or denied the dignity and equality that are theirs by right

**PREVENT FUTURE DEPRIVATION** by improving prospects for employment, health and well-being so that dependence in later life is reduced

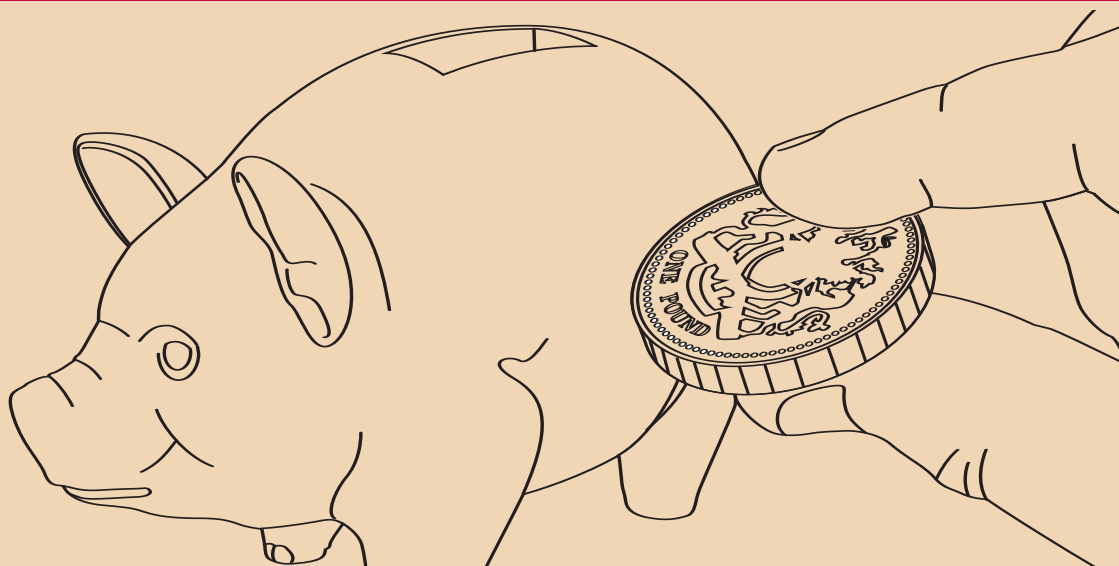
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**HELPTHEAGED** WE WILL™

# Thinking About Money



## Budgeting, saving and managing debt

Advice for older people

In association with



Birmingham  
Settlement

## Help the Aged produces a range of free advice leaflets for older people

### Financial leaflets

- Can You Claim It?
- Check Your Tax
- Claiming Disability Benefits
- Questions on Pensions
- Thinking About Money

### Housing and home safety leaflets

- Care Homes
- Fire
- Help in Your Home
- Housing Matters
- Keep Out the Cold
- Your Safety
- Your Security

### Health leaflets

- Bereavement
- Better Hearing
- Better Sight
- Bladder and Bowel Weakness
- Fight the Flu
- Fitter Feet
- Healthy Bones
- Healthy Eating
- Keeping Mobile
- Managing Your Medicines
- Shingles
- Staying Steady

Leaflets are free of charge and available from the Information Resources Team at the address on the back page, email [adviceleaflets@helptheaged.org.uk](mailto:adviceleaflets@helptheaged.org.uk) or fax: 020 7239 1839.

This leaflet has been published in association with Birmingham Settlement, a money advice charity.

If you would like this leaflet in another format, such as large print or audio tape, please contact the Information Resources Team on **020 7278 1114**.

## Contents

Assess your present situation	page 4
Balancing the budget	page 7
More money going out than coming in?	page 7
Still not enough money?	page 13
More money coming in than going out?	page 16
Savings and investments	page 17
Useful contacts	page 25
Personal budget lists	page 30

This leaflet was printed in January 2006. Every effort has been made to ensure that the information contained in this leaflet is correct. However, things do change, so it is always a good idea to seek expert advice on your personal situation.

**Money is an important part of all our lives. But sometimes it is difficult to think carefully about the way we use it. Controlling our finances is important throughout life. As we grow older though, changes in lifestyle can make it even more important that we know where our money goes. Things like a lower income, more leisure time, different needs (like higher heating costs), reduced mobility or the loss of a partner may all affect how we use our money. This leaflet aims to give you the basic principles of money management – whether you need to maximise income, deal with debts or make the most of a lump sum.**

## **Assess your present situation**

Before you can make any decisions about your money, you need to look at your present circumstances very carefully. By using the worksheets on pages 30 to 33 you can assess your present financial situation and prepare a balanced personal budget. When you have prepared a personal budget you can use this to help you decide on savings or investments, or if you have debt problems you can use the budget to negotiate repayments.

### **Household income**

Make a list of all your sources of household income and how much you get from each. In many cases, your household will be just you, or you and your partner. Possible sources of income include wages, Pension Credit, State Retirement Pension an occupational or personal pension, Attendance Allowance or Disability Living Allowance, Housing Benefit, Council Tax Benefit and income from savings and investments.

If you have non-dependants living at home, for example your grown-up children, remember to include as income any money they give you for their keep. Non-dependants are adults who live with you but are financially independent; in other words they work or receive benefits in their own right.

Decide whether you want to work out your personal budget on a weekly or monthly basis and convert each item of income accordingly. For example, if you receive a personal pension of £24.00 a month multiply this figure by 12 and then divide by 52 to obtain your weekly figure (£5.54). If you are paid every four weeks you can simply divide by four to reach the weekly figure. Multiply weekly figures by 52 and then divide by 12 to convert them to monthly figures.

Enter the figures in **List 1** of your personal budget on page 30. It is best to list your income as it is now. Don't put down possible income rises at this stage in case they don't happen. If your income or expenses do change you should re-do your budget list. It's also useful to update your budget list each year around April (when pension and benefit rates go up).

## Household expenditure

Make a list of everything you and your household spend money on. You may need to take a few days to do this, as it can be difficult to remember everything at once. Try to put down as many things as you can. Next to each item, write down whether you pay for it weekly, monthly, quarterly or annually. Make the best estimate you can for variable or irregular payments (like home repairs, holidays and entertainment). If you are a car owner your estimate should include servicing, tyres and parts as well as petrol, road tax, and insurance.

Convert each item of expenditure to a weekly or monthly amount and enter the figures in **List 2** on page 31.

## Your assets

This list should include the amounts you have in any savings accounts, premium bonds or savings certificates. Also note down the value of any life insurance policies (remember if you cash in a life policy you may lose some money), your car, house, antiques and jewellery. Enter these figures in **List 3** on page 32.

Are any items not fully paid for? Do you still owe money on a mortgage on your house? Make a note of the amount owing against the item on your list.

Try to get up-to-date information on the value of each item. This may mean a call or letter to your building society, bank or life insurance company. You might want to consider getting potentially valuable items (like jewellery) professionally valued, but you will probably have to pay for this.

**Get independent advice if you are planning to cash in or sell your assets.** You could end up losing money.

## Credit, debts and arrears

You may have a credit card or a loan to pay off, or you may have fallen behind in paying your mortgage, rent or bills. Enter the amounts that you owe and the weekly or monthly repayments that you are currently expected to make for your credit bills or debts and arrears in **List 4** on page 33. Make sure the figures are as up to date as possible by checking your statements or by contacting the lender.

**Remember to make sure you have changed all your income, expenditure and credit bills to either weekly or monthly figures – don't mix the two.**

## **Balancing the budget**

Now that you have all the facts and figures about your money, the next stage is to make your budget balance. Your outgoings need to match your income in amount and frequency.

**1. There must be enough money coming in to meet your expenses.** Wherever possible, your expenses should include an amount for savings and unexpected bills.

**2. Co-ordinate your budget.** If most of your income is weekly, it makes sense to budget for bills or to pay them on a weekly basis where possible. See 'Avoiding big bills', page 8.

Add the total on your **Personal Budget List 2** to the totals in the current repayments column of **List 4**. This is the amount you need to pay out each week/month. Compare it with your income on **List 1**. Do you have less than you need to pay your bills or have you got money to spare?

## **More money going out than coming in?**

There are several steps you can take to help balance your budget. Think about whether there are any ways that you can increase your income.

### **Are you entitled to additional tax allowances?**

Most people over 65 are entitled to higher tax allowances. See our free advice leaflet 'Check Your Tax' for more information and to check that you are not paying too much tax.



## Are you entitled to any welfare benefits?

If your weekly income is low, you may be able to claim Pension Credit to top it up. You could get help with your council tax, through Council Tax Benefit, and your rent through Housing Benefit. You might be entitled to Attendance Allowance or Disability Living Allowance if you need help with your personal care, or Carer's Allowance if you are a carer. Our free advice leaflets 'Can You Claim It?' and 'Claiming Disability Benefits' will help you work out what benefits you may be entitled to. You can also get benefits advice from our freephone advice line **SeniorLine** on **0808 800 6565** (or **0808 808 7575** in Northern Ireland).

## Check the amount non-dependants pay for their keep

If you have non-dependant adults living with you, for example grown-up children, it is easy to forget the extra expenses they create - increased heating, food, laundry and cleaning costs. Having a non-dependant living with you can also reduce your entitlement to some benefits. Make sure that the amount they give you covers all these extra expenses. It might help to show them your household expenses **List 2** so that they can see why their contribution is important.

## Avoiding big bills

The aim with all your spending should be to spread bill payments over the year so that your outgoings match your income in amount and frequency. You can avoid large bills, which will place a strain on your personal budget, by using some of the following methods.

## **Budget schemes**

Many companies offer the choice of paying bills through a regular budget scheme. You can often pay your TV licence, council tax, gas, electricity, water and telephone bills in this way. It does not usually involve any extra expense and spreads the cost of large bills over the year. Ask your suppliers for details of these schemes.

## **Bank accounts for day-to-day needs**

If you do not already have a bank account think about opening one.

- Using a bank account to handle your bills is safer than paying by cash or savings stamps.
- It can be cheaper as many companies prefer you to pay bills by direct debit; some will give you discounts if you pay in this way.
- State Retirement Pension and other benefits are now usually paid direct into a bank or Post Office account.
- Many banks offer telephone banking which is useful if you are housebound.
- You can operate some accounts by post or through the internet.
- Having a bank account can help you to budget because you get regular statements of your income and spending.

Most people are used to having a deposit account with a bank, building society or the Post Office. But you can now open accounts with supermarkets, major retailers, insurance companies and credit unions. It is worth investigating the different types of account on offer.

Here are just a few of the more common accounts to consider:

- basic bank accounts
- instant access (or 7 day) savings account
- interest bearing current account
- National Savings Easy Access Savings Account at the Post Office
- high interest cheque account with a bank, building society or finance company
- internet current account

Basic bank accounts are better if you need a simple account or want to reduce the risk of going overdrawn by mistake. Current accounts offer chequebooks or allow you to take out an overdraft. Most high street banks do not charge you for using an account but check this with them before opening one. The Financial Services Authority produces a useful leaflet 'No bank account? Why it could pay you to have one' (see page 26 for their details). Shop around for the best interest rate, and make sure you read the small print on high interest cheque accounts, as monthly charges can be higher than the interest paid out.

### **Keep a 'rainy day' savings account**

If you want to save regularly for Christmas, holidays or unexpectedly large bills, look at a high interest account with a bank or building society or a National Savings Investments Account (see page 20). But remember that these accounts have notice periods for withdrawals. If you have a computer, an internet current account will pay some of the highest rates.

If you are a non-taxpayer, get form R85 from the bank or building society you save with. Fill it in and you will avoid paying tax on any interest you earn on your savings.

Even when you have opened an account, compare interest rates with other accounts and other building societies and banks from time to time; you may find a better deal.

### **Savings stamps and payment cards**

You can get savings stamps to pay bills, your TV licence and vehicle licence (road tax) from the Post Office. They are useful because you can buy them for small amounts each week. However, you do not get any interest on the money that you have paid and if they are lost or stolen you will still have to find the money for the bill. Many fuel and telephone companies have stopped using savings stamps and now run payment card schemes to allow customers to pay small amounts each week. Contact your telephone, gas and electricity suppliers for details of their payment card schemes.

### **Regularly check the condition of household items**

See the section on page 16 on replacing old and worn household items before an emergency strikes.

### **Insulate your home**

Fuel costs are often a worry, but insulating your home can help to reduce bills. If you are aged 60 or over you may be eligible for a government grant to insulate and draughtproof your home, or even to install central heating. The rules vary for each of the four nations. For further information telephone:

**England** 0800 316 6011

**Scotland** 0800 072 0150

**Wales** 0800 316 2815

**Northern Ireland** 0800 181 667

Our free advice leaflet 'Keep Out the Cold' gives further advice on saving energy and keeping fuel bills down.

For advice and information on benefits and housing grants call **SeniorLine** on freephone **0808 800 6565** (or **0808 808 7575** in Northern Ireland).

## Invest savings for income

If you don't have enough money to balance the budget, but do have money in savings accounts, it may be possible to invest some of your savings to produce greater income, especially if you are a non-taxpayer. For example in:

- National Saving Pensioners Bonds
- National Savings Income bonds
- National Savings Fixed Rate Savings Bonds
- monthly income accounts with a bank, building society, or other provider
- a mini cash ISA.

## Credit unions

Credit unions provide a way of getting credit at low cost. They are financial co-operatives run by groups of people with something in common. Members may live in the same area or be members of an organisation, such as a church or a club. Members of the credit union save together. The money they save is then available to give out as loans. In this way, members help each other.

There are more credit unions in some areas than others. They are regulated by the Financial Services Authority (or the Registry of Companies, Credit Unions and Industrial and Provident Societies in Northern Ireland). You should contact these regulators if you want to find out if there is a credit union in your area, or are interested in setting one up. Their addresses are on page 27.

## Equity release schemes

Equity release schemes allow older homeowners to convert some of the value of their homes into a lump sum, or into additional monthly income. There are many things to consider with schemes like this and it is important to think about whether this is really your best option. It is vital to get independent financial advice (see page 21) and check any agreement with a solicitor before signing it. Equity release is a complex area - more detailed information is given in our information sheet no. 21 'Equity Release Schemes'.

Help the Aged runs an Equity Release service which provides free initial independent financial advice on finding a suitable scheme. See page 35 for contact details.

## Still not enough money?

Even when you have tried to increase your income and make your money go further, you may still find that you don't have enough to make ends meet. Now is the time to look at your outgoings and assets.

Look at your expenses on **List 2**. Are there any non-essential items that you could reduce or cut out? Be realistic and don't cut down on essentials like food and heating. Now look at your assets in **List 3**. Do you have any items you are willing to sell such as antiques or other valuables? **Don't** rush into selling anything without making sure you will get a reasonable price and beware of selling to doorstep callers. **Don't** sell essential items such as furniture. If in doubt, **get independent advice** before you do anything. Useful contacts for advice are listed on pages 25 and 26.

## Priority bills

Some bills are 'priority' bills and it is important to pay these first. These include:

- mortgage;
- second mortgage;
- secured loans;
- rent;
- council tax;
- water;
- gas and electricity;
- unpaid fines; and
- hire purchase.

If you rely on the telephone this should also be a priority bill.

Different creditors (the people you owe money to) are allowed to get their money back in different ways by law. Priority bills are ones where the action creditors can take against you for not paying could leave you in serious trouble. For example, if you do not pay your mortgage or secured loan your home could be repossessed; if you don't pay your gas or electricity bills your energy supply could be cut off; or if you fail to pay your council tax you could go to prison. But **don't panic**. Provided you act quickly, and either pay off all the debt or arrange with the creditor to pay it off in instalments, you should be able to stop these things happening.

The important thing is not to ignore a bill you can't pay. Get in touch with the organisation you owe money to if you are having problems. If you act quickly you should be able to sort things out. These creditors can only take action against you after giving you warning and, in many cases, after long civil court proceedings.

If you aren't sure about which bills should be top priority, or can't find enough money to pay priority bills, get advice from one of the agencies listed on pages 25 and 26. Bear in mind that creditors who shout the loudest and bombard you with letters and phone calls may not be the most important ones. So don't pay them before priority debts. Creditors are not allowed to cause you alarm or distress. If you think you are being harassed by a creditor, contact your local trading standards service, the police or an advice agency.

### Negotiate with creditors

If you have enough money coming in to pay your important bills, together with household expenditure such as food and laundry, but do not have enough money to pay the creditors shown on **List 4**, then it should be possible for you to make arrangements with these creditors to pay reduced amounts. Don't agree to a repayment plan unless you are sure that you can meet the payments. It is better to come to an arrangement to pay back small amounts which you know you can afford than agree to unrealistic repayments which you won't be able to keep up. You can put these amounts in the 'payment offer' column of List 4.

See the National Debtline self-help pack '**Dealing with your debts**' for more information about how to make these arrangements.

### Summary of debt advice

**If you find you have not got enough money to make ends meet, remember these basic rules:**

**Don't** borrow more money to pay off your debts. Get advice first from your local Citizens Advice Bureau, the National Debtline, the Consumer Credit Counselling Service or a local advice agency.



**Don't** ignore the problem: it won't go away and the longer you leave it, the worse it will get.

**Do** make sure you pay your priority bills and make arrangements to bring them up to date.

**Do** write everything down using the personal budget lists.

**Do** get advice from one of the agencies listed at the end of the leaflet if you are worried or not sure what to do.

## **More money coming in than going out?**

First check that you have included everything you spend money on and that you have been realistic about the amounts you need for variable items like clothing, travel and food. Make sure you have included items like vet's bills, lottery tickets, cigarettes and alcohol. If there is still money left over, think about some of the following options.

### **Make regular savings**

Remember, you may need to use some of your savings at short notice so beware of tying up all your money in long-term investments. Always keep some money in a 'rainy day' account where you can withdraw it when you need it. We look at savings and investments in more detail on pages 17 to 24.

### **Replace old and worn out household equipment or furniture**

Look around your home and see if anything is worn out or needs replacing. By replacing items before they break down, you not only avoid a crisis but can save money too. You can get a better deal if you have time to shop around for bargains and offers than if you 'panic buy'.

## Pay off outstanding credit accounts more quickly

If you have a credit card or loan, where interest is added monthly, paying it off more quickly will save you money in the long run (although you may have to pay a settlement fee). If you have borrowed a fixed sum, and the credit agreement is regulated by the Consumer Credit Act, the law says that you are entitled to get some interest refunded if you pay off the agreement early (for example where you pay off a three-year loan after two years). See the Finance and Leasing Association leaflet 'Repaying your Loan Early' for more information.

## Pay off or reduce your mortgage balance

You will usually save more in the long run by using your money to pay off your mortgage, rather than investing it elsewhere. This is because the amount of interest you pay on your mortgage is greater than the amount of money you can expect to make from most financial investments. But it is wise to check this out before you go ahead. Watch out for any early repayment charges, also called 'redemption penalties', that your lender may levy. Check if you have other debts charging higher interest than your mortgage and clear them first. You should also bear in mind that if you only have a small lump sum it might be wiser to keep it in a 'rainy day' account. If you use it all to repay your mortgage, you will not have any cash to draw on in an emergency.

## Savings and investments

If you have more money coming in than going out or a lump sum, you may be thinking about how to make the most of it. It is important to understand the difference between savings and investments. Savers usually want a safe place for their money where they can get at it easily. Investors tend to want their

money to grow by at least the rate of inflation and accept that it may be 'tied up' for some time.

Saving enough money to cover day-to-day needs and emergencies should always take priority over investing. Your personal budget should help you decide whether you should focus mainly on creating income or capital growth.

Remember that savings and investments can have tax implications. Look into tax-free investments and if you are not a tax payer, make sure you claim back any tax already deducted from interest you receive from other investments (see page 10).

## Understanding risk

There are two basic principles when you invest your money:

- The greater the risk, the greater the potential for reward **or loss**.
- The greater the ease of access, normally the lower the reward.

Before you invest, think about whether you could get back less than you originally invested because of changes in the financial market.

Also be aware that if you give your money to someone else to manage and invest, there is a danger you could lose it because of mismanagement or fraud. It is vital to look carefully at the strength and reputation of any financial company you are considering investing with. The UK financial industry is very well regulated but failures can happen. See page 23 for information on investor protection. **Never risk any sum of money you cannot afford to lose.**

## Non-risk and low risk investment options

If your income is less than your outgoings, or only slightly above, see pages 7 to 13 for tips on income maximisation, budgeting, saving and money management. If you have a small amount of spare income you may also want to consider creating extra income or capital growth by shifting part of your money to:

- guaranteed income bonds
- high interest gilts
- National Savings Capital Bonds
- guaranteed growth bonds
- Index Linked National Savings Certificates
- index linked gilts

## Financial products explained

**Term or notice account** (or high interest accounts) are available from building societies, banks, supermarkets, insurance companies and other financial institutions. They have a minimum notice period for withdrawals, for example one month or 90 days. You might not be allowed to withdraw your money sooner, or if you can, you may lose interest or be charged a penalty.

**Mini cash ISA.** ISAs (or Individual Savings Accounts) give you tax relief on savings held in them. You can put up to £3,000 into a mini cash ISA each tax year until at least 2010. You can withdraw your savings without losing any tax benefits. Shop around before opening an ISA to get the best interest rate and check if there is a notice period for withdrawal. The government's CAT mark will help you identify ISAs with easy access and fair terms (but be aware that it doesn't guarantee the best returns).

**National Savings products.** National Savings and Investments (NS&I) offer a range of financial products – including those mentioned on page 12. They are backed by HM Treasury so there is no risk to your capital. You can buy these products, and get a leaflet about each one, from your Post Office. Or see page 29 for NS&I contact details

**Guaranteed income bonds** and **guaranteed growth bonds** are investments offered by insurance companies over fixed terms. They are generally safe because there is no risk of loss of capital. But some risk is attached if you have to sell before maturity and with many bonds you can't get your money back early. There is also a risk of 'inflationary loss' on many bonds if you lock into a fixed low interest rate for five years and interest rates rise.

**Gilts.** You can loan money to the Government by purchasing securities called gilts. The Government guarantees to pay you interest (either gross or, if you choose, with basic rate tax deducted) at fixed regular intervals (usually twice yearly) and to repay your capital at the stock's face value where a 'redemption date' is given. You can also sell gilts on the stock market before the redemption date but if you do this your capital is not guaranteed. Index linked gilts provide a safe way of securing capital protection, particularly when inflation is rising. Contact Computershare Investor Services on **0870 703 0143** for their booklet 'Investing in Gilts'. **Gilts will not suit you if you need to get at your money in a hurry.**

**Warning: Due to their market fluctuations and general complexity, you are advised to consult an independent financial adviser (IFA) before investing in gilts.**

This leaflet does not go into medium and high-risk investments such as unit trusts and Maxi ISAs. These are market priced investments so they are subject to stock market fluctuations. Some investments carry a much higher risk including company shares, corporate bonds, venture capital trusts, traded options and futures contracts. When the stocks and shares market is in decline you may risk losing your money if you invest in these areas. **Do not consider these investments unless you can afford to lose your money and have taken expert advice from an authorised adviser – an IFA or stockbroker.**

### Socially responsible or ethical investment

Socially responsible investment was originally demanded by investors who were concerned, for religious reasons, about the arms trade and other ‘sin’ industries (for example alcohol, tobacco and gambling). The idea now appeals to a wide range of people. You can choose ethical investment options across almost the entire range of financial services. Contact the **UK Social Investment Forum** (see page 29) for more information on ethical investment and for details of independent financial advisers specialising in this field.

### Financial advice

**If you have money to save or invest we recommend that you seek professional advice from an independent financial adviser.**

Only ‘authorised’ financial advisers can advise on certain types of investment, including pensions, life assurance, shares, unit trusts and ‘lifetime mortgage’ equity release schemes. The **Financial**

**Services Authority (FSA)** authorises such firms. To check that a firm is authorised phone the FSA Consumer Helpline on **0845 606 1234** or look on the website and follow the Firm Check Service link.

Financial advisers must declare whether they are **independent** or **tied** to a particular company. Independent financial advisers can offer a whole range of financial products across the entire market. **IFA Promotion** can refer you to your nearest independent financial advisers; call their freephone hotline on **0800 085 3250**. Tied agents can only offer the products of one company and must tell you which company they represent.

If you have a complaint, try to sort it out with the financial adviser or investment institution directly. If you are not satisfied, take your complaint to an independent complaints scheme, set up to sort out investment disputes. Call the FSA Consumer Helpline on 0845 606 1234 to find out which scheme to contact.

### **Advice on long-term care planning**

If you have some capital, you may be considering whether you wish to provide for long-term care needs either at home or in a care home. If this concerns you, look for a financial adviser with expertise in this area. There are ways to plan ahead to meet potential care costs, but also explore what help could be available through your local authority. Our information sheets no. 10 'Paying for Your Care Home' and no. 13 'Care at Home' give detailed information on the rules about who pays for care.

Help the Aged runs a Care Fees Advice Service that can help you plan your finances to meet the costs of future care. See page 35 for contact details.

## Investor protection

Occasionally a financial firm goes out of business and can't pay you the money it owes you. If this happens, you may be able to get compensation from the **Financial Services Compensation Scheme**. (Note that many overseas investments and firms are not covered by this scheme.)

This scheme covers all types of savings and investments offered by regulated firms. It can provide compensation if you have lost money due to an authorised firm's fraud or negligence, which has led to the firm ceasing to trade. Maximum compensation ranges from £31,700 for a bank or building society account up to £48,000 for investments. For more information contact the Financial Services Compensation Scheme on **020 7892 7300**.

**Always ask about protection and compensation schemes before investing any money.**

## Summary of investment advice

**Do** get advice from an authorised financial adviser. Check that the firm you are dealing with is authorised to give investment advice and has experience of the issues you wish to discuss.

**Do** think about your financial needs and look for the best investment choices in line with your requirements.

**Do** think carefully about you and your partner's age and health before tying up any money in medium or long-term investments.

**Do** save for a 'rainy day' by keeping an emergency fund.

**Do** obtain all the information you can about each investment before making a decision, and make notes about the points important to you.



**Do** think about inflation and invest what money you can afford to secure capital growth.

**Do** consider the tax aspects of each investment.

**Do** pay off debts before considering investing.

**Don't** forget that the greater the gains on offer the greater the risk.

**Don't** invest any money until you are sure that the investment choice is suitable for you.

**Don't** invest any money in an area of risk if you cannot afford to lose it.

**Don't** invest in a financial institution or company (other than a UK based bank or building society) unless you are sure it is authorised under the Financial Services Act.

### Further reading

'Managing Debt', Yvonne Gallacher and Jim Gray.

Published by Age Concern Books (2002). ISBN 0862422361

'Money in Retirement', Jonquil Lowe.

Published by Which? Books (2005). ISBN 1844900134

'Your Taxes and Savings', Paul Lewis.

Published by Age Concern England (2005). ISBN 0862424070

There are lots of magazines and newspaper sections that look at money management issues. They include Moneywise, Which? Magazine, Money Observer and Money Management. Ask your local library if they keep copies of subscription magazines.

## Useful contacts

### Debt advice agencies

The following agencies can give you details of independent advice agencies in your area.

#### Advice UK

12th Floor, New London Bridge House  
25 London Bridge Street  
London SE1 9ST

Tel: 020 7407 4070

Web: [www.adviceuk.org.uk](http://www.adviceuk.org.uk)

#### Money Advice Scotland (Scotland only)

Suite 306, Pentagon Centre  
36 Washington Street  
Glasgow G3 8AZ

Tel: 0141 572 0237

Web: [www.moneyadvicescotland.org.uk](http://www.moneyadvicescotland.org.uk)

#### Advice NI (Northern Ireland only)

1 Rushfield Avenue  
Belfast BT7 3FP

Tel: 028 9064 5919

Web: [www.adviceni.net](http://www.adviceni.net)

#### Birmingham Settlement

Reynolds House Annexe  
Newbury Road  
Birmingham B19 2RH

Tel: 0121 250 3000

Web: [www.birminghamsettlement.org.uk](http://www.birminghamsettlement.org.uk)

## Citizens Advice Bureau

Telephone numbers of local bureaux are listed in your local phone book. Or visit [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

## Consumer Credit Counselling Service

Wade House  
Merrion Centre  
Leeds LS2 8NG

Tel: 0800 138 1111 (freephone)

Web: [www.cccs.co.uk](http://www.cccs.co.uk)

## Money Advice Trust

Bridge House  
181 Queen Victoria Street  
London EC4V 4D2

National Debtline: **0808 808 4000**

Web: [www.moneyadvicetrust.org](http://www.moneyadvicetrust.org)

The Money Advice Trust runs **National Debtline**, a free helpline for people with money problems. National Debtline produces '**Dealing with your debts**', an advice pack free to individuals with money problems. You will need to specify whether you rent or own your home when you ask for the pack. A separate pack is available for people in Scotland.

## Other useful organisations

### Financial Services Authority

25 The North Colonnade  
Canary Wharf  
London E14 5HS

Helpline: **0845 606 1234**

Web: [www.fsa.gov.uk](http://www.fsa.gov.uk)

The FSA is the independent watchdog set up by the Government to regulate financial services and protect your rights. They have booklets, factsheets and a consumer helpline giving advice on saving, investing or generally looking after your money.

### The Finance and Leasing Association

2nd Floor, Imperial House  
15-19 Kingsway  
London WC2B 6UN

Tel: 020 7836 6511

Web: [www.fla.org.uk](http://www.fla.org.uk)

Produces the free leaflet '**Repaying your Loan Early**'.

### The Registry of Companies, Credit Unions and Industrial and Provident Societies (Northern Ireland only)

Department of Enterprise  
Trade and Investment  
Waterfront Plaza  
8 Laganbank Road  
Belfast BT1 3BS

Tel: 0845 604 8888

The Registry can tell you if there is a Credit Union in your area.

## Association of Friendly Societies

4th Floor

51 Gresham Street  
London EC2V 7HQ

Tel: 020 7216 7436

Web: [www.afs.org.uk](http://www.afs.org.uk)

Friendly societies provide a wide range of savings, assurance insurance products that are often tax free.

## Computershare Investor Services

PO Box 2411

The Pavillions

Bridgwater Road  
Bristol BS3 9WX

Tel: 0870 703 0143

Web: [www-uk.computershare.com](http://www-uk.computershare.com)

For general enquiries about gilts and to get a copy of the 'Investing in Gilts' booklet.

## IFA Promotion Ltd

2nd Floor

117 Farringdon Road  
London EC1R 3BX

Hotline: 0800 085 3250

Web: [www.unbiased.co.uk](http://www.unbiased.co.uk)

The IFA Promotion Hotline can give you details of independent financial advisers in your area.

## Myvesta

The Heath Business & Technical Park  
Runcorn WA7 4QX

Tel: 0800 111 6885

Web: [www.myvesta.org.uk](http://www.myvesta.org.uk)

Myvesta is a not-for-profit organisation that produces factsheets on money matters but doesn't give individual advice.

## National Savings and Investments (NS&I)

Tel: 0845 964 5000

Web: [www.nsandi.com](http://www.nsandi.com)

NS&I provide a range of savings and investments that are backed by HM Treasury.

## UK Social Investment Forum (UKSIF)

Unit 203

Hatton Square Business Centre

16 Baldwin Gardens

London EC1N 7RJ

Tel: 020 7405 0040

Web: [www.uksif.org](http://www.uksif.org)

The UK Social Investment Forum aims to promote and encourage the development of socially responsible investment throughout the UK. UKSIF can provide details of socially responsible fund providers and specialist financial advisers, both through printed directories and through its website.

# Personal budget list worksheets

## List 1: Household income

Change all your amounts to either weekly or monthly; do not mix the two. Choose whichever suits you best.

£ (weekly/monthly)

Wages – husband

---

Wages – wife

---

Pension Credit

---

Retirement pension – husband

---

Retirement pension – wife

---

Occupational pension – husband

---

Occupational pension – wife

---

Personal pension – husband

---

Personal pension – wife

---

Carers Allowance

---

Disability Living Allowance

---

Attendance Allowance

---

Other social security benefits

---

Non-dependant contributions (eg relative, lodger)

---

Investment income

---

Other

---

**TOTAL**

List 2: Household expenses

£(weekly/monthly)

Rent (less Housing Benefit)

---

Mortgage

---

Second mortgage

---

Council Tax (less Council Tax Benefit)

---

Water charges

---

Ground rent (if applicable)

---

Service charges (if applicable)

---

Life insurance

---

Building/contents insurance

---

TV rental & licence (if applicable)

---

Telephone

---

Electricity and gas

---

Clothing

---

Housekeeping

---

Home repairs

---

Transport/car running and maintenance costs

---

Entertainment

---

Christmas/holiday expenses

---

Other expenses

---

**TOTAL OUTGOINGS**

**BALANCE**



### List 3: Your net assets

<b>Assets (£)</b>	<b>Value(£)</b>	<b>Amount Owing (£)</b>
House value		
Car		
Savings – husband		
Savings – wife		
Other investments		
Life insurance		
Jewellery		
Other		
<b>TOTAL</b>		

### **CALCULATION**

Total value of assets - Total amount owing = Net assets

## List 4: Credit/Debt/Arrears

	<b>Balance Outstanding</b>	<b>Current Repayments</b>	<b>Payment Offer</b>
<b>Priority Debts</b>			
Mortgage arrears			
Loan secured on your home			
Rent arrears			
Council Tax arrears			
Water rates arrears			
Gas and electricity arrears			
Other			
<b>TOTAL</b>			
<b>Non-priority Debts</b>			
Credit card 1			
Credit card 2			
Credit card 3			
Store card			
Non-secured loan			
Bank overdraft			
Catalogue			
Other			
<b>TOTAL</b>			



## Contacting our Services

### Information and advice

**Care fees** Call 0500 76 74 76 (freephone) or use the form in [www.helptheaged.org.uk](http://www.helptheaged.org.uk)

**Benefits, care and housing options** In Britain, call SeniorLine (0808 800 6565 or, in Northern Ireland, 0808 808 7575).

**Equity release/home reversion/home income plans** Call 0845 2300 820.

**Wills and legacies** Call 020 7239 1965 for our free will information pack or to arrange a visit from a specialist advisor.

**Employment and job skills** Call the Third Age Employment Network on 020 7843 1590.

### Home support

**Home security and fire safety devices** Call the HandyVan service on 01255 473999.

**Immediate-response/monitoring service (24-hour)** to help protect people living alone. Call SeniorLink, 01255 473999.

**Gifted housing** Support service to help people stay independent in their own homes. Call 01225 447800.

### Quality of life

**Transport** Our SeniorMobility scheme helps voluntary groups provide transport in their communities. Call 020 7239 1825.

**Home shopping** Items to make everyday living easier, safer, more comfortable and more enjoyable. For a catalogue, call 0876 776 0442.

**Insurance** Travel and motor\* insurance services with no age barriers; also home and pet insurance. Call 0800 41 31 80.

### Help in a crisis

**SeniorLink** 24-hour immediate-response service (England, Scotland and Wales). Call 01255 473999.

**CareLine** (Northern Ireland). Call 02890 230 666.

\*Motor insurance is not available to Northern Ireland residents