

Kirklees Citizens Advice and Law Centre

1&3 Brook Street
HUDDERSFIELD
HD1 1EB
0344 848 7970
www.citizensadvice.org.uk

National Debt Line

0808 808 4000
Monday to Friday
9am to 8pm, Saturday 9.30am to 1pm

Money Advice Service

0800 138 7777
Monday to Friday, 8am to 8pm
Saturday, 9am to 1pm
Sunday and Bank Holidays, closed

Step Change Direct

0800 138 1111
Monday to Friday, 8am to 8pm
Saturday, 8am to 4pm
Sunday and Bank Holidays, closed

Money Advice for KNH Tenants

01484 414975
Monday to Friday, 9am to 5pm
Saturday, Sunday and Bank Holidays, closed

Council Tax Helpline

01484 414900
Monday to Friday, 9am to 5pm
Saturday, Sunday, Bank Holidays, closed.

CAP Debt help.

One to one local advice
0800 3280006
Monday to Friday, 8:30am to 5pm

**For further “one to one”
help and advice please ask at
The Welcome Centre or
The Mission Cafe**



Better Budgeting

Compiled by
The Welcome Centre
01484 340034



Managing your finances

This 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.

If you do get into debt, it is important to prioritise which are the most important to pay off.

Why budget?

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?

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.

Debt – Possible Outcomes

Rent / mortgage - eviction from your home.

Gas/electricity/telephone - supply cut off.

Council tax - personal goods seized, deduction from wages or benefits, prison.

TV licence - fine/personal goods seized, prison.

Magistrates' court fines - personal goods seized, deduction from wages or benefit, prison.

Maintenance - personal goods seized, deduction from wages or benefit, prison.

Income tax, national insurance and VAT arrears - Personal goods seized, bankruptcy

Hire purchase agreement - repossession of the goods.

Try to save money

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.

- 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.
- Make sure you shop around and get the best deal for purchases.

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.
 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.

Working out your budget

To help work out your budget, follow these steps. 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)

List all your income, all wages and benefits that you claim, don't forget things like housing benefit, even if it's paid directly to the landlord. Add these up and this will give you're your **income: A**

List all your outgoings: rent/mortgage council tax, water rates, service charge/ground rent buildings/contents insurance, insurance/pension, gas & electricity and any other fuel, housekeeping (including food) TV rental/licence, Magistrates' court fines, maintenance payments, hire purchase, vehicle or travelling costs, school meals, clothing, laundry, telephone/mobile, prescriptions, child care, internet connection. Add these up and this will give you're your **expenditure: B**

Now take the total for A and deduct B, this will calculate if you have any money left over. If there is money left you should try to put some into a savings account or if you have debts this money can be used to pay some off your priority debts.

A - B = money left over for creditors or savings

Priority debts are: **Rent or mortgage, electricity or gas, telephone, council tax, TV licence, maintenance and hire purchase.** To do this work out the total amount owed and contact the people you owe money to.

Repayment Plan

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 and offer them what you can afford than ignore the debt and get further court costs and fees added.

If you would prefer to have someone help you to talk to your creditors and come up with an agreed re-payment plan there are a number listed on the next page that offer **FREE** advice.