

## TIPS FOR FINANCIAL WELLBEING

This has been a challenging time for many of us. The following short guide is designed to help you maintain financial wellbeing and to provide practical steps if you're struggling to make ends meet.

### Maximise your Income

A reduction in income means you may not be able to meet your expenses but there are many ways in which you can top up your income. Applying for benefits is one way of doing this. Our online benefits calculator shows you what benefits you might be eligible for - see [www.citizensadviceeastherts.org.uk/benefits-calculator/](http://www.citizensadviceeastherts.org.uk/benefits-calculator/)

Another way is to explore self-employed opportunities. Remember that you need to get permission from your employer first and that the income is taxable so you'll need to register as self-employed.

### Minimise your Expenses

When your income drops, you need to cut your overheads. Start with the non-essential expenses. Cancel unnecessary services, but check the contracts to make sure you are not breaching any agreements. Cancel the related direct debits to make sure that payments do not go out, and inform the service provider that you have cancelled the service. It has to be a mutual agreement.

### Rent/Mortgages

Speak to your landlord or mortgage provider. They will have Covid policies in place to support their tenants/customers. You may be able to get a payment holiday or a payment break, but beware! Many companies have been known to increase monthly repayments considerably to accommodate the amount owed during the given break. Discuss this arrangement thoroughly with your landlord/mortgage provider and agree on what will be paid on top of your monthly rent or minimum contractual repayment. Be sure that it is manageable and affordable before taking the deal. Here is a link to the FCA announcement regarding Mortgage Payment Holidays: <https://www.fca.org.uk/consumers/mortgages-coronavirus-consumers>

If you find yourself in a position where you cannot afford to pay the monthly contractual repayments of your mortgage, then give us a call (see details at end). We may be able to explore other remedies such as 'Support for Mortgage Interest Payments' (SMI). You can find information about SMI on the government website by following this link: <https://www.gov.uk/support-for-mortgage-interest>

### Manage your Debts

- Credit Cards/Unsecured Loans – Speak to your credit card companies and loan providers as they will have Covid policies in place. In the last lockdown, creditors were offering three month breaks to their customers. They may have policies in place to support you in managing your debts, but beware and read the fine print. You may end up increasing your monthly contractual repayments to repay any amounts owed during the break.
- Secured Loans (Car Finances/Hire Purchases) – These are priority debts. Non-payment of these debts will result in the loss of the items secured within the contract. You should be very careful when negotiating any reduced payments. Once again, most contracts include payment holidays or breaks. Read the fine print before agreeing to anything.

### Budgeting

Budgeting will help you to manage your finances. The Money Saving Expert has a great article on how to budget: [www.moneysavingexpert.com/banking/budget-planning](http://www.moneysavingexpert.com/banking/budget-planning)

List all of your income in the spreadsheet then all of your expenses in order of importance. Expenses such as Rent, Council Tax, Utilities and Secured Loans should be listed first.

If you really need to watch the pennies print out your budget and check it daily against your bank account. Look out for any inconsistencies and discrepancies when you compare your expenses against your bank statement. Avoid taking cash from the cash machine. And remember, those little pennies and change are the unaccounted figures that destroy budgets.

**For more help or to speak to someone**

We are always on hand to provide you with free, confidential and impartial advice and support.

For more details:

[www.citizensadviceeastherts.org.uk](http://www.citizensadviceeastherts.org.uk)

Message Line - 01920 459944 (any time)

Advice Line - 0800 144 8848 (Mon-Fri 10am-4pm)