

ABOUT US

MANAGING YOUR MONEY

Hafod is a housing association registered with the Welsh Assembly Government. We are a non-profit making organisation and operate under strict controls. We work with local authorities and other agencies to provide homes and services to people in housing need across South East Wales.

For further information about Hafod please visit our website at www.hafod.org.uk or phone us on 02920 675800.



Shelter
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BARCLAYS

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BASIC BUDGETING

managing your money



making a difference

ABOUT THIS BOOKLET

We provide guidance and tips on the best way to help you manage your money. This booklet explains how to put together a budgeting plan.

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When putting together a budget plan it is important to look at it carefully because it will tell you what essentials you need to spend money on, what you can afford and if you are overspending. Doing this accurately should take about an hour; it is best if you gather together your bank and credit card statements first, preferably the last three months worth. Between them it should list all standing orders, direct debits and give you an accurate idea of what you spend.

Choose a monthly or weekly budget plan according to when you pay your rent or get paid.

Tips for calculating your income:

- you must include your partner / family's income, unless they pay a set weekly or monthly amount towards you, in which case this can be added in as other income
- wages and salary should be counted after deductions have been made and you should only include overtime if it is regular
- try to make sure non-dependants (i.e. adult children living at home) are making appropriate contributions
- make sure you are claiming the correct benefits by getting a benefit check with one of our Shelter Cymru Housing Benefit

BARCLAYS PLC ACKNOWLEDGEMENT

We would like to thank Barclays Plc for their generous financial donation which helped pay for the research work by Shelter Cymru which has resulted in the advice in this booklet.

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If you are sick or disabled you may be entitled to disability benefits.

“ do not be tempted to underestimate your expenditure as this could lead to overspending ”

Tips for calculating your expenditure:

- do not be tempted to underestimate your expenditure as this could lead to overspending
- council Tax is usually paid over 10 months of the year. If you continue to budget for your Council Tax instalment over the whole year, you will have some extra money around February or March for unexpected bills or entertainment
- calculate your gas and electric bills by thinking about what you might spend over the whole year. Remember you will use more fuel in the winter
- magistrates' Court fines must be paid and should be included in your general expenditure
- include any extra costs you have from illness or disability in 'other'
- remember to include small items of expenditure that you regularly make as they add up over a period of time i.e. school dinners



EXAMPLE BUDGET

You can complete your own budgeting sheet (enclosed) or seek help from a debt agency listed at the back of the booklet. **Beware!** If your outgoings exceed your income you should make an appointment with a debt adviser straight away.

Outgoings

Rent	£63.00	Travel expenses	£13.00
Council Tax	£15.00	Public transport	
Water rates	£8.00	School meals	£5.00
Life insurance / pension	£3.00	Meals at work	£5.00
Contents insurance	£3.00	Clothing	£12.00
Gas	£7.00	Laundry	
Electricity	£7.00	Landline	£5.00
Other fuel		Mobile phone	£5.00
Food etc	£80.00	Health costs	£7.00
TV rental	£5.00	Childminding	
TV licence	£3.00	Pets	£2.50
Magistrates' Court fines		Other 1 – Internet	£4.20
Child support you pay		Other 2 – Credit union Savings	£10.00
Hire / purchase vehicle		Other 3 – Xmas savings	£5.00
		Other 4 – Kids activities / Quiz night	£15.00
TOTAL (Box A)	£280.70		

We have provided an example of a weekly budget for an adult and 2 children:

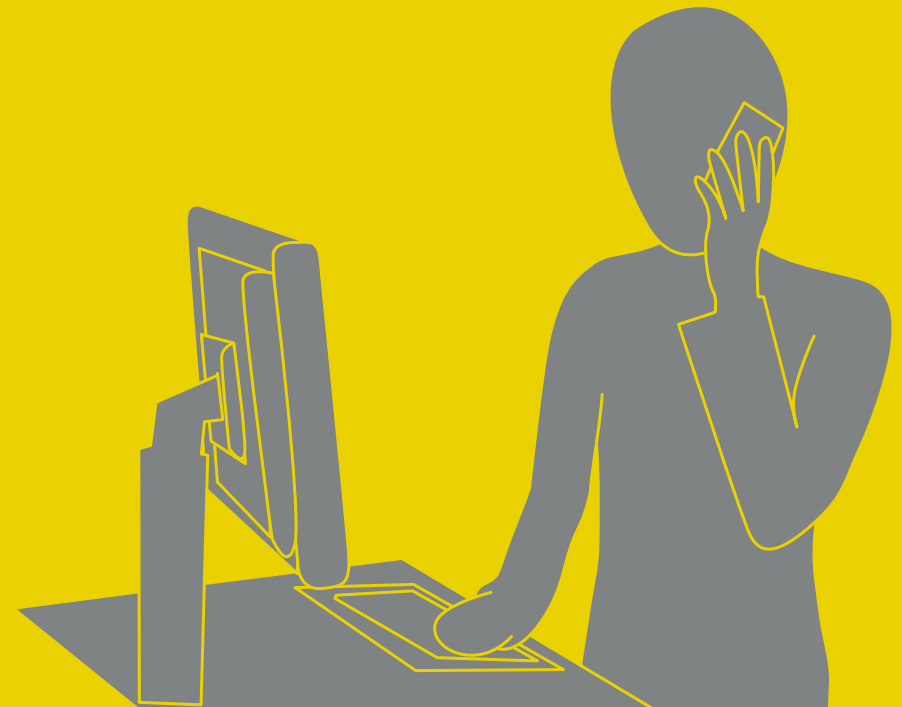
Income

Main wage	£100.00
Main wage	
Partner's wage	
Non-dependant contributions	
Child Support	£30.00
Income Support	
Jobseeker's Allowance	
Housing Benefit	£1.74
Council Tax Benefit	
Child Benefit	£30.20
Incapacity Benefit	
Retirement pension	
Works pension	
Pension Credits	
Tax Credits	£137.48
Other income 1	
Other income 2	
TOTAL (Box B)	£299.42
Income Box B	£299.42
Take away	
Expenditure Box A	£280.70
Excess income =	+£18.72

STICKING TO YOUR BUDGET

TO GET THE MOST OUT OF YOUR BUDGET PLAN YOU MUST BEAR SEVERAL THINGS IN MIND:

- try to remember that income should dictate your lifestyle, not vice-versa, so try to accept that if you are overspending, there are some things you will be unable to afford until you have saved for them or your income increases. It may be tempting to try to keep up with friends or neighbours' spending levels but if you can't afford it, you will end up in debt. Remember: if your friends' spending seems unrealistic, it probably is!
- consider how you might be able to get items you want through discount schemes, loyalty schemes or recycling schemes, especially household items
- remember: if you overspend on one item in your budget it could affect the whole plan so be ruthless with your spending

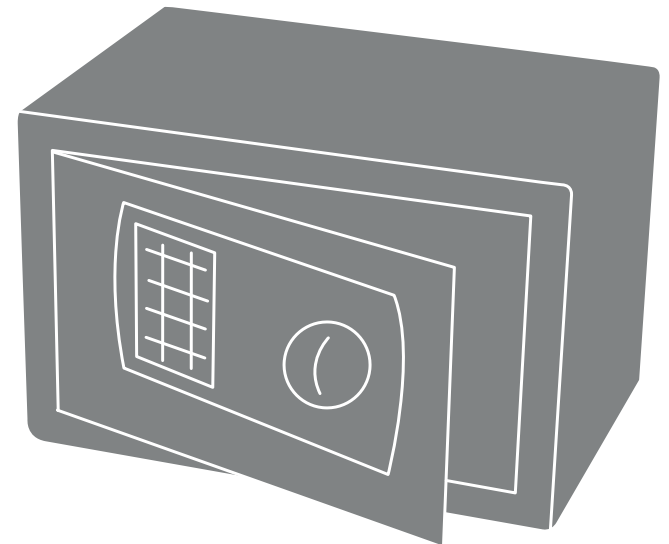


Think about how you might put the budget plan into action. You could:

- divide the money you need to use on a daily basis, like 'food', 'travel expenses' and 'school meals' into labelled envelopes. If you do not use all of the money one week you can carry it over to the next or use it for entertainment
- set up direct debits for all of your bills, including utilities, insurance, rent, council tax and TV and phone costs. This can be difficult if you are paid weekly but if you calculate how much you should leave in your account each week, you will cover your monthly and weekly direct debits

IMPORTANT:

Do not keep large amounts of money in your home, use a bank account. If you are keeping small amounts of money in your home you might invest in a safe, which are available for reasonable prices on the high street and can be bolted to the bottom of a wardrobe or cupboard.



USEFUL CONTACTS

CITIZENS ADVICE WEBSITE

www.adviceguide.org.uk

COMMUNITY LEGAL ADVICE

www.clsdirect.org.uk

Tel: 0845 345 4 345

CONSUMER CREDIT

COUNSELLING SERVICE

1st Floor, 13 Cathedral Road,
Cardiff CF11 9HB

www.cccs.co.uk

Tel: 0800 138 1111

NATIONAL DEBTLINE

www.nationaldebtline.co.uk

Freephone: 0808 808 4000

Monday to Friday 9am to 9pm

Saturday 9.30am to 1pm

PAYPLAN

www.payplan.co.uk

Tel: 0800 917 7823

QUERIES

If you have any queries, comments or need any further information please contact us by telephone, in person, by post or via our website:

Hafod Housing Association
St Hilary Court, Copthorne Way
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