

Every penny counts

A guide to looking after your money and getting the most from it

Bite back
at the crunch

Tenant
approved



NORWICH
City Council

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What this guide is for

The purpose of this guide is to give you some advice and ideas on how to get the most out of your income and also how to keep hold of it. This ranges from advice on debt and borrowing money, through to energy saving tips. All of the advice and suggestions are designed to be achievable and realistic and could benefit you in one or more ways.

Norwich City Council has a dedicated team of front line staff, all of whom are willing and able to assist you, whether you want advice about bank accounts, or a referral for in-house specialist money advice.

Contact us

visit: www.norwich.gov.uk

e: info@norwich.gov.uk

t: 0344 980 3333

from 8am to 6pm
Monday to Friday

(please note calls are charged at the same amount as a landline call to a 01 or a 02 number or are included as part of discount schemes or inclusive call packages).

visit: **City Hall**

the Customer Centre is open from 8.45am to 5pm Monday to Friday

post: you can write to us at:

Norwich City Council, City Hall, Norwich, NR2 1NH

Get specialist debt and money advice, tailored to your needs

Money advice team – exclusive to council tenants

e: moneyadvisers@norwich.gov.uk

t: 0344 980 3333

Money advice – for council tenants

We understand some people have money problems for many different reasons. Did you know Norwich City Council has a free, dedicated money advice team for council tenants?

You may be having problems as a result of:

- reduced income
- loss or change of benefits
- sickness
- unemployment
- irregular income
- relationship breakdown
- changes to the household
- maternity leave
- retirement.

We can help

Key things to remember if you are struggling with debts:

- Don't feel guilty – millions of people throughout the country are in the same position.
- Don't ignore the problem – it won't go away.
- Don't panic – your first steps may be here.

If in doubt, seek advice immediately

Our specialist **money advice team** can help you to gain control of your finances, which can relieve the burden of debt. Your personal money adviser will meet you at a convenient location, which, if you prefer, may be your own home, to provide free and confidential advice about your financial situation, ranging from basic budgeting skills to intensive debt management.

Remember: you are not alone, we will not judge you and we can help, whatever the size of your debt.

We can:

- offer advice on:
 - benefits you may be entitled to
 - increasing your income
 - basic bank accounts and access to other financial services, for example credit unions and low-costs loans
 - self-help services
- help to identify your priority debts
- negotiate with creditors on your behalf
- assist with bankruptcy/insolvency queries and any other county court procedures (CCJs)
- negotiate with legal doorstep lenders.



What can I do if I'm in debt?

TOP TIP

Prioritise your debts according to the action that can be taken to recover what is owed.

Priority debts

Many organisations that you owe money to will tell you that their debt is important and should be paid back immediately. A **priority debt** is based on what level of action can be taken to recover what is owed. The table below can help you identify your priority debts.

Debt	Potential consequences of non-payment
Rent arrears	Eviction/repossession
Mortgage arrears	Eviction/repossession
Second mortgage/ secured loans	Eviction/repossession
Council tax	Imprisonment
Unpaid magistrates' court fines	Imprisonment
Child maintenance arrears	Imprisonment
Income tax arrears	Imprisonment
Utilities	Supply cut off
Benefit overpayments	Deductions from benefit/wages
VAT arrears	Bailiff
Hire purchase arrears	County Court Judgement

10 tips to help yourself out of debt

- Do not ignore the problem.
- Do not borrow money to pay off debts.
- Use information in this guide and others, to be able to make reasonable offers to creditors.
- Be honest, do not try to hide debts.
- Ensure you sort out priority debts first.
- Do not ignore letters and telephone calls from creditors.
- Be realistic when working out your budget.
- Do not be afraid of the County Court.
- Check with creditors if you have payment protection.
- Always keep copies of letters you send and receive.

If you would like any advice or to make an appointment please email the money advice team at moneyadvisers@norwich.gov.uk or telephone 0344 980 3333, giving us as much information as possible about your current situation.



Get into good habits

TOP TIP

Complete a budget sheet, so you can see where your money goes – you may be surprised to see what you spend and it will help you easily identify where you can cut down, if you need to.

This could be a useful exercise to complete for everyone as we all need to know what money we have. Even if you have no debts or immediate concerns, completing this can be helpful.

Complete a budget sheet

Sit down as a household/family and complete a budget sheet including all income and all outgoings and debts.

Remember, be honest and list everything.



Revisit the budget form later in the day or the following day

Perhaps during the time in between you will have remembered other important incomes or outgoings.

Useful tips

- Be 100 per cent honest – put down the amounts you are actually spending at the present time.
- When completing a budget sheet, stick to using either all weekly amounts (multiply monthly amounts by 12 and divide by 52) or all monthly amounts (weekly amount multiplied by 52, then divided by 12).
- Have copies of recent letters from creditors to hand for up to date balances.
- Have bank statements to hand.

Getting into good spending habits

Having completed the budget sheet, you will hopefully have a general idea of what your income is and where your money is going. Please remember that your spending can vary dramatically from week to week and so this is meant as a rough guide only. It is possible even at this stage to review some of your spending habits, to release more cash each week/month to pay bills and debts.

If you have serious levels of debt, it may be wise to take a different course of action. Speak to our in-house money advisers for advice.

e: moneyadvisers@norwich.gov.uk

t: 0344 980 3333

TOP TIP

Prioritise debts, complete a budget sheet, agree regular payments and stick to these.

Prioritise your debts

Using the **Priority debt** list, put your debts into a priority order.

Contact the creditors in priority order and explain that you are experiencing some financial difficulties, but also that you are working to resolve these issues.

Explain that you have completed a budget sheet and are willing to make an offer based on what you can realistically afford. Remember: you must be realistic about any offer made and only offer what can be afforded. Keep a note/diary of all phone calls made, who you spoke with and what the agreement was.

Maintain payments

If your creditors refuse the offer you are making, do not feel obliged to increase your offer, as this could potentially mean you will be paying more than you can afford. **Instead, maintain payments as offered and seek advice from our in-house money advice team on 0344 980 3333.**

It is important you maintain these arrangements as agreed. If your circumstances change, you must review your arrangements quickly.

Review your income and expenditure on a regular basis, or if your circumstances should change.

Looking after your money – bank accounts

TOP TIP

Getting a bank account means you can make direct debit payments, which sometime offers discount rates.

Having a bank account these days is almost essential for receiving your income; for example, salary, benefits, etc.

Having a bank account can mean you can pay by direct debit. This means you can take advantage of discount or reduced rates offered with this method of payment.

For some, however, obtaining a bank account can seem confusing and ultimately off putting.

Please note that guidelines are being provided by the government, which places a responsibility on the banks to ensure they assist you to open a basic bank account.

Getting a bank account

If you do not already have a bank account, then it may be worth opening one.

Nearly anyone can open a basic bank account and most high street banks offer a basic account. A basic

bank account will allow you to have your income paid directly into the account and will offer the facility to set up direct debits/standing orders. Most of the banks offer access to your money at the Post Office. Please refer to the table on the next page to help you find a bank that best fits your needs.



Bank and account name	Cash/withdrawals	Minimum age	Amount to open	Cash card account	Cheque book	Post office access	Direct debit/standing order	Charge for unpaid DD	Decline reasons	ID required
Alliance and Leicester Basic Cash Account	✓	16	None	✓	✗	✓	✓	£25	Undischarged bankrupt, record of fraud	Standard
Bank of Scotland Easycash	✓	16	None	✓	✗	✓	✓	£35	Undischarged bankrupt, record of fraud	Standard
Barclays Cash Card Account	✓	18	None	✓	✗	✓	✓	£30	Undischarged bankrupt, record of fraud	Standard
Co-operative Bank Cashminder	✓	16	None	✓	✗	✓	✓	£19.50	Record of fraud	Standard
Halifax Easycash	✓	16	None	✓	✗	✓	✓	£35	Undischarged bankrupt, record of fraud	Standard
HSBC Basic Bank Account	✓	18	None	✓	✗	✓	✓	No	Undischarged bankrupt, some bad debts	Standard
Lloyds TSB Cash Account	✓	18	None	✓	✗	✓	✓	£20	Undischarged bankrupt	Standard
Nationwide Flexaccount Cash Card	✓	16	£1	✓	✗	✓	✓	£30	Undischarged bankrupt, record of fraud	Standard
Natwest Step Account	✓	18	None	✓	✗	✓	✓	£38	Undischarged bankrupt, record of fraud	Standard
Norwich & Peterborough Gold Current Account (basic)	✓	16	None	✓	✓	✗	✓	£29.50	Undischarged bankrupt, record of fraud, some bad debts	Standard
Royal Bank of Scotland Key Account	✓	16	None	✓	✗	✗	✓	£38	Undischarged bankrupt	Standard
Santander Basic Account	✓	16	None	✓	✗	✓	✓	£35	Undischarged bankrupt, record of fraud	Standard

Please note that the information in the above table is subject to change.

Tips to using a bank account

- To avoid bank charges, make sure:
 - you know when your direct debit and standing order payments are due, and that you have the funds to cover these payments
 - check your account balance before withdrawing money or using a debit card
 - if in doubt, don't spend
 - try to avoid using cheques
 - if you have an overdraft facility, consider increasing the limit – only for a short term period to avoid charges.
- When using your cash card to withdraw money from a cash machine – make sure the machine doesn't charge for this as some do.
- Keep any personal information about your bank account safe and do not divulge your PIN number to anyone, even if they say they are from the bank.

- Regularly check your account to make sure you are aware of what is coming in and out.
- If you have an online banking facility, do not use computers in a public place, eg the library.

Looking after your money – saving and borrowing

TOP TIP

If you are thinking of saving or borrowing, make sure you compare interest rates as these can vary considerably.

Saving money may be easier said than done, especially if you're on a tight budget. Savings could be used for short term purposes, for example Christmas and birthdays. Even saving a small amount of money on a regular basis can make a big difference.

Having completed the budget sheet as per the previous sections, you may have identified either that you have a slight surplus income, or that you are able to make savings in certain areas. If either of these have been identified, you may wish to **consider starting to save**.

There are different ways to save, the following are typical examples:

Credit unions

These are financial co-operatives and so are owned and controlled by their members and run mostly by volunteers.

By paying a small joining fee and saving a regular amount you can join and take advantage of low cost loans.

Members get dividends based on the profit the credit union makes.

Credit unions are regulated by the Financial Services Authority.

See **Useful contacts** at the end of this document for details of local credit unions.

Banks and building societies

All the main banks and building societies will offer some form of dedicated savings account, or an account which can be used to save. Some will also offer Individual Savings Accounts (ISA), which are accounts where you don't have to pay tax on the interest you earn.

Get details on bank websites or in branch.

Points to consider

- Interest varies from bank to bank and account to account, so check which suits you best.

- Some accounts will not allow you to access your money immediately – check what access you have before agreeing to an account.
- Some accounts have a minimum deposit amount.
- With some accounts, your money must remain in the account for a certain period of time before it attracts the higher level of interest.

Call 0300 500 5000 for a leaflet produced by the Consumer financial education body – No selling, no jargon – just the facts about saving and investing is available.



Borrowing money

There are a variety of sources that money can be borrowed from. Some of the most usual methods of borrowing are from:

- bank/building societies
- store cards
- credit cards
- credit unions
- hire purchase
- door step lenders

Compare the difference

An example of the difference between the costs of borrowing £300 from a licensed door step lender and a credit union.

On a loan of £300...

you will pay:

the door step lender a total of: £528
the credit union a total of: £319.50
a difference of: £208.50

Be careful of the worst of all lenders, loan sharks.

Loan sharks, operate illegally as they do not have a consumer credit licence.

They will lend to anyone and at huge cost.

Often intimidation and even violent methods are used to get the money back.

If you are worried about loan sharks or have been affected, contact the Illegal Money Lending Unit:

www.direct.gov.uk/stoploansharks

e: reportaloesnark@stoploansharks.gov.uk

t: 0300 555 2222

sms: text loan shark and your message to 60003

Lenders

Some lenders will charge different amounts to borrow. Make sure you have thoroughly looked into these charges and are certain you can afford to make the payments. If in any doubt, seek advice from moneyadvisers@norwich.gov.uk (0344 980 3333) or from the Citizens Advice Bureau (01603 765783).

If you are considering borrowing from a doorstep lender, why not visit www.lenderscompared.org.uk to compare home collected loans in your area.

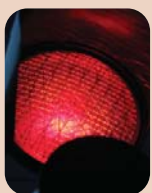
Different lenders have different criteria for loaning money. Make sure you know what these are before applying.

Borrowing money

When you are looking to borrow money, don't just look at the affordability of the payments (ie whether you can afford it each week/month) also consider:

- the overall cost, rather than just the repayment amounts
- how the interest is added
- if there are any administration fees.

In brief – if you're thinking of borrowing...



Stop – do you need to borrow money?



Think – consider different lenders, terms, costs and affordability (can savings be used)



Proceed – if affordable, reputable, necessary

Telephone turn2us on 0808 802 2000 or visit www.turn2us.org.uk to find out about benefits and grants

Other options:

Another method of obtaining funding, normally for specific needs, is through government loans and grants.

A good place to start is with the Department for Work and Pensions (DWP). Depending on your personal circumstances, you may be eligible to money from the social fund.

- **Community Care Grant** – you must be in receipt of Income Support or Job Seekers Allowance (Income Based) and the grant must be used to assist you to live independently in the community.
- **Budgeting Loan** – you must be in receipt of Income Support or Job Seekers Allowance for six months. The loan can be for between £100

and £1,500 and must be for specific items you have trouble saving for, eg looking for a job or home repairs.

- **Crisis Loan** – maximum amount of £1,500 and can be claimed if working. The amount borrowed will depend on:
 - your circumstances
 - if you have savings
 - if you have borrowed from the social fund before

There are a number of organisations that offer grants to individuals based on personal circumstances.

Have a look at www.turn2us.org.uk to see if you may be entitled or telephone the free and confidential helpline on 0808 802 2000.



Check if you are entitled to benefits.

Telephone turn2us on 0808 802 2000 or visit www.turn2us.org.uk for information or to find a benefits calculator.

Are you entitled?

As well as looking at your spending each week or month, it is also worth double checking you are getting the maximum amount of money you are entitled to, whether you are in work or not.

The Department for Work and Pensions (DWP) advise that each year, millions of pounds of benefit are unclaimed. Some of this could be yours.

Some points to consider

The minimum wage at present is:

- £3.64 per hour for under 18s
- £4.92 per hour for 18 to 21s
- £5.93 per hour for over 22s.

Please note that if you are in a job where tips can be paid, the tips can not be counted as part of the hourly rate.

Visit www.direct.gov.uk which gives useful advice on benefits, and other things.

Housing and council tax benefits

If you are unsure whether or not you may be entitled to housing and council tax benefits, try using an **online calculator via www.norwich.gov.uk**

You may be surprised and you may be missing out on what you can claim. **Remember, you do not have to be unemployed or in receipt of other benefits to qualify.**

If you are already in receipt of housing and council tax benefit and your circumstances have changed, let us know immediately. This could mean you will be entitled to more benefit or it could help prevent an overpayment from occurring, which Norwich City Council will claim back.

Don't forget

If you are about to start work and have been in receipt of the following for more than 26 weeks:

- Income Support
- Job Seekers Allowance
- Employment and Support Allowance
- Incapacity Benefit or Severe Disablement Allowance

you may be eligible for extended housing and council tax payments (four weeks' additional housing and council tax benefit).

Contact us if you're unsure:

e: benefits@norwich.gov.uk

t: 0344 980 3333

Also check with Job Centre Plus to see if you qualify for any further assistance, eg:

- in work credit
- job grant
- return to work credit
- training premium
- travel-to-interview scheme.

Tax credits

Are you receiving tax credits? Did you know if you are working you may still be able to claim **Working Tax Credit?** If you are responsible for a child or children, you may be entitled to **Child Tax Credit.**

In any of these cases – contact **HM Revenues and Customs on 0845 300 3900** or alternatively visit **www.taxcredits.inlandrevenue.gov.uk** for further advice and assistance.

Remember: if you are in a public place when giving personal information, ensure that you are not overlooked and cannot be overheard. Do not leave any personal information behind.



If in doubt, make a claim. To collect a housing benefit claim form, please visit City Hall or any neighbourhood office, call 0344 980 3333 to request a form to be posted to you or go to www.norwich.gov.uk and download a form.

If you are already in receipt of housing and council tax benefits, but not at the full level; you might be entitled to Discretionary Housing Payments if you're struggling to make ends meet. **Phone us on 0344 980 3333** and speak to an adviser for assistance. Alternatively, a form can be downloaded from the benefits section of our website, www.norwich.gov.uk

Boost your confidence

In order to boost your confidence and skills you may want to consider training to gain new qualifications, or simply to progress and enhance already established skills.

By doing so, it may help you gain employment, receive a promotion or give you the confidence to manage your day to day affairs in a more positive manner.

Training and employment

Norwich City Council has developed an innovative project to help people get back into employment, known as LEAP – the Learning, employment and accommodation project.

For details contact us by emailing leap@norwich.gov.uk or calling **0344 980 3333**.

Education

Adult education courses can be found by visiting www.norfolk.gov.uk as well as keeping an eye on the local press and media.



Could switching your energy supplier save you money?

Visit: <http://www.which.co.uk/switch/> to find out.

Once you have worked through our budget sheets, looked at savings and also checked whether you are receiving all you are entitled to, another way of reducing costs is to **check your spending on household bills and travelling costs.**

Council tax

This is a charge we are all liable for, whether you receive council tax benefit or not. Make sure you are receiving any discount or exemption you may be eligible to, for example, if you live alone are you claiming your 25 per cent single occupancy discount? For details, advice or a claim form click **here** or contact us by **emailing benefits@norwich.gov.uk or calling 0344 980 3333.**

Water bills

If you are a single person or small family, and don't use much water, you may benefit from having a water meter installed. If you are in a building where a meter cannot be installed, please contact Anglian Water to discuss an assessed measured charge.

Anglian Water can be contacted by telephoning 08457 91 91 55 or visiting www.anglianwater.co.uk.

If you are a Norwich City Council tenant, we have staff that will be able to assist you. Please contact us on 0344 980 3333.

Fuel bills

We all pay for our use of electricity, gas or oil in order to run our homes. Due to the number of different companies that supply these, we have the opportunity to shop around for the cheapest deals.

Often by changing suppliers better deals can be found. You can switch if you have a prepayment meter, as long as you do not have arrears with your current supplier exceeding £200. If you do not have a prepayment meter, any arrears must be repaid before you switch. Please check with your current provider for details, before agreeing to switch to another.

There are a number of price comparison websites which will give you details of who can supply your needs best.

For gas and electricity, try the following www.which.co.uk/switch

If you spend 10 per cent of your income to heat your home (usually 21 degrees for the main living area and 18 degrees for other rooms) – you are considered to be in fuel poverty.

To tackle this the main energy suppliers now offer a reduced cost plan called a **social tariff** (although the providers have different names for their plan). To find out more, please contact your energy provider direct – you could save money on your fuel bills.



Reducing costs

TOP TIP

Take small steps to become more efficient and save you money.

There are a number of simple things that we can all do that can save a little here and there. Although small steps, these can add up to make a noticeable difference.

Tips to cutting your costs

- Turn off unused appliances/lights.
- Don't leave appliances on standby.
- Use energy efficient light bulbs.
- Don't leave the tap running.
- Have a shower instead of a bath.
- Make use of Economy 7 or similar (if you have it).
- Only heat rooms that are to be used.
- Only boil enough water for your need (ie not a full kettle for one mug of tea).

Are you covered?

Ensure you have household contents insurance. You may wonder if you can afford this but ask yourself – could you afford to replace your possessions if you lost them to an accident or theft?

Norwich City Council has joined forces with Aviva to offer a policy exclusive to council tenants.

Telephone 0344 980 3333 for more information.



Can you Go 4less?

Leisure

We all know that the cost of going out is increasing.

If you are on a low income or are over 65 years old or a full time student over 16 years old, you may be eligible for Norwich City Council's Go 4less scheme. This offers card holders up to 50 per cent off council facilities as well as other leisure attractions. For more information or to apply, telephone 0344 980 3333 or visit www.norwich.gov.uk

If you have a Norwich City Council National Bus Pass (see below), this incorporates the Go 4less card and so you can already access savings.

Transport and travel

If you are a Norwich City Council resident aged 65 or over or have a qualifying disability you are entitled to a free bus pass.

Telephone 0344 980 3333 or visit www.norwich.gov.uk for more information on concessionary bus travel.



Some of the larger supermarkets offer a free bus service to and from their store. It may be worth checking with your local supermarket to see if they run such a scheme.

Shop around for the cheapest petrol prices – visit www.petroprices.com

Is it more cost effective to buy weekly bus tickets rather than individual ones? If you are a regular bus user, check with the bus driver who will be able to give advice.

Useful contacts and email addresses

- Norwich City Council – 0344 980 3333
 - www.norwich.gov.uk
 - Citizens Advice Bureau – 01603 765783
 - www.citizensadvice.org.uk
 - **Debt and money advice**
 - moneyadvisers@norwich.gov.uk
– 0344 980 3333
 - housingincome@norwich.gov.uk
– 0344 980 3333
 - www.adviceguide.org.uk
 - www.nationaldebtline.co.uk
(National Debt Line – 0808 808 4000)
 - www.cccs.co.uk
(Consumer Credit Counselling Service – 0800 138 1111 – contactus@cccs.co.uk)
 - **Bank accounts, savings, loans and grants**
 - www.moneymadeclear.org.uk
(Consumer Financial Education Body – 0300 500 5000)
 - www.moneysavingsexpert.com
 - www.abcul.org.uk (Association of British Credit Unions – 0161 832 3694)
 - office@norwichcreditunion.org.uk
www.norwichcreditunion.org.uk
(Norwich Credit Union – 01603 764904)
 - info@wncu.net www.wncu.net (West Norwich Credit Union – 01603 501301)
 - Ketts Credit Union – 07504 433758
 - www.turn2us.org.uk – 0808 802 2000 (grants)
 - **Maximise your income**
 - www.direct.gov.uk
 - www.DWP.gov.uk
 - www.hmrc.gov.uk (Norfolk)
– 0845 300 0627
 - www.jobcentreplus.gov.uk
– 0800 055 6688
 - www.taxcredits.inlandrevenue.gov.uk
– 0845 300 3900
 - www.norfolk.gov.uk – 0344 800 8020 (Norfolk County Council)
 - www.bbc.co.uk/raw/money
(BBC – 0800 0150 950)
 - www.learndirect.co.uk – 0800 101 901
 - **Reduce household costs**
 - www.energyhelpline.com
– 0800 074 0745
 - www.anglianwater.co.uk
– 08456 91 91 55
 - www.petrolprices.com
 - www.firstgroup.com – 08456 020 121 (main bus operator costs)
 - www.myvouchercode.co.uk
 - www.supermarketspecialoffers.com
 - www.tickred.com
(Norwich area discount codes)
 - www.consumerfocus.org.uk (for a list of accredited price comparison)
- Free financial guides**
<http://www.moneymadeclear.org.uk/publications>
– 0300 500 5000

If you require this leaflet in another language or format eg large print, audio cassette or braille please contact Norwich City Council.

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