



Making the most of your money



The Money Advice Service is here to help you manage your money better. We provide clear, unbiased advice to help you make informed choices.

We try to ensure that the information and advice in this guide is correct at time of print. For up-to-date information and money advice please visit our website – moneyadviceservice.org.uk.

About this guide

This guide is for you if you want to make the most of your money.

When you read this you will know:

- what you can do to make the most of your money
 - what you need to think about before making any decisions, and
 - where you can get more information.
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Taking control

Take control of your money with a little help from the Money Advice Service.

Spending only a few minutes a week reviewing and planning your budget can make a real difference. You'll know what's coming in, what's going out and how much money you've got left over.

We can't cover everything in this guide, but we'll give you the main facts and tell you where you can get more information if you need it.

We've also got more information on all the topics covered here as well as helpful interactive money planners on our website at moneyadviceservice.org.uk, or you can call our Money Advisers on 0300 500 5000.

See the *Jargon buster* on page 32 for an explanation of some words you may come across.

Whatever stage of life you're at – whether you're changing jobs, buying a home, starting a family or planning to retire – there are always ways of making your money go further.

To make the most of your money, use these three simple steps:

1. Spend time planning and reviewing.
2. Keep track of your income and spending.
3. Don't waste your money – shop around.

This way you'll have more to spend on what you really want.

Where to start

Your payslip

Your payslip will show how often you get paid and how you are paid (for example into your bank account). It will also show:

- **gross pay** – the total you have earned in the current pay period
- **deductions** – all the money taken off your pay for the current pay period such as tax, National Insurance, student loan repayment, pension contribution and any other deductions for work-related benefits, and
- **net pay** – the actual amount of money you get after deductions for the current pay period. There can be a big difference between gross and net pay.

Your payslip will also show your employee reference number, National Insurance number and tax code (which tells your employer how much tax to take off). Check you're on the right tax code by looking at your annual Notice of Coding and, if necessary, contacting the tax office. Ask your personnel department for the contact details and the company's tax reference number.

For more information on tax and National Insurance (including how to contact your local tax office), see www.direct.gov.uk/money.

Your P60 certificate

At the end of every tax year your employer will give you a P60 certificate. This shows:

- your total taxable pay before deductions in the previous tax year
- how much tax and National Insurance has been deducted
- any statutory payments (for example maternity or paternity pay, sick pay, and student loans), and
- your employment start and leaving date (if applicable) and pension scheme number (if applicable).

You will need your P60 if you have to fill in a tax return or claim state benefits.

Claim state benefits and tax credits

It's worth checking to see if you're eligible for any state benefits or tax credits. Over two million people aren't claiming the Council Tax Benefit they're entitled to.

If you have children you may be able to claim Child Tax Credit, and if you're on a low income you may be able to claim Working Tax Credit.

To see if you qualify for any benefits, go to www.direct.gov.uk/benefitsadviser or contact our Money Advisers on 0300 500 5000.

If you have a young family, see our online **Quick guide to the main benefits and entitlements** you could get – see *Useful contacts* on page 35.

You may also be eligible for certain welfare or educational grants, so check the Grant Search on the Turn2Us website – see www.turn2us.org.uk/grants_search.aspx.

Other income

You may also get income from pensions, savings and investments, renting out property and child maintenance payments.

Your spending

We've looked at income, so now let's focus on what you spend. Find a system that works for you to keep track of your spending. Some people find it useful to keep a spending diary, where they write down everything they spend for a week. Don't forget to include occasional items (such as birthdays or other special occasions) and things you pay for once a year (such as car tax and insurance).

You may find it helps to get organised by:

- writing in your diary or calendar or putting reminders in your mobile phone when payments are due, for example for insurance policies, TV licence, car tax and MOT
- keeping cash-point receipts and cheque-book stubs, and checking them against your bank statements at the end of the month, and
- checking bank and credit card statements as soon as you get them and contacting the bank or credit card company if you think anything is wrong.

And make sure you keep in a safe place all your important documents such as payslips, P60s, savings account details, pension paperwork and insurance policies.

Draw up a budget

Now you're ready to draw up your budget. You can use the planner on the next page or our online **budget planner**, which will also do the calculations for you – see moneyadvice.service.org.uk/budget.

Use either weekly or monthly amounts, and this will then give you a good idea of how much you've got left over.

Now what?

Money left over

If you're lucky enough to have money left over each week/month, think about what your financial goals are. Do you want to pay off your debts or start saving for a special event, your own home or retirement? If you need help deciding on these priorities, use our confidential online **health check** where you can get your own personal action plan after answering some straightforward questions – see moneyadvice.service.org.uk/healthcheck.

It's also worth thinking about building up an emergency fund that would cover an unexpected payment you don't have insured, such as replacing a household item. Experts recommend three times your monthly spending, but less is still enough for everyday crises.

Budget planner

Income – section A	
Your pay after tax (net pay)	
Partner's pay after tax	
Pension income (include work, private and State pensions)	
State benefits	
Interest/investment income (after tax)	
Child Benefit	
Child maintenance	
Tax credits	
Other	
Total income	

Spending – section B	
Household	
Food and drink (supermarket shop)	
Mortgage/rent/service charge	
Council Tax	
Electricity	
Gas	
Phone/internet/satellite TV etc	
Mobile phone	
TV licence	
Water	
Other	
Leisure	
Going out/take-aways	
Alcohol/cigarettes	
Holidays	
Gym membership/sports activities	
Books/magazines	
Other	

Financial products	
Loan/card/hire-purchase repayments	
Pension contributions	
Savings/investments	
Life insurance	
Buildings and/or contents insurance	
Car insurance	
Medical insurance	
Mobile phone insurance	
Other	
Children	
Childcare	
Child maintenance	
Other	
Travelling	
Getting to work	
Car (include tax, MOT, service and fuel)	
Other	
Other spending	
Clothing and footwear	
Toiletries	
Medicines/prescriptions	
Charitable giving	
Other	
Total spending	

Total income (from section A)	
Total spending (from section B)	
Income minus spending (A – B)	

Not enough money

If you haven't enough money to cover your expenses, see where you can make savings.

■ **Cut back on non-essential items.**

The little savings you make each day or week can really add up. For example, £1.50 for a coffee may not seem much, but if you buy one five times a week, that's £7.50 – or more than £30 a month. Try our **cut-back calculator** to help you see where you can save money on items you buy regularly – see moneyadvice.service.org.uk/cutback.

■ **Switch services.** You may also be able to save money by switching services, such as your phone, broadband, electricity or gas suppliers – see *Useful contacts* on page 35. Each UK household could be wasting an average of over £200 a year on energy bills by staying with the same provider, so make sure you shop around.

■ **Don't get stung by late-payment charges.** Set up Direct Debits for your payments, so they're always paid on time (but make sure you've got enough in your account to cover them, otherwise you may be charged if you go overdrawn).

■ **Don't pay twice for insurance.**

If you have a bank account with additional features where you pay a fee (known as a packaged account), you may already be covered for travel or mobile phone insurance. And check what benefits your employer offers as part of your employment package, as this may also include life or travel insurance. However, this cover may not be as comprehensive as insurance you could take out yourself, so always check what it covers.

See our **Managing your money** online guide for more ideas, at moneyadvice.service.org.uk/guides.

Struggling with debt

If your spending is a lot more than your income, don't ignore the problem. It's best to act sooner rather than later, as the people you owe money to may be able to help you manage your repayments.

You're not alone either – there's expert help available. Several organisations offer a free service, either face to face or by phone. These agencies can help you tackle your debts – see *Useful contacts*.

Keep it under review

Always review your budget when your circumstances change, for example you get a pay rise or your outgoings increase.

It's even more important to review your budget for longer-term changes such as buying a home or starting a family.

Talk to your partner about sharing your income and your financial responsibilities. And consider taking out insurance in case things go wrong, for example if you lose your job – see page 17.

Writing a will

Whatever your age, it's important to make a will. If you don't, the law decides who gets your money – not you. So, for example, if you're living with someone but not married or you're in a civil partnership and you don't make a will, your estate could pass to your next of kin rather than your partner when you die.

Making a will also helps to avoid paying unnecessary Inheritance Tax and makes life much easier for the people left to sort out your money matters.

Update your will if your circumstances change, for example if you marry or separate, and make sure other people know where to find it.

You can search for a solicitor who specialises in writing wills on the Law Society websites – see *Useful contacts* on page 35.

Key points

- Check your payslip to see how much tax you're paying and how much money you're getting.
- Make sure you're getting all the state benefits and tax credits you're entitled to – they're not paid automatically.
- Draw up a budget. Make a weekly or monthly budget and remember to list everything.
- Keep a spending diary to see where your money is going and where you can make savings.
- If you're struggling with debts, don't suffer alone – there are specialist agencies that can help you – see *Useful contacts*.
- Always review your budget if you get a pay rise or your outgoings increase.
- Use the budget planner on page 5 or our online **budget planner** – see moneyadvice.service.org.uk/budget.
- Make a will.

Saving and investing

Having some savings put aside for emergencies makes sense. If you have some extra cash that you're willing to take a risk with in the hope that you'll get a better return, you could try investments.

Firms offering savings and investments have to be regulated by the Financial Services Authority (FSA). This means they have to meet certain standards. The FSA monitors these standards and can take action if firms don't meet them.

Firms' advertisements, product brochures and other promotions must be fair, clear and not misleading.

You can check if a firm is regulated or report any misleading promotions to the FSA on its website at www.fsa.gov.uk/fsaregister or by phone on 0845 606 1234.

Get a copy of our **Your bank account** guide to find out what your rights and responsibilities are and what banks and building societies should do – see *Useful contacts* on page 35. You can also view the FSA's online leaflet **Bank accounts: know your rights** at www.fsa.gov.uk/bankingrights.

For more information about saving and investing get a copy of our **Saving and investing** guide or see the **Your money** section of our website – see *Useful contacts*.

Saving

This tends to be for short-term goals or when you need to get at your money quickly (for example to pay for a holiday, birthdays, Christmas or an emergency such as replacing a household item). Your money will grow by having interest added to it either monthly or yearly.

Where you can save

You can save in a wide range of savings accounts with banks, building societies and credit unions.

Savings accounts are 'deposit' based. This means you'll usually get back the money you put in plus interest, unless the bank, building society or credit union gets into serious financial difficulty. See *If things go wrong* on page 31 for how you're protected if this were to happen.

See the table opposite for the main types of savings accounts and their features. You can compare savings accounts online on our **comparison tables** – see moneyadvice.service.org.uk/tables.

Main types of saving account

Type of account	Features	Access
Savings	Usually pays higher interest than current accounts.	Instant or easy access.
Cash ISA (Individual Savings Account)	The maximum you can put in is £5,340 for the tax year 2011/12. It will go up each tax year in line with the Retail Prices Index. Generally it pays higher interest than normal deposit accounts and the interest earned is free of income tax. For more information see HMRC's ISA Factsheet – see <i>Useful contacts</i> on page 35.	Instant or easy access, but some can have notice periods.
Fixed-notice savings	You have to give notice to take your money out, eg 7, 30, 60, 90 days.	Penalty (usually in the form of reduced interest) if you withdraw your money without giving enough notice.
Fixed-rate bond (term accounts)	You usually have to leave your money in for one year or more (the term). A minimum deposit is often required, for example £1,000.	Might be difficult or could involve a penalty if you withdraw during the term.
High-interest regular savings	Your current account is with the same provider as your savings account. You regularly transfer the same amount each month into this account for a fixed period.	Usually interest is only paid yearly, and you can only withdraw yearly.

Sharia-compliant products

A number of organisations offer products that are structured and run in line with Islamic law. They may have similar features to other mainstream products but offer a return on your money that is not interest. It is the responsibility of the organisation offering these products to ensure that the products keep to Islamic law.

Christmas savings accounts

As well as normal savings accounts, you can save in special Christmas savings accounts offered by some building societies and credit unions. These don't let you access the money until November or December.

Saving for children

Children born between 1 September 2002 and 2 January 2011 were sent Child Trust Fund vouchers. Although the government has stopped issuing these now, accounts already opened will continue to run. For more information on Child Trust Funds see www.direct.gov.uk/childtrustfund.

You can start a savings account or investment (a friendly-society account, unit trust or stakeholder pension) for children as soon as they are born.

They generally work in the same way as adults' accounts, but some are specially designed for children.

Make sure you apply for them to get their interest without tax taken off – see Tax below.

Inflation

Inflation happens when prices go up throughout the economy. The effect of inflation on your money means that the money you save will buy less each year.

To protect your savings against this, look for an interest rate that is more than the rate of inflation. To find out the current rate of inflation, see the Bank of England website at www.bankofengland.co.uk.

Tax

Tax is deducted from interest before it is paid to you. Non-taxpayers can arrange for interest to be paid gross (before tax) by completing form R85 – available from your bank, building society or HMRC. You can arrange this for your child.

If you're on a low income, you may be able to claim tax back – see *Useful contacts* on page 35.

Investing

This is for the longer term – and usually means putting your money into schemes or funds based on the performance of the stock market.

You take a risk by investing your money in assets, whose value could rise or fall.

You need to be willing to tie up money that you don't need immediately, and take some risk to get a better return. You also need to balance the risk of a short-term loss against the chance of a long-term gain.

There are different types of investment including pensions, some life insurance, investment ISAs, investment funds and employee share schemes.

How your money grows

Unlike savings accounts, there is no guarantee you will get a return on your investment, or even get back as much as you put in. On some investments you may even end up owing money.

However, you may get a greater return than you would with savings, giving you better protection against inflation.

Risk and reward

Risk and reward generally go hand in hand. The more risk you are prepared to take, the higher the potential reward.

If you're not prepared to lose any money under any circumstances, you have to accept a lower level of return.

If you see an investment promising a high return at little or no risk, be very wary. The old saying 'if it looks too good to be true, it probably is' almost always applies to investments.

Spreading the risk

You can't eliminate investment risk, but you can reduce it by diversifying your investments, which simply means spreading the risk over a range of investments.

What may be a small risk to one person may be huge to another. You must decide what level of risk you are personally willing to take.

You may wish to consider getting professional advice – see *Getting financial advice* on page 29.

Key points

- Saving tends to be for short-term goals or if you want to minimise the risk to your money.
- Check savings rates on our online comparison tables or try out our savings calculator at moneyadvice.service.org.uk/savingscalc.
- Investing is for the longer term. Different investments have different levels of risk.
- Get professional financial advice if you are in any doubt about risks and returns.

Planning for retirement

It's never too early to start saving for your retirement. The longer your money is invested, the more time it will have to grow. The current basic State Pension is £102.15 a week for a single person. Could you live on that for 20 to 30 years?

What the State provides

If you're working, you will probably be paying National Insurance contributions (NICs). Part of these payments goes towards paying for a basic State Pension. You can also be credited with NICs if, for example, you've spent time out of the workplace to care for someone or have been claiming certain benefits.

If you are, or have been, employed, you may also be building up an extra State Pension called the State Second Pension (formerly SERPS). The amount of State Second Pension you get depends on your earnings and your NIC record.

Self-employed people cannot build up extra pension through the State Second Pension.

If you're an employee, you are automatically included in the State Second Pension, unless:

- you personally decide to leave it (called 'contracting out'), or

- your employer's occupational pension scheme is contracted out and you are a member of that scheme.

If you have contracted out yourself, you should review your decision each year to ensure it is still right for you.

The option to contract out of the State Second Pension will be removed from 6 April 2012, but final-salary schemes will keep the option.

For more information, get the Pension Service's booklet **Contracted-out pensions** (call them on 08457 313 233 to order) or see the Directgov website at www.direct.gov.uk/pensions.

A State Pension is a start, but it's unlikely to give you the standard of living you want. So you'll need another source of income as well.

The most common way is to save in a pension, although there are other ways which we don't cover here.

What is a pension?

A pension is a long-term investment which you usually pay into throughout your working life. Depending on the type of pension, your employer may also pay into it. You get tax relief on money you pay in and your money is invested in stocks, shares and other investments to try to make it grow.

When you retire, your pension fund is usually converted into income (an annuity), which is paid to you until you die.

The earlier you start saving the better, but it's almost never too late to start.

Starting a pension

If you work for an employer with five or more employees, your employer has to offer you access to a pension scheme. It may be a:

- defined benefit occupational pension (eg final salary or career average)
- defined contribution (also known as money purchase) occupational pension
- defined contribution group personal pension, or
- defined contribution stakeholder pension.

Although you don't have to join it you should consider doing so, because your employer normally contributes and you often get other benefits as well as a pension.

Find out from your employer what they offer and how you can join. With all pensions you:

- get tax relief on what you pay in (in the tax year 2011/12 the taxman will add £20 to your fund for every £80 you put in)
- can't usually touch the money in the fund until age 55
- can usually take part of your pension fund as a tax-free lump sum at retirement, and
- have choices to make about when to take your income from your pension(s).

The income from your pension(s) may be taxed when you come to draw it.

For more about your employer's pension scheme, speak to your personnel department.

If your employer does not offer a pension scheme, you may want to start your own personal or stakeholder pension. You will usually need to talk to a professional financial adviser to arrange this – see *Getting financial advice* on page 29.

How much to save

You'll usually get a statement each year from your pension provider with details of your possible income in retirement. Use this to decide whether you need to save more into your pension. You can also use our **pension calculator** to work out how much income you might get from saving in a personal, stakeholder or group personal pension – see moneyadvice.service.org.uk/pensioncalc.

Topping up your pension

If you are in an occupational scheme, your employer may offer an Additional Voluntary Contribution (AVC) arrangement, or you can pay into a Free-Standing Additional Voluntary Contribution (FSAVC) arrangement (which is similar to an AVC arrangement but is provided by someone other than your employer). Alternatively you can start a personal or stakeholder pension.

If you have a personal or stakeholder pension, you can increase your contributions into it.

For more about the different types of pension available, see the **Your money** section of our website at moneyadvice.service.org.uk.

The cost of delay

The later you leave starting a pension, the more you will have to save to get the income you want. This is because your pension fund will have less time to grow. For example, if you start saving at age 30 or 40, you would have to pay 16% and 27% respectively of your income into a pension fund to get the same income that you would get if you started at age 20 and paid only 10%. Your actual income will also depend on what return your investments make.

Pension changes

In future, all employers will have to offer and contribute to a pension to help more people save for their retirement. Employers who haven't offered an occupational pension in the past may set up their own scheme, or may pay pensions into a new central scheme called National Employment Savings Trust (NEST). This will be introduced in stages from October 2012.

For more information see The Pensions Advisory Service website at www.pensionsadvisoryservice.org.uk. For information about NEST see the NEST Corporation website at www.nestpensions.org.uk.

Retiring soon

If you're coming up to retirement, you may think you did all your planning some time ago. However, you still have options for making more of your money.

You can delay taking your State, personal or stakeholder pension, and possibly your occupational pension. This will allow your pension fund to build up further.

You may be able to take your pension(s) and carry on working, so check with your scheme.

If you have to buy an annuity to provide an income from your pension, make sure you shop around to get the best deal for you based on your own circumstances. Your provider or pension scheme trustees will tell you how this applies to you.

You can compare annuity rates by typing your exact pension fund amount into our online **comparison tables** at moneyadvice.service.org.uk/tables.

If you are two years or less from retirement, get a copy of **Your guide to retirement** to find out what choices you have – see moneyadvice.service.org.uk/retirement.

For more about the different types of annuity you can choose, get a copy of our **Your pension – it's time to choose** guide or see the **Your money** section of our website – see *Useful contacts* on page 35.

Key points

- Find out what pension scheme your employer offers and how you can join it.
- It's usually a good idea to join your employer's scheme because they normally contribute to it as well as you.
- Retirement can last for 20-30 years, sometimes longer, so you need to be prepared.
- Compare annuity rates using our **comparison tables** at moneyadvice.service.org.uk/tables.

Insurance

Everyday life can have its problems. Think about how you would cope financially if you or your partner became ill and couldn't work, or your home burnt down?

It's important to consider what insurance you might need to cover the risk of something unexpected (and expensive) happening.

You can insure yourself and your family in a variety of ways. The main things you need to think about are what you or your partner would do in the event of:

- sickness
- accident
- redundancy, and
- death.

You can also insure your home and possessions with:

- buildings insurance
- contents insurance
- motor insurance, and
- travel insurance.

For more detailed information get a copy of our **Insurance** guide or see the **Your money** section of our website – see *Useful contacts* on page 35.

How insurance works

The amount you pay for insurance will be based on the information you give the insurance company (the underwriter) and the type of risk you want to cover.

If the event you're insuring against happens, the insurance company will pay an agreed amount or an amount to cover the damage.

It is vital that you give the insurance company the full facts when buying insurance, as incorrect or incomplete information may mean any claim you make won't be paid.

You can choose which company's policy to buy yourself or you can go to an insurance broker, who will help you choose – see *Getting financial advice* on page 29.

Most non-life insurance lasts for one year at a time. You can then renew your policy with the same company or shop around for a better deal. Check that any new policy you take out covers what you need it for and that you don't lose any benefits you've accrued by changing your policy.

Always compare what's covered by a policy, not just the price. Some policies will be cheaper, but may not offer the same level of protection.

Buying insurance

Before you buy, always check what insurance cover you already have. You may have taken it out yourself or you may be covered through policies taken out by your employer as part of your benefits package, or it may be part of your bank account deal.

Check the policy information to find out exactly what you are and are not covered for. Nearly half of people don't know what their insurance covers, so always ask questions if you're not sure about anything.

Always shop around. Most people shop around to get the best deal on gadgets, but very few bother to shop around for insurance. You might be surprised how much you can save.

Sickness, accident or redundancy insurance

There are various types of insurance to cover your income or to pay your loan repayments if you become ill or lose your job and cannot pay them. Your employer may offer some of these in your benefits package or you can take them out yourself.

State benefits may help, but most don't start immediately and they usually only last for a fixed time. You may have enough savings to cover you, but if not, insurance may help.

■ **Income protection insurance** – replaces part of your income if you are unable to work for a long period of time because of illness or disability. It continues to pay out until you can return to some kind of paid work or reach retirement, whichever is sooner. This type of insurance usually has a waiting period before it starts paying out.

■ **Payment protection insurance (PPI)** – pays out a sum of money to help you cover your loan repayments if you can't work because of redundancy, accident or illness. PPI only pays out for a set period, generally 12 or 24 months. You can take out a PPI policy specifically to cover your mortgage repayments, which is called Mortgage payment protection insurance (MPPI). You can compare PPI and MPPI on our online **comparison tables** at moneyadvice.service.org.uk/tables.

■ **Critical illness insurance** – pays a lump sum if you're diagnosed with a specific critical illness, such as cancer or MS, or have a stroke, a major organ transplant, coronary artery bypass, heart attack or kidney failure. Each policy will cover different illnesses, so always check what is and isn't covered.

There are also insurance products aimed at helping soften the financial blow of medical expenses including:

- **private medical insurance** – offers access to private treatment, and
- **health cash plans** – pay a limited amount towards everyday medical bills.

Your employer may offer some of these in your benefits package or you can take them out yourself.

Life insurance

If you have someone who depends on you financially, how would they cope financially if you died?

There are two main types: term insurance and whole-of-life insurance.

Term insurance pays out only if you die within a certain term (for example 10, 15 or 20 years). If you live longer than the term, you get nothing. As a couple, you can also take out term cover in both your names, with the policy paying out on the first death only during the term.

Different types of policy include:

- **family income benefit** – a policy that pays out an income rather than a lump sum
- **increasing policy** – where cover and premium rise over the years

- **decreasing policy** – where cover and premium fall over the years, or
- **renewable policy** – which lets you extend the original term.

Decreasing term insurance is often linked to a repayment mortgage. It may then be called mortgage term insurance or mortgage protection life insurance.

Whole-of-life insurance pays out an agreed sum when you die, whenever that is.

Home insurance

- **Buildings insurance** – if you own your own home (either with or without a mortgage) and it is a freehold property, you should take out buildings insurance. This covers the cost of rebuilding your home if it is damaged by fire, flood or subsidence, which is usually between a third and a half of the value of your home.

Most mortgage lenders will insist you take it out when you take out a mortgage (as it protects their asset if something happens to the property). But you don't have to take out cover with the lender.

Leasehold and rental properties should be covered by the freeholder, but always check.

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- **Contents insurance** – this covers your furniture and possessions against loss, theft or damage. This can usually be extended to include accidental damage as well as cover for items you take outside, such as cameras, laptops and jewellery.

Motor insurance

The law says you must have at least third-party motor insurance if you own or drive a motor vehicle.

But there are three levels of cover.

- **Third party** – this is the minimum legal requirement, and covers you if you injure a third party, including passengers or property, but doesn't cover damage to your vehicle.
- **Third party, fire and theft** – this covers third-party injuries and liabilities, and also fire and theft to your own vehicle.
- **Comprehensive** – as well as the above, this will also cover accidental damage to your vehicle.

Motor insurance does not usually cover you for breakdowns, so you will probably need separate breakdown cover.

Travel insurance

Travel insurance can pay for lost luggage and other valuables, as well as accidents, flights cancellations or emergency medical bills.

If you are a UK resident you are entitled to free or reduced-cost, State-provided healthcare when visiting Switzerland or a European Union (EU) country, as long as you have a European Health Insurance Card (EHIC) – see *Useful contacts* on page 35.

If travel insurance has been added automatically by the travel agent or airline, you don't have to take it. You can opt out of it and use your own if you already have it or buy it separately.

Find out whether your employer offers travel insurance as part of your benefits. You may also have some kind of 'free' travel insurance through your credit card or bank. However, check what it covers, as it may only cover certain things and only up to a certain amount.

Key points

- Check whether you're already covered by existing insurance policies and don't buy insurance you don't need.
- Give the full facts when applying for insurance. If you don't, your policy may not be valid if you make a claim.
- Shop around and compare the features of the policy, not just the price.

Borrowing money

Most of us need to borrow money at some point, whether it's a mortgage or a credit card.

Make sure you find the cheapest way of borrowing, and that you know how much you'll end up paying back.

There are many ways to borrow money, but you need to be 18 or over. Find out which way may be right for you.

Businesses offering loans and credit cards must be licensed by the Office of Fair Trading (OFT) under the Consumer Credit Act 1974. You can check with the OFT if a firm is licensed – see *Useful contacts* on page 35.

Ways of borrowing

You can borrow money by getting:

- a bank overdraft
- a personal loan
- a credit card
- a store card or in-store finance
- a finance arrangement such as hire purchase
- a credit union loan
- a loan from other licensed lenders (see pages 23-24)
- an equity-release scheme, and
- a mortgage.

With all of these you'll usually pay interest on what you borrow, and sometimes there may be other charges. These can vary greatly, so shop around. You can usually use the annual percentage rate of charge (APR) to compare the cost of a loan – see page 27.

Some ways of borrowing are cheaper than others – read on to find out how you can spot them.

Bank overdraft

A bank overdraft is linked to your current account and means you can take out more money than you have in your account. It can be authorised or unauthorised.

■ Authorised overdraft

You arrange this with your bank in advance and agree a limit up to which you can borrow. There is no minimum repayment and you can take out money up to your overdraft limit using any of the ways you usually withdraw money from your account. You may be charged interest (usually at a rate higher than for personal loans) or fees that may be daily or monthly, or interest and fees. Both are likely to be higher for an unauthorised overdraft. Also, you are usually charged a flat fee for each transaction you make over your authorised limit.

■ Unauthorised overdraft

This is where you haven't agreed an overdraft with your bank but have taken out more money than you have in your account, whether deliberately or accidentally. You'll pay extra charges if you do this and these charges can build up, so try to avoid this and talk to your bank or building society to set up an authorised overdraft if you think you will need it.

Personal loan

There are two types of personal loan: secured and unsecured.

■ Secured loan

Your loan is secured against an asset, normally your home, which is used to guarantee the loan. This means that if you can't pay back the loan, the lender can sell your asset to get its money back. You may be charged less interest on a secured loan but there may be extra fees.

■ Unsecured loan

An unsecured loan doesn't give the lender the same guarantee, but legally you must still pay back the loan. The lender can take court action against you to get its money back, and this could eventually mean you losing your home (or other asset if you don't own a home).

With a personal loan you borrow a fixed amount and usually have to pay it back over a set period (the 'term'), which you agree at the start.

The interest rate may stay the same over the term of the loan (a 'fixed rate') or may go up or down.

Repayments are usually monthly, but they might be weekly. You will normally have to set up a Direct Debit for your repayments.

Credit cards

Credit cards allow you to buy goods and services now and pay later. They are different from a debit card (which you get with a bank account) where the money you spend is taken from your current account straight away.

The lender will give you a credit limit, which is the maximum you can borrow using the card. If you go over that limit, your card will probably be refused when you try to use it again. Even if your card isn't refused, you may still have to pay an extra charge to the lender.

Every month you will get a statement setting out what you've spent. You have to pay the minimum payment shown on the statement by the date the lender states. The minimum amount is usually a small percentage of the amount you owe.

You will be charged interest on any money you still owe (the 'balance'). The lender may also charge you a late-payment charge if you don't make your minimum payment by the due date.

Be careful if you are only paying the minimum every month. Your balance will take longer to clear, and the longer you borrow for, the longer you'll be paying interest on the money you owe, keeping you in debt longer and meaning you'll end up paying back much more.

If you pay off the bill completely and on time, you will not usually have to pay any interest.

For more about credit cards get a copy of our **Credit cards** guide or see the **Your money** section of our website – see *Useful contacts* on page 35.

Store cards and in-store finance

Many big stores offer finance deals or store cards. Store cards are like credit cards, but they tend to charge higher rates of interest. And you can usually only use them in that store or group of stores.

In-store finance may be useful to help you pay for expensive furniture or large electrical goods over time. Some may offer 0% interest for a fixed period.

Hire purchase

With a hire purchase agreement, you are hiring goods but with an option to buy once you've paid all the instalments. Until you do, you will not own the goods and you cannot modify or sell them without the lender's permission. You are also responsible for any damage to the goods during the contract period.

The lender can take the goods back if you don't keep up repayments, although it will need a court order if you've paid more than one third of the total cost. If you've paid more than half the total cost – or pay up to that level – you can end the agreement and return the goods at any time. For more about hire purchase, see the Directgov website at www.direct.gov.uk.

It can be easier to get credit from a hire purchase company than a bank or credit card company, but it's usually a more expensive way to borrow – particularly if you want to buy the goods, as the final fee may be high.

Other licensed lenders

Some licensed lenders are willing to give loans to people who can't get credit from mainstream lenders, but often at a higher interest rate. They are sometimes called 'sub-prime' lenders.

Credit unions

Credit unions are cooperatives, which mean they are run by and provide services for their members only. Membership depends on having a common bond such as living or working in a specific area, belonging to the same trade union, or working in a particular profession.

Some credit unions may lend money to you as soon as you become a member. Others may wait until you have shown them you are able to save regularly. The APR on their loans is capped by law so they often charge much lower interest rates on loans than other companies. Credit unions may also be able to help you manage your money. For more information, get a copy of our **Credit unions** guide – see *Useful contacts* on page 35.

Community Development Finance Institutions (CDFIs)

CDFIs are independent organisations that aim to help people who have trouble getting finance from usual sources. You can find a local CDFI that could help you manage your money and lend to you on the Community Development Finance Association website at www.cdfa.org.uk.

Growth Fund lenders

Some credit unions and CDFIs offer affordable loans using money made available from the government's Growth Fund. This may help you if you're on a low income. You can find a local Growth Fund lender on the Department for Work and Pensions website – see *Useful contacts*.

Doorstep lenders (or home credit)

These companies lend small amounts of money over short periods to people on low incomes or with poor credit histories. A local agent calls at your home each week to collect the repayments. They often charge very high rates of interest. You can compare the cost of these loans on the Lenders Compared website at www.lenderscompared.org.uk.

Make sure you ask to see their lender's licence from the OFT. If they don't have one, they are operating illegally, so don't use them.

Payday loans

Payday, or paycheque, loans are short-term loans that you get in return for your pay cheque or proof of your income. They are basically cash advances on the salary you're expecting and are available online and on the high street.

But watch out as they charge high interest rates. Rates higher than 1,000% APR (see page 27) are common, so if you miss the repayment, the cost of borrowing even a small amount can become very high, very quickly.

If you have no alternative to a payday loan, make sure you don't borrow for a day longer than you really need.

Avoid illegal lenders (also known as loan sharks)

Loan sharks are unlicensed lenders. They operate illegally and will lend you money when nobody else will, but:

- their interest rates will be very high and you may find it difficult to keep up the repayments
- you may be forced to get a second loan to pay off the first, causing your debts to spiral out of control, and
- they may use violence or intimidation to collect debts.

Avoid borrowing money from unlicensed lenders and report any that approach you. See the Directgov **Stop Loan Sharks** website at www.direct.gov.uk/stoploansharks or call 0300 555 2222.

Call their helpline if you've already taken out a loan with one and are having problems with the loan or are being threatened. You are not breaking the law by borrowing from a loan shark and you cannot be legally made to pay back the loan.

Equity release schemes

Equity release is a way of getting cash from the value of your home without having to move out of it. There are two main types – **lifetime mortgages** and **home reversions**.

The Financial Services Authority (FSA), the UK's financial services regulator, regulates the way equity release schemes are sold, so check that the firm you deal with is on its Register – see www.fsa.gov.uk/fsaregister or call 0845 606 1234.

You have to be over a certain age (typically over 55) and own your own home. You can get a cash lump sum, an additional income, or both, and you can stay in your home.

These schemes are complicated and you may want to seek professional advice before starting one. For more about equity release, see the **Your money** section of our website at moneyadvice.service.org.uk.

Getting a mortgage

Buying your own home is a big step and needs careful planning.

The FSA also regulates the way most mortgages are sold, so check that the firm you deal with is on its Register – see www.fsa.gov.uk/fsaregister or call 0845 606 1234.

If you are currently renting, you'll be used to paying out every month for rent and bills. But there are many other things to consider when buying your own property, such as:

- How much can you afford to borrow?
- What will your total monthly outgoings be if you own your home?
- Which mortgage is right for you?
- Which insurance will you need?
- Can you afford the maintenance or repair costs?
- How much will moving costs and fees be?

Types of mortgage

You can have a repayment mortgage, an interest-only mortgage, or a combination of the two.

Repayment – your monthly payments to the lender go towards reducing the amount you owe as well as paying the interest they charge. So each month you're paying off a small part of your mortgage. In the early years your payments will be mainly interest, so if you want to pay back the mortgage or move house, you'll find that the amount you owe won't have fallen by much.

Interest-only – your monthly payment only pays the interest on your loan, so you're not actually reducing the loan itself. You will need to arrange some other way to pay back the loan at the end of the term, for example through an investment or savings plan.

You'll need to check that your investment or savings plan grows, so that at the end of the term you'll have enough money to pay back the loan. If it doesn't grow as planned, you'll have a shortfall and need to think about ways of meeting it. If you think you may have a shortfall, see our guide **Dealing with your mortgage shortfall** – see *Useful contacts* on page 35.

Because you're only paying off the interest, your monthly payments will be lower. But bear in mind you're not paying back the loan itself.

More information

For more about how mortgages work and what you need to think about, see the **Your money** section of our website – see *Useful contacts*.

If you've had financial problems in the past and are finding it difficult to get a mortgage, read the Council of Mortgage Lenders' leaflet **Adverse credit mortgages** – see *Useful contacts*.

If you want to buy your home in a way that follows Islamic law, see the **Your money** section of our website – see *Useful contacts*.

Credit scoring

When you apply to borrow money, the lender will usually credit score your application. This means they will assess how likely it is that you will be able to pay back any money they lend you.

This is based on many things, including public record information (to see, for example, if you have filed for bankruptcy or have any County Court Judgments in your name) and credit account information (to see if you have made agreed payments on time). This helps them decide whether to lend you the money and, where relevant, set your credit limit and interest rate.

Also, keeping a good credit history can help save you money, as you'll be offered better rates.

Seeing your credit report

It is your legal right to see your credit report at any time and to correct anything in it that you can prove is wrong. You can get a complete report for £2, known as a statutory report, online or by post. Be aware that other services may cost more. See *Useful contacts* for details of the three main credit reference agencies. Checking your credit report does not affect credit scores.

There may also be things you can do to improve your report, for example, correcting anything that is wrong or adding a short note to explain if past borrowing problems were due to special circumstances.

Common reasons for people wanting to check their credit reports include:

- having credit refused
- being concerned about identity fraud
- checking data accuracy, and
- checking before they apply for credit.

Credit reports are produced on people not addresses and your credit report can only become linked to someone else's by joint financial activity, such as a joint application for credit.

What is APR?

APR stands for annual percentage rate of charge. The APR includes:

- the interest rate
- the length of the loan agreement
- how often you should make the repayments
- the amount of each repayment, and
- other fees or charges.

Lenders must tell you the APR before you sign an agreement. Use the APR to shop around and compare the cost of loans from different companies.

Generally, the lower the APR, the better the deal for you.

Also, while a longer term will make the individual payments less, the overall cost you will have to pay back will be more.

Use our online **loan calculator** to work out what your monthly repayments might be for various loan amounts, repayment periods and annual interest rates. This could help you decide whether you can afford the repayments, and help you compare different loans – see moneyadvice.service.org.uk/loancalc.

Try not to borrow for longer than the life of the product you're buying.

If you're worried about how much you owe, our online **debt test** can help you find out how likely you are to have problems with your borrowing. It also gives you some tips to help you avoid debt problems or help you tackle your debts if you're in trouble – see moneyadvice.service.org.uk/debttest.

Dealing with debt

If you're struggling financially, don't ignore the problem. Talk to the people you owe money to. They may be able to help you work out a repayment plan.

Or talk to a debt adviser, for example the Citizens Advice Bureau, National Debtline, PayPlan or Consumer Credit Counselling Service. All offer a free service to help you plan and prioritise your payments – see *Useful contacts* on page 35.

Debt consolidation

Debt consolidation means negotiating a new loan to pay back an existing loan or loans, often with a lower interest rate and lower monthly payments.

Although it may sound like a good idea, watch out because:

- the new loan may last for a longer period so you may end up paying more overall
- there may be extra fees and charges for setting up the loan and repaying the old loans, and
- if you own your home, the new loan could be secured against it, so you could lose your home if you can't keep up the repayments.

Get free expert help from specially trained debt advisers – see *Useful contacts*.

Key points

- There are many ways to borrow money, some more expensive than others.
- Check the fees and charges and use the APR to compare overall cost.
- A mortgage is a loan secured against your home, so if you can't pay it back, the lender can sell your home to get back its money.
- Check your credit report regularly and correct any errors.
- The longer the loan period the more you'll have to pay, because you'll be paying interest for longer.
- Don't borrow for longer than the life of the product you want to buy.
- If you're struggling with debt, don't suffer alone – there are specialist agencies that can help – see *Useful contacts*.

Getting financial advice

Professional financial advice is when a professional adviser assesses your personal circumstances and recommends financial products that are suitable for you. You won't always need this, but if you do, make sure you know what to expect.

See *Useful contacts* on page 35 for details of how to find an adviser on your area.

To help advisers give you good advice, you'll have to give them some detailed information about your personal financial situation and be willing to answer some questions about your financial goals and attitude to risk.

Who can give professional financial advice?

Firms giving professional financial advice must be regulated by the FSA, or be agents of regulated firms, and they have to meet certain standards which the FSA sets.

It sets standards for how firms should give you financial advice for most types of insurance, mortgages and investments (such as personal pensions, life insurance and annuities).

Some firms may give advice on all three product types, while others may only give advice on one or two of these.

Mortgage advisers and insurance brokers can advise on mortgages and/or insurance but can't give advice on investments such as pensions.

You'll usually have to pay for this advice, either in the form of a fee, commission or a combination of both, but the firm will explain this.

Always make sure that a firm is regulated by the FSA before you do business with them. You can do this by checking the FSA Register at www.fsa.gov.uk/fsaregister or by calling 0845 606 1234.

If they aren't regulated by the FSA, you won't have access to complaints and compensation procedures if things go wrong.

What isn't professional financial advice?

General product information that you gather yourself isn't professional financial advice, whether it's from banks, building societies, insurance or investment companies. This is because it won't take into account your particular circumstances.

Buying without advice

If you buy a financial product without professional advice, you'll have fewer grounds for complaint if the product turns out to be unsuitable.

Buying with advice

If you do take advice and then find that the product wasn't suitable, you may have grounds to make a complaint and get compensation for any loss. You can help prepare yourself for seeing a professional financial adviser by thinking about your needs and priorities. Our **Getting financial advice** guide can help you get started with some questions to ask yourself and an adviser – see *Useful contacts* on page 35.

Key points

- Always check that the firm is regulated by the FSA before handing over your money.
- Ask questions if anything is not clear – it's your money and you're paying for the service.
- If a deal sounds too good to be true, it usually is.
- Use our website and guides for clear, impartial information about financial products and services to help you know what to expect and what questions to ask – see the **Your money** section of our website at moneyadvice.service.org.uk.
- If you can't find what you're looking for on our website or in this guide, or if you have a question about money, call one of our trained Money Advisers on 0300 500 5000.

If things go wrong

Complaints

If something goes wrong with a financial services product or service, contact the firm as soon as possible. They have a procedure to follow when dealing with complaints.

If you're not satisfied with their response, you may be able to take the matter to the Financial Ombudsman Service – see www.financial-ombudsman.org.uk.

The firm should give you the details of this free service. Get a copy of our **Making a complaint** guide for more information – see *Useful contacts* on page 35.

Compensation

If a UK-authorized financial services firm is unable, or likely to be unable, to pay claims against it, you may be able to get compensation from the Financial Services Compensation Scheme (FSCS).

The FSCS can pay compensation for financial loss of up to £85,000 for deposit claims, which is 100% of the first £85,000 of your loss. Different compensation limits apply depending on the type of financial product you have.

For full details, see the FSCS website at www.fscs.org.uk.

For complaints and compensation arrangements for credit unions in Northern Ireland, check with the Registry of Credit Unions and Industrial Provident Societies – see *Useful contacts* on page 35.

Protecting your identity

Identity theft is where someone impersonates you without your knowledge or consent, or uses your personal information to obtain money, goods or services.

You can protect yourself against identity theft by using your passwords, credit card information, PIN and other security information carefully.

Never throw away whole bills, receipts, card slips, or bank statements. Criminals sometimes go through bins and use this information to pretend to be you.

If your identity is stolen, you may have difficulty getting loans, credit cards or a mortgage until the matter is sorted out. For more information, see the Home Office's **Identity Theft** website at www.identitytheft.org.uk.

Jargon buster

Some key words and phrases explained.

Additional State Pension

A pension paid on top of your basic State Pension. It used to be called SERPS but is now called the State Second Pension. Self-employed people cannot build up an additional State Pension.

Annual equivalent rate (AER)

The rate of interest earned within a year, irrespective of how often interest is added to your account. The higher the AER, the better the return.

Annual percentage rate of charge (APR)

This shows the overall yearly cost of borrowing, taking into account the term, interest rate and other costs.

Annuity

Converts a lump sum (for example your pension fund) into regular income, which is taxable.

AVCs

Additional Voluntary Contributions – a pension top-up for an occupational pension. You pay contributions into a scheme run by your employer to boost your main pension.

Capital

For investments – it's the overall amount of money invested.

For mortgages – it's the amount you borrow.

Compound interest

Interest on the amount you've paid into a savings account plus any interest it has already earned.

Contracting out

The facility to leave the State Second Pension (or SERPS) and build up benefits in a personal pension instead.

Defined-benefit pension scheme

Another name for a salary-related occupational pension scheme, where what you get when you retire depends on your earnings and years of membership of the scheme.

Deferred annuity

An annuity that starts some time in the future, usually at a specified retirement age.

Defined-contribution pension scheme

Another name for a money-purchase occupational pension scheme where you know how much you and (in some cases) your employer contribute.

Direct Debit

An instruction you give to your bank or building society to make regular payments to someone from your account. Unlike a standing order, you agree that the person or firm you are paying can vary this amount each month.

Diversification

Spreading your investments across different asset classes (shares, bonds, property, or cash deposits), or across different types of investments within an asset class.

Disposable income

Amount of money you have left after tax and other expenses.

Early-repayment charge

A charge you may have to pay if you pay back a mortgage early (including if you move to another lender).

Excess

The part of an insurance claim that you have to pay yourself. This might be a compulsory or voluntary excess in exchange for a reduction in premium. Your policy document must state how much this is.

Exclusion

A particular loss or risk that an insurance policy does not cover.

Fixed rate

An interest rate that is fixed (so it doesn't move up or down) for a set period of time.

Gross

The total amount before anything is deducted (for example tax or charges).

Income Tax

A compulsory tax on income. Earnings, pensions and income from investments may be taxed.

Inflation

Inflation happens when prices go up throughout an economy. This means that the same amount of money will buy less each year.

Interest

A charge for borrowing money or a reward for saving money. It is usually shown as a percentage of the amount borrowed or saved.

Liquid assets

Cash or assets that can readily be converted into cash.

Maturity (date)

The date when a debt or policy becomes due for payment.

Net

The total amount after deductions (for example tax or charges).

Pooled investments

A way of putting contributions of various amounts from lots of people into a single investment fund.

Return

The amount you gain by investing or saving your money.

Shares

A stake or share in a company. Also called equities or stocks.

Stakeholder pension

A type of personal pension that has to meet certain standards set by the government.

Stamp Duty Land Tax

A government tax that homebuyers must pay on properties above a set price.

Standing order

An instruction you give to your bank or building society to make regular payments to someone from your account, for example to pay bills. Unlike a Direct Debit, the person or firm you are paying cannot vary this amount – only you can.

Tax year

From 6 April one year till 5 April the following year.

Useful contacts

Money Advice Service

For advice based on your own circumstances or to order other guides

Money Advice Line: 0300 500 5000

Typetalk: 1800 1 0300 500 5000

Calls should cost no more than 01 or 02 UK-wide calls, and are included in inclusive mobile and landline minutes. To help us maintain and improve our service, we may record or monitor calls.

Other Money Advice Service guides

- Credit cards
- Credit unions
- Dealing with your mortgage shortfall
- Getting financial advice
- Insurance
- Making a complaint
- Saving and investing
- Your bank account
- Your pension – it's time to choose

For more titles, call us or go to moneyadviceservice.org.uk/publications

On the Money Advice Service website you can find:

- a **health check** to help you build up some healthy financial habits and reach your goals

- a **budget planner**
- a **loan calculator**
- a **mortgage calculator**
- a **debt test**, and
- **comparison tables**.

Go to moneyadviceservice.org/interactive

There's also information on various other money matters.

Go to moneyadviceservice.org.uk/yourmoney

If you are thinking of starting a family, or already have one, take a look at the **Parent's guide to money** section of our website. It has lots of information, resources and calculators to help you plan, budget and save – see moneyadviceservice.org.uk/parents

Quick guide to the main benefits and entitlements
moneyadviceservice.org.uk/parents/benefits

Or get your free **Parent's guide to money** from your midwife if you're an expectant mum.

Call rates to the following organisations may vary – check with your telephone provider.

Financial Services Authority (FSA)

To check the FSA Register, or to report misleading financial adverts or promotions.

Consumer helpline: 0845 606 1234
Minicom/textphone: 08457 300 104
www.fsa.gov.uk

Tax credits, State benefits and other public-service information

Directgov

Provides information from across UK government departments.

www.direct.gov.uk

Citizens Advice Bureau

See the phone book or this website for your local branch.

www.adviceguide.org.uk

Child Trust Funds

0845 302 1470
www.direct.gov.uk/childtrustfund

Turn2Us Grant Search

0808 802 2000
www.turn2us.org.uk/grants_search.aspx

Pension planning

The Pensions Advisory Service

For information on all types of pensions, and for help with problems or complaints.

0845 601 2923
Women & Pensions: 0845 600 0806
www.pensionsadvisoryservice.org.uk

The Pension Service

For information on State pensions.

0845 731 3233
www.direct.gov.uk/pensions

The Pension Tracing Service

To trace pensions.

0845 600 2537
Minicom/textphone: 0845 300 0169
www.direct.gov.uk/pensiontracing

Pension Forecasting Team

For a State Pension forecast.

0845 300 0168
Minicom/textphone: 0845 300 0169
www.direct.gov.uk/pensionforecast

The Pensions Regulator

For information on work-based pensions.

0870 606 3636
www.thepensionsregulator.gov.uk

Insurance

Association of British Insurers (ABI)

For information on insurance products.

www.abi.org.uk

British Insurance Brokers' Association (BIBA)

Find an insurance broker.

0870 950 1790

www.biba.org.uk

Institute of Insurance Brokers (IIB)

Find an insurance broker.

www.iib-uk.com

European Health Insurance Card (EHIC)

To apply for a European Health Insurance Card.

0845 606 2030 or pick up a form at the Post Office®.

www.ehic.org.uk

Mortgages

Council of Mortgage Lenders (CML)

Leaflet: 'Adverse credit mortgages'

www.cml.org.uk

HM Revenue & Customs (HMRC)

For details about Stamp Duty Land Tax.

0845 603 0135

www.hmrc.gov.uk/sdlt/index.htm

To get your credit rating

Experian Ltd

Customer Support Centre
PO Box 1135
Warrington WA55 1EP

0844 481 8000

www.experian.co.uk

Equifax plc

Credit File Advice Centre
PO Box 1140
Bradford BD1 5US

0844 335 0550

www.equifax.co.uk

Callcredit Ltd

Consumer Services Team
PO Box 491
Leeds LS3 1WZ

0870 060 1414

www.callcredit.co.uk

Finding financial advisers/planners

Unbiased.co.uk

For independent financial advisers or mortgage brokers in your area.

www.unbiased.co.uk

Institute of Financial Planning

For help in planning your finances.

www.financialplanning.org.uk

MyLocalAdviser

For financial advisers in your area.

www.mylocaladviser.co.uk

The Personal Finance Society

For financial advisers in your area.

www.findanadviser.org

Ethical Investment Research Service (EIRIS)

Information about product providers and other sources that provide ethical investments.

www.youethicalmoney.org

Help with debt

AdviceUK

Links to advice services across the UK.

www.adviceuk.org.uk

Citizens Advice Bureau

See phone book or website for local branch.

www.adviceguide.org.uk

Consumer Credit Counselling Service

0800 138 1111

www.cccs.co.uk

National Debtline

0808 808 4000

www.nationaldebtline.co.uk

Money Advice Scotland

0141 572 0237

www.moneyadvicescotland.org.uk

PayPlan

0800 716 239

www.payplan.com

Protecting yourself from identity theft

Home Office's Identity Theft website

Information on identity theft and tips on how to protect yourself.

www.identitytheft.org.uk

Action Fraud

To find out about or to report fraud.

0300 123 2040

www.actionfraud.org.uk

Information Commissioner's Office

Information on how to protect your personal information and how to gain access to official records.

www.ico.gov.uk

Other organisations that can help

The UK Cards Association

Online guide to credit cards.

www.theukcardsassociation.org.uk

Community Legal Advice

Free, confidential and independent legal advice for residents of England and Wales.

0845 345 4345

www.legalservices.gov.uk/public/community_legal_advice.asp

Consumer Focus

Compare costs of gas and electricity.

www.consumerfocus.org.uk

Lenders Compared

For home-collected and other loans.

www.lenderscompared.org.uk

Community Development Finance Association

To get a CDFI loan.

www.cdfa.org.uk

Department for Work and Pensions

To find a Growth Fund lender.

**[www.dwp.gov.uk/
growthfundcontracts](http://www.dwp.gov.uk/growthfundcontracts)**

Taxaid

Free tax advice.

0345 120 3779
www.taxaid.org.uk

HM Revenue & Customs (HMRC)

ISA helpline: 0845 604 1701

Tax on savings interest: 0845 980 0645

www.hmrc.gov.uk/leaflets/isa.htm

The Law Society (England & Wales)

The Law Society's Hall

113 Chancery Lane

London WC2A 1PL

020 7242 1222

www.lawsociety.org.uk

The Law Society of Northern Ireland

96 Victoria Street

Belfast BT1 3GN

028 9023 1614

www.lawsoc-ni.org

The Law Society of Scotland

26 Drumsheugh Gardens

Edinburgh EH3 7YR

0131 226 7411

www.lawscot.org.uk

Directgov

To find out about your legal rights when you buy goods or services.

www.direct.gov.uk/consumer

Directgov – Stop Loan Sharks

Report a loan shark in confidence or for help and advice.

0300 555 2222

www.direct.gov.uk/stoploansharks

OFT Consumer Credit Register

To check a lender is licensed.

0845 722 4499

**[www.oft.gov.uk/
consumercreditregister](http://www.oft.gov.uk/consumercreditregister)**

Complaints and compensation

Financial Ombudsman Service

South Quay Plaza
183 Marsh Wall
London E14 9SR

0800 023 4567 or 0300 123 9123

www.financial-ombudsman.org.uk

E: complaint.info@financial-ombudsman.org.uk

Financial Services Compensation Scheme (FSCS)

7th Floor Lloyds Chambers
Portsoken Street
London E1 8BN

0800 678 1100 or 020 7741 4100

www.fscs.org.uk

E: enquiries@fscs.org.uk

The Registry of Credit Unions and Industrial Provident Societies

For credit unions in Northern Ireland.

Department of Enterprise,
Trade and Investment
1st Floor Waterfront Plaza
8 Laganbank Road
Belfast BT1 3BS

028 9090 5434

www.registrysearch.detini.gov.uk

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moneyadvice.service.org.uk

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