

Community Help & Advice Initiative (CHAI)  
ELS House, 555 Gorgie Road  
Edinburgh EH11 3LE  
Phone: 0131 442 1009

Email: [chai@chaiedinburgh.org.uk](mailto:chai@chaiedinburgh.org.uk)  
Web: [www.chaiedinburgh.org.uk](http://www.chaiedinburgh.org.uk)

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# Financial Inclusion & Capability Service Newsletter



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## ABOUT US

We are a registered Scottish charity providing free and independent advice to people affected by housing, debt and benefit issues in Edinburgh and Midlothian.

Our new **Financial Inclusion and Capability Service (FICS) Project** aims to lift individuals out of financial hardship to prevent the use of illegal and unaffordable sources of credit.

The project is funded by Trading Standards and is delivered by CHAI in conjunction with NHS Lothian.



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## Saving Money with Credit Unions

If you're lucky to have money left over to save at the end of the month, you can **open a savings account** with a bank, building



society or credit union. Interest rates vary greatly, so don't forget to shop around for the best deal. Check out this online savings calculator for further help and advice: [www.moneyadviceservice.org.uk/savingscalc](http://www.moneyadviceservice.org.uk/savingscalc)

Choosing a **credit union** can be a good idea as they also act as ethi-

cal lenders, should you ever need to borrow money. Credit unions make monthly savings a requirement of their loans, which can help people achieve good financial health overtime.

In an ideal world, we would all try to build up an **emergency fund** to cope with unexpected events such as redundancy, or to replace broken household items. Experts recommend three times your monthly spending as a general guide, but even small savings can make a difference in times of crisis.

With credit unions, you can save up as much or as little as you want, weekly, monthly or as often as you wish. You can deposit cash in person in many local branches, shops

or collection points, or have money taken straight from your wages, or from your bank account through direct debit.

Instead of interest, credit unions pay dividends on savings once a year. Depending on performance this can be as much as 8% of the total amount saved by members.

As well as normal savings accounts, credit unions also offer **Christmas savings accounts** which they don't

let you access until November or December. Many people who would otherwise struggle to save money find this a great savings tool, that is well worth investing in.



## Getting Help With Your Debts

If you're struggling with debts, don't suffer alone. Ask for an appointment with one of our money advisers for **free and impartial advice**.

Our trained money advisers will help you draw up a budget and explain the **options** that are available to you to deal with your debts. They will help you identify the best solutions for your situation.

Here are a **few examples** of debt options that might be appropriate for your circumstances:

- ⇒ Negotiating **lower repayment plans** so you can pay less towards your debts each month.
- ⇒ Making a **settlement offer** such as a one-off payment.

- ⇒ **Applying for bankruptcy** to write off your debts. Some people will keep making repayments for up to three years, but others won't have to, depending on income.
- ⇒ **Entering into a formal Debt Arrangement Plan** with the Government's Debt Arrangement Scheme, through which you agree to repay your debts in full but stop accruing interest and charges, while protecting your assets such as your house.



## Budgeting Tips!

### THE BUDGET PLANNER

The budget planner is the first step towards financial health. You can do one yourself by making a list of your bills and outgoings and working out your disposable income. In this issue, we've included a **template** budget planner to help you get started. **Please turn over.**

### CONTACTLESS CARD PAYMENTS

When you budget, you often need to regularly check your bank balance. Be aware that contactless payments don't show on your pending transactions list when you check your online banking or if you get a printout from a cash machine. You need to budget for these payments coming off your bank balance which can take up to 3 working days.

## Your Own Budget Planner

YOUR INCOME	You?	Your partner?	How often do you get this?
Benefits (JSA, ESA, Income Support, Pension Credit etc.)			Weekly / Fortnightly / Monthly / 4-weekly
Disability benefits (DLA, PIP, Attendance Allowance)			Weekly / Fortnightly / Monthly / 4-weekly
Tax credits			Weekly / Fortnightly / Monthly / 4-weekly
Child benefit			Weekly / Fortnightly / Monthly / 4-weekly
Net wages (after tax and NI)			Weekly / Fortnightly / Monthly / 4-weekly
State pension, occupational or private pension			Weekly / Fortnightly / Monthly / 4-weekly
Child maintenance			Weekly / Fortnightly / Monthly / 4-weekly
Student grant, bursary or loan			Weekly / Fortnightly / Monthly / 4-weekly
Boarders or lodgers or contributions from family			Weekly / Fortnightly / Monthly / 4-weekly
Other income?			Weekly / Fortnightly / Monthly / 4-weekly
<b>TOTAL INCOME (A)</b>			
YOUR EXPENDITURE	£		How often do you spend this?
Food (including meals at work)			Weekly / Fortnightly / Monthly / 4-weekly
Cleaning and toiletries			Weekly / Fortnightly / Monthly / 4-weekly
Rent or mortgage			Weekly / Fortnightly / Monthly / 4-weekly
Arrears repayment for rent or mortgage			Weekly / Fortnightly / Monthly / 4-weekly
Council Tax			Weekly / Fortnightly / Monthly / 4-weekly
Electricity			Weekly / Fortnightly / Monthly / 4-weekly
Gas			Weekly / Fortnightly / Monthly / 4-weekly
Phone / satellite TV / internet			Weekly / Fortnightly / Monthly / 4-weekly
Mobile phone			Weekly / Fortnightly / Monthly / 4-weekly
TV licence			Weekly / Fortnightly / Monthly / 4-weekly
Bus fares or travel expenses			Weekly / Fortnightly / Monthly / 4-weekly
Car costs (petrol, MOT, Tax, parking charges etc.)			Weekly / Fortnightly / Monthly / 4-weekly
Car insurance			Weekly / Fortnightly / Monthly / 4-weekly
Life insurance			Weekly / Fortnightly / Monthly / 4-weekly
Contents and/or buildings insurance			Weekly / Fortnightly / Monthly / 4-weekly
Childcare			Weekly / Fortnightly / Monthly / 4-weekly
Children's expenses (school meals, uniforms, trips etc.)			Weekly / Fortnightly / Monthly / 4-weekly
Nappies and baby items			Weekly / Fortnightly / Monthly / 4-weekly
Child maintenance			Weekly / Fortnightly / Monthly / 4-weekly
Clothing and footwear			Weekly / Fortnightly / Monthly / 4-weekly
Haircuts and hairdressing			Weekly / Fortnightly / Monthly / 4-weekly
Alcohol and cigarettes			Weekly / Fortnightly / Monthly / 4-weekly
Health expenses (dentist, glasses, vitamins etc.)			Weekly / Fortnightly / Monthly / 4-weekly
Hire Purchase (e.g. white goods from Brighthouse)			Weekly / Fortnightly / Monthly / 4-weekly
Pets expenses (vets, insurance, food etc.)			Weekly / Fortnightly / Monthly / 4-weekly
Leisure, hobbies, sport (gym membership, lottery etc.)			Weekly / Fortnightly / Monthly / 4-weekly
Newspapers, magazines and books			Weekly / Fortnightly / Monthly / 4-weekly
Gifts (Christmas, birthdays, etc.)			Weekly / Fortnightly / Monthly / 4-weekly
Other items			Weekly / Fortnightly / Monthly / 4-weekly
<b>TOTAL EXPENDITURE (B)</b>			
<b>DISPOSABLE INCOME (A minus B)</b>			