

# Getting on top of your finances.

Local banking  
for Britain



# Feeling financially sorted starts here.

This guide aims to point you in the direction of better money management. You'll find practical advice on everything from debt management and reducing household costs to saving and budgeting.

It's worth setting aside some time to work through the guide at your own pace, completing the different exercises as you go. In each section you'll pick up handy tips for making those small steps towards financial freedom.

Don't forget, you'll find useful tools including calculators and more information at [tsb.co.uk](https://www.tsb.co.uk) And our branch partners will be able to help with any queries you have about money management. They're always happy to help.

What's inside?	Page
Taking stock is the first step towards financial peace of mind	4-5
Dealing with debt is easier than you think... it just takes a little bit of determination	6-7
Budget planner	8-9
Managing the day-to-day... until next payday	10-13
Borrowing well with us	14-16
Get the ball rolling...	17
We recommend these helpful people if you need some more advice	18
Seven small steps towards financial peace of mind	19

# Taking stock is the first step towards financial peace of mind.

If you don't feel in control of your finances, or are just worried about not having enough money, then your first step is to take stock of your situation. Think of it as a financial MOT.

Taking an in-depth look at your finances doesn't just mean going through all your receipts, it involves an honest look at your money habits and lifestyle too. By tackling things now, you could be much better off in the long run – both financially and emotionally.

## Take stock with our quick questionnaire

The more boxes you tick, the more relevant that particular section is to you and your money.

- Do you tend to pay only the minimum amount due on your credit cards each month?
- Are you unsure exactly how much you owe?
- Do you borrow from friends and family without knowing when you can pay them back?

The **Dealing with debt** pages can help you work out what you owe and see which debts should be tackled first.

- Do you see your spending limit as your overdraft limit, rather than when your account balance hits zero?
- Would you like to keep a better handle on what you spend each month?
- Do you find that you've spent all of your salary soon after payday?

The **Budget planner** section is good for getting a tighter grip on your spending and making those last days of the month that little bit easier.

- Do you avoid looking at your statements?
- Do you forget when your Direct Debits and standing orders fall?
- Do you avoid checking your account balance?
- Do you pay unplanned bank or credit card charges?

In the **Managing the day-to-day** section you'll learn about putting good financial management into practice. This will leave you feeling more in control and freer to plan for the things you've always wanted.

- Could you be adding to your debts by using the wrong sort of credit?
- Is meeting monthly repayments a stretch?
- Have you borrowed money across lots of different loans and cards?

Our **Borrowing well** pages help make sure you're using the right kind of credit and not paying too much when you do.

Taking the time to review your money means you have a better idea of where you stand. It breaks down your finances into manageable parts; what you save, what you spend and what you owe. As you'll see over the page, dealing with any debt is an essential part of managing your money.

# Dealing with debt is easier than you think... it just takes a little bit of determination.

If you have existing debts, there's no better time to deal with them than now. Ignoring the problem might be tempting but won't make it go away.

This section will help you face facts by encouraging you to jot down any debts you may have. Don't be alarmed if it's more than you thought. We can offer you help and information to get on top of it.

## Useful steps

- Start filling in the table opposite so you can see all your debts in one place. It'll help to have bank statements and credit card bills at hand so you can make a note of the interest rates.
- Try not to put off talking to the people you owe money to, including your bank. It's actually in their interest to help you, so let them know early on that you're struggling to make your repayments. They may be able to help you manage them better.
- Talk to friends and family to find out how they manage their money. If you know someone in the same boat, perhaps you can motivate each other to become debt-free.
- And don't forget to talk to the experts. At TSB our branch partners will be able to help with any queries you have about money management, and help you get a firmer financial footing.

## Get a clearer picture of your debts – it's time well spent

Who you owe	% interest	How much in total	Monthly repayment	Debt cleared each month
<b>Totals</b>				

## Starting to pay them off

- Start by looking at your spending to see where you can free up extra money to put towards paying off your debt.
- Reducing the amount of interest you pay can help, so look into moving debts from high interest rates to lower ones, if you can.
- Bringing different debts together on one card or loan can make them easier to manage.
- If you have any savings, check whether you'd be better off using them to repay your debt. Just compare the interest you earn on your savings to the interest you're paying on what you've borrowed.

By filling in this table you should have a clearer idea of where you stand with your debts and how much they cost you each month. But how well do you know the ins and outs of your monthly cash flow? The best way to see exactly where your money goes is by preparing a budget.

# Budget planner.

This useful tool makes planning a budget easy. Enter the details of your monthly income and outgoings. It'll show you exactly what you're spending, and where it's going. You'll also be able to see how much you have left at the end of each month. It's important to be honest and realistic when you fill out the planner.

## A What is coming in

Your net salary (what you take home)		Income/Employment support	
Your partner's net salary (what they take home)		Incapacity benefit/Sick pay	
Overtime, bonuses and commission		Child benefits	
Pension (state/private)		Other benefits (carer's allowance)	
Maintenance or child support		Tax credits (child and/or working)	
Job seeker's allowance		Investments/Interest	
Disability allowance		Other income (for example, tenant's rent)	
		<b>Total A</b>	£

## B What is going out (essential spending)

Mortgage/Rent		TV rental and licence	
Other secured loans		Buildings and contents insurance	
Mortgage endowment/Mortgage PPI		Essential house repair and maintenance	
Life insurance and medical insurance		School meals/Meals at work	
Pension		Essential clothing and footwear	
Shopping (including food, milk, baby items but not alcohol)		Essential health costs (for example, dentist)	
Childcare and adult care costs		Court fines	
Maintenance or child support		Public transport (for example, season ticket)	
Council tax		Car insurance, road tax and breakdown cover	
Gas, coal, oil		Fuel and parking	
Electricity		Vehicle maintenance (including MOT and servicing)	
Telephone, mobile phone and Internet (including insurance, rental)		Other essential spending (not including debts or arrears)	
Water rates		<b>Total B</b>	£

## C Utility arrears:

Who are you in arrears with? Here you can record the details of any utilities payments you've fallen behind on, such as your council tax or gas/electricity.

Name	Monthly payment	Total utilities arrears
<b>Total C</b>	£	£

## D Debts:

Who do you have debts with? Here you can record the details of any outstanding debts you have, such as loans or credit cards.

Name	Monthly payment	Total debts
<b>Total D</b>	£	£

If you are not making any payments on any debts or arrears, divide the total amount owed by six and enter this amount in the monthly payment column. This will help give you an idea of how much your monthly repayments will be over a six month period.

## E Discretionary spending

Television subscriptions	
Vets' bills, pet insurance	
Personal grooming (for example, haircuts, nails)	
Non-essential house maintenance and decoration	
Regular savings	
Gifts (Christmas, birthdays)	
Children's activities	
Holidays (including travel insurance and spending)	
Leisure (for example, eating out, cinema)	
Membership fees	
Sundries (including alcohol, cigarettes, lottery/gambling)	
Fee paying banking services	
Other (for example, non-essential clothing)	
<b>Total E</b>	£

## What is coming in

**Total A** £

## What is going out

(For Total C and D use the total monthly payment figure)

**Total B** £

**Total C** £

**Total D** £

**Total E** £

**Total going out** £

## Your monthly disposable income

**Total A** £

**Total going out** £

**Total monthly disposable income (Total A minus Total going out)** £

# Managing the day-to-day... until next payday.

Day-to-day money management means knowing when you have money, what you have to pay for and when you need to be that little bit careful. Being good with your money doesn't mean thinking about it every minute of the day. It's just a case of planning ahead.

1 Payday.	2 Pay your bills with Direct Debits and standing orders.	3 Once you've met all your commitments, use a standing order to transfer money to your savings or towards any debt.	4
8	9	10	11
15	16	17	18
22	23	24	25
29	30	31 Anything left over? Transfer it to your savings account or put it towards paying off any debts.	

5 Check your balance. Is it what you expected?	6	7
12 Check your balance. Is it what you expected?	13	14
19 Check your balance. Is it what you expected?	20	21
26 Check your balance. Is it what you expected?	27	28

Remember, you can speak to your bank about a Planned Overdraft at anytime if you feel you need one.

## Plan your spending to the end of the month

Try using our diary to work out what you need to spend and when. Start with day 1 – payday – and jot down when your Direct Debits, standing orders and any other key payments go out. You'll be able to work out how much you should have left on any given day. Try checking your account balance on that day to see how close you are.

### Useful steps

Get into the habit of checking your balance. You can do this through Internet Banking, Mobile Banking, over the phone, in a branch and at most cash machines – whatever suits you best. To make life easier, try popping your bank's telephone number in your phone, and their website in your favourites. That way they're always at your fingertips. Our details are **03459 758 758** and [tsb.co.uk](https://www.tsb.co.uk)

If you know when you'll have the most money in your account, move Direct Debits and standing orders to pay your bills at that time.

Paying with cash or debit cards means the money comes out of your account almost instantly – whereas cheques can take a few days. This makes it harder to know where you stand when you check your balance.

### Take Control

Our Cash Account is a basic banking account that offers everyday banking. You get all our standard features but without the access to Planned Overdrafts, loans or cheque books. You can withdraw your cash from any cash machine in the UK and abroad that are part of the LINK or VISA network.

Or, if you have our Classic Account you can add Control for £10 per month which helps you take charge of your money by stopping your account from going into Unplanned Overdraft. Control stops transactions when there is not enough money in your Classic Account. This means your mortgage or rent, loan and credit card repayments and utility bills won't be paid if they would take you over your limit. When there's money or credit available in your account, transactions will go through exactly as normal. However, if you try to pay for something when there's not enough money in your Classic Account to cover it, Control will automatically stop the transaction going ahead\*.

\*There are some exceptions if you perform a transaction where your account cannot be checked. For example, if you've used your Visa debit card and the retailer does not check with us, such as where the transaction amount is below a limit set by them or you use your Visa debit card where the retailer can't check with us – like on a plane. Although this could place you into an overdraft we won't charge you the daily and monthly fees although we will charge you interest and the Planned Overdraft Usage Fee.

## Stay safe and secure

Identity fraud, or the theft of your personal or financial details, is one of the UK's fastest growing crimes. Keeping your details private is the best way to guard against it:

- Shred post and paperwork that you want to get rid of that contains any personal information.
- Read your bank statements carefully. If there's anything you don't recognise, check with your bank.
- Destroy old cards safely by cutting through the chip and magnetic strip.
- A good password should be longer than seven characters and contain a mix of letters and numbers. You should also avoid using your name, username or something too obvious as a password. Remember to use different passwords for logging in to different sites and you should change your passwords regularly.

If you stick to your budget then you should be fine, but there may be times when things get tight. If you need help to tide you over until the end of the month, make sure you choose the right type of credit. Find out how over the page.



# Borrowing well with us.

When you borrow money, it's important to use the right sort of credit. Get it wrong and you could end up paying more than you need.

Have a look at what you owe. Did you borrow money to tide you over one month? Or to help pay for something big? There are different types of credit for different circumstances – and some are easier to manage than others.

## Shorter term – flexible but more expensive

### End of the month

#### Short-term borrowing with an overdraft

An overdraft can be used to borrow money through your current account. If your expenses are higher than usual it can help tide you over until your next payday. It is a convenient and flexible way to manage your spending, and once agreed is immediately available. An overdraft can be Planned or Unplanned. For a Planned Overdraft you agree a maximum borrowing limit in advance. An Unplanned Overdraft is where you use more money than you have in your bank account without asking first. If you use your overdraft, you'll pay a monthly usage fee and interest on the balance – but an Unplanned Overdraft will cost you more as you'll also pay a daily fee.

### Few months

#### Flexible credit cards

Another flexible form of borrowing is a credit card. A credit card can help you manage your money by spreading the cost of your everyday spending and also allows you to transfer balances from other credit or store cards. You can choose how much of your balance to pay off each month – from the minimum payment to the full balance – and you can even set up a monthly Direct Debit for an amount that suits you.

## Longer term – fixed but less expensive than short term

### One year and over

#### Loans for long-term borrowing

When you want to put your plans into action now and pay money back over a longer term, a loan can help. Best reserved for buying big items, such as a car, or for consolidating other forms of debt into one manageable payment. A fixed-rate loan lets you pay back a certain amount each month. Because your repayments stay the same, they're easier to budget for.

The cost of credit can soon mount up, so only borrow if you know you can make the repayments now and for the whole term of the loan. Use your budget to double-check and make a note of when the repayments are due on your monthly plan.



## Making debts easier to manage

Keeping track of one debt is easier than juggling lots of different ones. So you may feel more in control by bringing your debts altogether in one place, for example with a personal loan. This is sometimes called consolidation.

A personal loan can sometimes be cheaper than overdrafts, store cards and credit cards, so your monthly repayments could well be lower than what you'd been paying before. And by having fixed payments each month, it can be easier to budget for. You could even reduce your monthly payment by extending the length of your loan. Please be aware, though, that paying off any debt over a longer period of time means the interest will add up, so you may pay more overall. Look out for special 0% balance transfer rates, too, which can be used to consolidate your credit and store card debt on one single, low rate credit card. If you do decide to use a 0% balance transfer offer to consolidate your existing credit and store card debt you should close down your original cards and not spend on the new card.

Consolidation can be a very effective way of clearing your debts, but it's important to get it right and make sure you don't accumulate any extra debt in the process. Ask a financial advisor or a TSB branch partner to help you.

## Your credit score and why it matters

Before a bank or credit card company decide to lend you money, they'll look at your credit score. The higher your score, the better your chances (and the lower the interest you'll pay). Everyone's entitled to see their credit score – in fact, you're strongly encouraged to do so. Get a copy and check all the information's correct; if anything's wrong, you'll have the chance to put it right. The three main credit agencies to contact are Equifax, Experian and Callcredit.

## Improve your score

It's strange but true. If you haven't used credit before, you're automatically given a low score. So to prove your creditworthiness, you could apply for a credit card, only spend a small amount on it each month, and pay it off regularly. Your score will soon improve.

- Don't apply for lots of credit at once. Lenders will wonder why, and reduce your score.
- Show that you're stable and genuine by making sure you're on the electoral roll. Being in regular employment can help, too.
- Cancel all unused cards and bank accounts so there aren't lots of things open in your name.
- Keep on top of your repayments.
- Have you ever been involved with someone who was bad with money? Write to the credit agencies and ask for a 'Notice of Disassociation' so you're not affected by their bad reputation.

# Get the ball rolling.

## Where do I go from here?

Getting on top of your finances seems simple when you read about it, but when it comes to putting theory into practice it can be difficult. To make things easier, we've provided some useful tips to get the ball rolling.

## Work through our handy action plan

- 1  Talk to friends and family to find out how they manage their money. Offer support to anyone in the same situation and ask them to do the same for you.
- 2  Give yourself the time and space you need to reread this guide, working through the different tasks and questions.
- 3  Once you've finished, write down five practical things you'll do to get started. Put dates in your diary to do them over the next two weeks. Give yourself a small reward for doing them.
- 4  Another date for the diary; review your plans in two weeks' time.
- 5  And remember, you don't have to go it alone. There's always expert advice and support from our branch partners.

## Think positively

### Make it meaningful

Work out what 'getting on top of your finances' means to you. Ask yourself, 'What can't I do now that I could if I was financially sorted?' Make this your goal, and keep it in mind whenever you're feeling tempted to splash out.

### Say it aloud

It sounds strange, but just talking about your plans and goals with other people makes them more real, and you more determined.

### Set a date

A great way to motivate yourself is to set a debt-free date. Once you've worked out your plan using this guide, you should have an idea of when you'll be back on top of things. Write it on the calendar now, and check your progress regularly. Are you on track? If not, how can you catch up?

# We recommend these helpful people if you need some more advice.

## Can we help?

Talk to us about any financial problems you may be facing. You can either drop into a branch, or call **03459 758 758** to make an appointment with a branch partner in the branch.

## Money Advice Service

Go to the 'Money advice service' pages at [www.moneyadvice.service.org.uk](http://www.moneyadvice.service.org.uk) or try their Consumer Helpline on **0300 500 5000** (calls cost the same as a normal call, if your calls are free, it's included), between 8am and 8pm Monday to Friday, 9am to 1pm Saturday, or Typetalk on **18001 0300 500 5000**

## Citizens Advice Bureau

They provide free, confidential, impartial information and advice on a wide range of debt and benefits issues face to face. For your nearest Citizens Advice Bureau, check your local phone book or Yellow Pages. Or go to [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk) for England and Wales or [www.cas.org.uk](http://www.cas.org.uk) for Scotland.

## The National Debtline

This is a national telephone helpline for people struggling with debt. National Debtline can also send you a free debt advice pack, with guidance on completing a personal budget, samples of letters to creditors, and information on legal questions connected with debt.

Call National Debtline on **0808 808 4000**, 9am to 9pm Monday to Friday and 9.30am to 1pm Saturday or go to [www.nationaldebtline.org](http://www.nationaldebtline.org)

## AdviceUK

This is a network that supports free advice providers and can give details of your nearest debt advice centre. Call AdviceUK on **0300 777 0107** or **0300 777 0108**, 8.30am to 5pm Monday to Friday.

## Your local council

Many local authorities offer debt advice services. To call and check with yours, look under Local Government in the phone book.

## Job Centre

For enquiries about benefits, look under Job Centre in the phone book or visit [www.gov.uk/contact-jobcentre-plus](http://www.gov.uk/contact-jobcentre-plus) for your nearest office.

## The Pension Service

For pension enquiries call **0800 731 7898**, 8am to 6pm Monday to Friday (except public holidays) or visit [www.thepensionservice.gov.uk](http://www.thepensionservice.gov.uk)

## Credit reference agencies

There are three main credit reference agencies to contact for your credit report:

**Equifax** [www.equifax.co.uk](http://www.equifax.co.uk)  
**Experian** [www.experian.co.uk](http://www.experian.co.uk)  
**Callcredit** [www.callcredit.co.uk](http://www.callcredit.co.uk)

# Seven small steps to financial peace of mind.

- 1 Face facts** – be honest with yourself about how much you're currently spending.
- 2 Make a budget and stick to it** – remember it's all about spending less than you earn.
- 3 Don't ignore debts** – the longer you leave them, the harder they are to sort out.
- 4 Plan ahead** – start saving for the times when you have to pay for something unexpected.
- 5 Keep good habits** – lots of little changes to your lifestyle can add up to big savings.
- 6 Talk about it** – there is a lot of free advice if you need it.
- 7 No more worries** – sorting out your finances will make you happier and free to do the things you most want out of life.

We hope you've found this guide useful. If you'd like to find out more about any of the products and services we've talked about, visit us online at [tsb.co.uk](http://tsb.co.uk) or ask in your local branch.



## Other ways we can help...

For everything from current accounts and loans to mortgages, savings and credit cards, we're here to help. Just go online, ask a member of our team or pick up a brochure in branch.

**Call** 03459 758 758  
**Click** [tsb.co.uk](http://tsb.co.uk)  
**Visit** Drop into your local branch

If you'd like this in another format such as large print, Braille or audio please ask in branch.

If you have a hearing or speech impairment you can use Text Relay (previously Tynetalk) or Textphone on **0345 835 3843** (lines are open 24 hours a day, seven days a week).

TSB cannot accept responsibility for any advice given on third party sites referred to throughout this guide.

How much we lend and the rate available are subject to our assessment of your circumstances. You must be 18 or over and a UK resident. Overdrafts are also repayable in full on demand.

Calls may be monitored or recorded. If you need to call us from abroad, or prefer not to use our **0345** number, you can also call us on **0203 284 1575**. Not all Telephone Banking services are available 24 hours a day, seven days a week. Please speak to an advisor for more information.

TSB Bank plc. Registered Office: Henry Duncan House, 120 George Street, Edinburgh EH2 4LH. Registered in Scotland No. SC95237. Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority under registration number 191240. We subscribe to the Lending Code; copies of the Code can be obtained from [www.lendingstandardsboard.org.uk](http://www.lendingstandardsboard.org.uk)

TSB Bank plc is covered by the Financial Services Compensation Scheme and the Financial Ombudsman Service.

Information correct as at February 2015.

FSC  
Logo Area

Local banking  
for Britain

