

Useful Phone Numbers

Rochdale Citizens Advice Bureau
01706-666676 (book an appointment)

CAB Advice line **0844-499-1191**

Rochdale Council Advice Service
01706-923513

Rochdale Law Centre **01706-657766**

Consumer Direct **08454-04-05-06**
(how to complain)

Stop Loan Sharks (Directgov)
0300-555-222

Consumer Credit Counselling Service
0800-138-1111

National Debtline **0808-808-4000**

Benefit Enquiry Line **0845 608 8523**

Useful Websites

GENERAL

www.rbhousing.org.uk

All about RBH services. Also an online benefit calculator – check if you're entitled to Housing or Council Tax Benefit.

www.consumerfocus.org.uk

Consumer rights site – mainly about energy suppliers. Lists approved energy supplier comparison sites. Advice on complaining.

TheSite.org

Advice for 16-25s on 'the real world'. V good. V clear. Has Q&A section too. Clear advice on money.

MONEY ADVICE

www.direct.gov.uk

Government site. Comprehensive & clear guide to all public services in one place. Sections on education, money, work, benefits, health, your rights etc.

www.moneymadeclear.org.uk

'No selling. No jargon. Just the facts.' Does what it says. Very clear & all about money – saving, spending, managing it.

www.creditaction.org.uk

Get out / stay out of debt. Free downloadable money manuals

COMPARE ENERGY SUPPLIERS

www.uswitch.com

Compare & switch suppliers. One of the longest established.

www.switchwithwhich.co.uk

Consumer champions for years.

www.moneysupermarket.com

Compare energy suppliers & a whole range of utilities & products.

www.ebico.co.uk

A not-for-profit energy supplier – offers a good deal for pre-payment customers.

FOOD

www.mysupermarket.com

Compares prices & gives inside tips.

www.lovefoodhatewaste.com

All sorts of info on food shopping, storing & cooking. Healthy eating on a budget. Tips on saving time & money.

USEFUL PAPERBACKS

The Leaving Home Survival Guide by Nicola Morgan

The Teenagers Guide To Money by Jonathan Self

The Three most Important lessons You've never Been Taught by Martin Lewis



Rochdale
Boroughwide Housing

Delivering Excellent Services -
Building Stronger Communities

Your Move

A guide for young people
setting up home for the first time

Issue Two



What this booklet is for

This booklet is designed to provide advice and useful information on running your own home.

You may not have set up or run your own home before. It's not the sort of thing you know how to do until you do it. Hopefully this booklet will help you understand what you need to start off, the costs involved and help available.

To really enjoy your new home, it is important to plan and the earlier you start to plan the better. Getting it right from the start will make it easier to manage.

If you need any further information, or if you have any suggestions of your own that you think might be helpful to others, please get in touch with the Money Matters Team at RBH on 01706-273935 or email us at moneymatters@rbhousing.org.uk. There is a prize for any suggestions we feature in the tenants' newsletter.

Best of luck.

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Jargon Buster

Account balance	The exact amount of money in an account
APR	Annual Percentage Rate. Shows the total cost of borrowing taking into account interest, length of loan, frequency and amount of payments and fees.
Assets	Things of value owned by someone
ATM	Automated Teller Machine. Hole in the wall cashpoint
Bank charges	Anything a bank can get away with charging you. Always worth challenging. Best avoided.
Collateral	The assets you borrow against. What a lender can take off you if you don't pay.
Compound interest	Interest on top of interest. It accelerates debt. If you don't pay the interest, you pay interest on the interest you didn't pay and so on.
Credit card	A card used to borrow money or pay for purchases.
Creditor	Someone you owe money to
Credit rating	An evaluation of your ability to pay
Credit report	All sorts of info credit reference agencies collect about you. You have a right to see it and question it.
Debit card	Payment card where the money comes straight out of your bank account
Default	Failure to pay a debt
Direct debit	Regular payments taken out of your bank account on an agreed date. Spreads and evens out the costs
Guarantor	Someone who guarantees payments by another and who is liable if they don't pay
Hire purchase	A form of credit involving a down payment followed by regular monthly payments. Until the final payment, the user doesn't own the goods

Home credit	Overpriced doorstep lending
Inflation	Rising prices
ISA	Individual Savings Account with tax advantages
Interest	What lenders charge you to borrow money
kWh	Kilowatt hour. A standard unit of energy by which we are charged for gas and electricity.
Liability	A debt owed by one person to another
Minimum payments	The minimum you have to pay each month on the credit card bill. Designed to keep you in debt longer and make more money out of you. See compound interest.
Net pay	Pay after deductions. Take home pay.
Optional service cover	Added on to hire purchase agreements to inflate the price. Not worth the money.
Outstanding balance	What you still owe on a bill
Overdrawn	When you spend more than there is in your account and they get to charge you bank charges.
PIN	Personal Identification Number. Security code for credit and debit cards.
Principal	The amount of money borrowed, loaned or invested
Sort code	Six digit number bottom left of your debit card and cheque book. Identifies the bank and the branch where an account is held.
Store card	Type of credit card that you can only use in certain shops and costs more.
Utilities	Gas, electricity, water, phone etc.

Startup costs - making a home

What do I need?

The earlier you think about this question, the better. Many people move in without a proper plan or only half a plan and hope it'll be OK on the day.

Feedback from people whose tenancy didn't work out includes 'I didn't turn my flat into a home' and 'the debts piled up and I couldn't handle it, so I left.'

So if you've got the money or goods ready to turn your flat into a home as soon as possible, you're already well on the way to making a success of your tenancy.

How much will it cost?

For a small flat, you'll need about £1,000 worth of stuff. For a 2 bed house, about £1,500. But that's only a rough estimate based on high street prices. You need to price it all up for yourself.

Moving-in budget

Not as complicated as it might sound. A budget starts with a list. You need to add up how much money you have got or can get - to give you a total amount you can spend. You then need to make a list of things you want. Often, what you want will not always be the same as what you actually need and can afford. So give each item a priority. We suggest the following.

Priority 1 - absolutely basic – without these, don't even think about moving.

- Bed
- Bedding, towels etc
- Cooker / microwave
- Kettle
- Toaster
- Fridge

Priority 2 - you really need these to make a home

- Furniture – chairs, table, etc
- Carpets
- Curtains
- Fridge – freezer
- Washing machine
- A full set of kitchen stuff – pots, pans, utensils
- Television



Priority 3 – Nice but could wait – anything else.

Then you price everything up. Don't just check out high street shops and megastores, also check out

- The internet
- Supermarkets – for cheap small electricals, crockery, bedding, kitchen stuff etc
- Furniture re-use organisations
- Charity shops
- Reconditioned electrical dealers
- Family & friends – is anyone getting a new washer and is the old one still working?

How does it all look? Can you afford it?

What you're aiming for is to get all your priority 1s – without borrowing if possible. If you are struggling to make ends meet to get the basics before you have a tenancy, can you wait a little while and save up? If you're happy with your budget to get the basics, move on to your priority 2s and so on. Very few people start off with everything they want. Can you get enough to get by with until you get settled?

You'll start with a list and end up with a budget for moving in.



How much does it cost to run a tenancy?

This varies with tenancy and tenant. But there are certain expenses that are common to all households and some are unavoidable. We have put typical average weekly costs in the table below.

Single person	STUDIO FLAT		ONE BED FLAT		TWO BED HOUSE	
Per week		With full housing & council tax benefit		With full housing & council tax benefit		With full housing & council tax benefit
Rent	£49.70		£56.50		£64.50	
Water charge	£5.40	£5.40	£6.30	£6.30	£6.30	£6.30
Council tax (with single person 25% discount)	£14.26		£14.26		£14.26	
Gas / electric	£11.00	£11.00	£13.00	£13.00	£23.00	£23.00
TV licence	£5.60	£5.60	£5.60	£5.60	£5.60	£5.60
TOTAL	£85.96	£22.00	£95.66	£24.90	£113.66	£34.90

If you were receiving benefit of £51.85 per week, and renting a studio flat, you would have **£29.85** left over for food, cleaning, travel, clothes, phone and entertainment.

If you were receiving the minimum wage of £4.83 an hour for a 40 hour week, that would come to £193.19 before tax & national insurance. If you're on standard tax code 647L & standard national insurance, your stoppages would be **£22.90**, leaving you with **£170.30** take home pay. So if you were renting a one bed flat, you would have **£74.64** left over for food, travel, clothes etc



RENT, WATER CHARGE and COUNCIL TAX

RENT and WATER

A studio flat (bedsit) is the cheapest type of property available to rent and run.

Full rent (including water charge) is about £55.10 per week.

Water charge alone is £5.40 on average

The rent for a one-bed flat (including water) will be £61.00 - £64.00

Water charge alone £5.50 - £7.20.

2 bed accommodation ranges from £64.25 (including water) for a 2 bed flat up to £72.20 for a house. The water charges range from £6.00 – £9.00

RBH collects the water charge with the rent. It might be possible to claim housing benefit for the rent, but the water charge always has to be paid in full.

How to pay your rent:-

You can pay your rent by direct debit (monthly), standing order, online payment, over the phone, at post offices and paypoint outlets.

Failure to pay your rent could result in you being evicted from your property.

Council tax

The full charge for a Band A property (the cheapest) for the council tax year 2010-2011 is £988.24 weekly £19.00. With a single person discount, that becomes £741.18 per year £14.26 weekly.

How to pay your council tax:-

Ways to pay include direct debit (yearly, half-yearly, quarterly, monthly, fortnightly & weekly), standing order, via online payments, over the phone (automated payments line 01706-926180), at post offices and paypoint outlets

When you take up a tenancy, you will receive a bill from the Council. The amount you have to pay will be worked out, with payment details set out on the bill. Council tax is due monthly by the 10th of each month. The easiest way to pay is by direct debit. You can set one up by ringing the number on the bill. If you pay by direct debit, you can pay on 1st, 9th, 15th or 25th of the month – whichever is best for your payday.

Whichever way you decide to pay, be sure to ring and arrange it with the Council Tax payments section so they know what you are doing.

Tel **0845-121-2970**

If you are in receipt of state benefits or on a very low income, you will be able to claim Council Tax benefit.

Failure to pay your council tax could result in deductions from your wages/benefits, seizure of goods by Bailiffs or as a last resort-imprisonment.

FOOD and HOUSEHOLD EXPENSES

DID YOU KNOW

It can cost a single person between £37 - £50 per week for food and household expenses (toiletries, cleaning stuff, newspapers, entertainment etc)

For a couple, that's £62 - £78 per week.

Each child costs £20 - £35 per week.

Healthy eating on a budget

You can still get your recommended five portions of fruit or veg a day without busting the budget. Shop around and plan.

- You don't need to buy top-of-the-range products to get the nutritional benefits of fruit and veg. Buying from supermarket budget ranges is a great way to save. The main difference between these and standard fruit and veg is usually only their appearance.
- Try to buy food when it's in season – it tastes better and it's cheaper.
- Try canned fruit or frozen vegetables, which can be cheaper than and just as nutritious as fresh.
- Also, some supermarkets do a Super Six promotion on fruit and veg.

More top tips

- Plan your meals ahead to avoid costly impulse buys.
- Stick to a list of what you 'need', you'll be less likely to buy extra products.
- Check out stores own brands, they may be cheaper than well-known ones

- Buy starchy foods in bulk (rice, pasta etc).
- Make meals from scratch rather than buying processed foods.
- Look for the cheapest prices rather than the largest discount.
- Shop with a friend and share the Buy one get one frees (BOGOFs)
- Think how and when you are going to use all of the food you buy – ONLY BUY WHAT YOU NEED. Cutting out waste saves you money. The UK chucks away 7 million slices of bread a day.
- Regularly check the use-by-dates of the foods in your fridge, so you can use up items before they go out of date.
- Get to know your local supermarkets and find out when things get reduced.
- 'Use by': Never eat products after this date, and follow the storage instructions.
- 'Best before': These dates refer to quality rather than food safety. Foods with a best before date should be safe to eat after the 'best before' date, but they may no longer be at their best. One exception is eggs - never eat eggs after the 'best before' date.



PAYING FOR GAS and ELECTRICITY

How Much?

This is the bill that varies the most. How much you might have to pay will vary depending on:

- The size of your home.
- The time of year.
- Which supplier you are with.
- Different tariffs going up and down.
- How many appliances you run.
- How you pay.

Guideline amounts

Consumer Focus is a government funded customer organisation. It collects figures on gas and electricity usage. Based on its figures for usage and on the latest tariffs (as at April 2010), typical amounts would be:



	Usage as defined by Consumer Focus	Kilowatt hours (yearly)	Average annual bill
Gas	Low	10,000	£400
	Medium	20,500	£730
Electricity	Low	1,650	£210
	Medium	3,300	£400
Economy 7 Electricity	Low	3,300	£350
	Medium	6,600	£650

How much per week? Obviously, you could divide by 52. But that's only an average figure – in winter it would be much higher, in summer lower. Also, the supplier you use and the way you pay can alter the cost.

How to pay?

It pays to shop around. When you first move in to a property, your supplier will be the company that supplied the previous tenant. But once you've settled in, it's well worth shopping around & thinking about switching.

Things to consider are:

- Prepayment meters mean you pay as you go & some people find they help with budgeting. That said, you generally pay more per unit with prepayment meters than if you pay by direct debit and it can be inconvenient when it runs out.
- Prepayment customers could be better off with EBICO. This firm is a not-for-profit supplier that charges the same to all its customers, regardless of method of payment.
- Instead of a prepayment meter, you can pay as you go with a swipe card. You get a quarterly bill, but you can pay up front weekly before you get your bill.
- The biggest savings are to be made by setting up a monthly direct debit & you can save even more if you manage your account online.
- You can find out the best deal for you by checking out one or more of the utility switch sites like uSwitch, Energylinx or Moneysupermarket.

Failure to pay?

Failure to pay your gas or electricity could result in your supply being cut-off.



TV LICENCE

The telly isn't free. A full colour licence costs £145.50. If you don't get a licence & get caught, it could cost up to £1,000 in fines. On top of that you would still have to pay for the licence.

You can pay by:

- TV Licensing savings card
- Paypoint outlet
- Cash payment plan
- Cheque
- Direct Debit
- Credit or debit card

You can apply for a licence online or over the phone just ring 0844-800-6790

If you ask for a weekly payment plan, it will cost about £5.60 a week. Once you join the plan, you'll be sent a payment card & a schedule showing how much to pay towards your TV Licence and when.

If you pay weekly, you'll pay for your first TV Licence over six months in 26 weekly payments. After this, you can move to fortnightly payments towards your next TV Licence.



PHONES and BROADBAND

Home phone

The market is very competitive and it's worth shopping around to compare deals. BT is still the main provider, and if there is a landline in the property, it is likely to be BT's. Their current price for connecting a telephone line to your property is £124.99 (they reduce this if you sign up for a broadband package for using the internet as well)

If you take over an existing live BT phone line, there is no charge. To check if the property already has a BT line in, look for a white phone socket with a BT logo. To check if the line is still live, phone 0800-800-150. If the previous tenant got disconnected, there still might be a reconnection charge.

Line rental varies, but the maximum comes out at £14.29 per month.

You won't have to stay with BT. Check out the best deal on landline phone services by visiting one of the price comparison websites.

Broadband

You don't necessarily have to have a landline to have broadband. You can now get mobile broadband in most areas and with some providers you can get pay-as-you-go (PAYG) mobile broadband. You don't need to sign up for any contracts and get locked in to expensive deals. You can buy a PAYG USB stick and only pay for the days you need - £2.00 a day, £7.00 a week, £15.00 a month. So if you're suddenly skint, you stop using it and stop paying.

Mobile phone

Debt with mobile phone companies is a growing problem with young people. How do you decide what's best for you and stay in control?

- You can get complicated and analyse your usage and compare deals by going to billmonitor.com – a price comparison calculator approved by Ofcom.
- You can keep it a bit simpler and weigh it up yourself by using Consumerfocus's guide – see below



Contract	Pay-as-you-go
<p>Pros</p> <ul style="list-style-type: none"> Phone is often free or subsidised with a number of inclusive minutes and texts each month Pay monthly via direct debit – same cost each month if you stay within your allowance Wider choice of packages <p>Cons</p> <ul style="list-style-type: none"> You may be tied in to a longer 18-24 month contract, especially if you want an expensive handset like the iPhone Costs could be high if you don't keep on top of what calls you've made 	<p>Pros</p> <ul style="list-style-type: none"> 'Top-up' your phone by buying credits before making calls or sending texts - this can help you budget more easily You can change or end your deal any time Ideal if you don't make many calls <p>Cons</p> <ul style="list-style-type: none"> Cost of calls may be higher than on contracts Downloading may also be more expensive You'll have to buy a handset unless you already own one

- Simpler still – just stick to pay-as-you-go and you won't slip up.
- Simplest of all – you can speak to your friends for free if you pop round to see them and don't use the phone.

INSURANCE

What is insurance?

You pay an amount of money (premium) up front. A company agrees to 'cover' a specific item or disaster. If nothing happens, the company keeps your money. If something does happen, they pay you an agreed amount (subject to the small print)

What can you insure?

- Contents and possessions – your furniture, TV, clothes etc – against fire, theft, flood and accidental damage. RBH have arranged a scheme with a major insurance firm. £2.08 per week will buy you £9,000 of insurance.
- Car
- Life
- Laptop
- Mobile
- Travel

Things to think about

- Do you need it?
- Can you afford it?
- Can you get it cheaper somewhere else?
- What are you getting for the money?
- It is the tenant's responsibility to insure their own stuff. If the washing machine in the flat above springs a leak and ruins your telly, the landlord won't get you a new one.
- Extended warranties (such as the shop offering you 2 years' guarantee on a washing machine at extra monthly cost) are insurance. They are rarely worth the money.
- Travel agents often make more money selling the travel insurance than they do selling the holiday. You can buy travel insurance separately – either single trip or annual multi-trip. Surf the internet for the best deals.
- Card payments – when choosing or using a card, check out whether it insures you against fraud or default.



SAVVY SPENDING

Spending is the fun part of money. Money is a necessity, but it isn't much fun until you come to spend it. Even so, you still have to spend with your brain. Some people see money as security, some people see money as freedom. However you see it, it's not a good idea to chuck it away or let people take it from you. But that's what millions of us do every day.

Companies worldwide spend billions on advertising, marketing, selling and hype to get us to spend with our emotions. And they must know it works, or they wouldn't keep doing it. And they spend billions training their staff on how to sell. But we don't get any training on how to buy.

There are all sorts of hints and tips about spending – in magazines, books and on websites. Tips about spending on food, clothes, electronic goods, entertainment, utilities, transport, insurance, presents, etc, etc. And it can be very difficult to remember them all. But some techniques are simple, straightforward and apply to all sorts of spending. And they're easy to remember.



MONEY MANTRAS

Martin Lewis – the Money Saving Expert – has two Money Mantras for spending – one for when you're skint and one for when you're not. A mantra is something you repeat to yourself to help you think.

- The Money Mantra for when you're skint

DO I NEED IT?

CAN I AFFORD IT?

CAN I GET IT CHEAPER
SOMEWHERE ELSE?

You repeat each line to yourself before you get to the till or click on the buy now button. If you don't get YES, YES, and NO in that order, you don't buy.

- The Money Mantra for when you're not skint

WILL I USE IT?

IS IT WORTH IT?

CAN I GET IT CHEAPER
SOMEWHERE ELSE?

Again, you need YES, YES and NO before you part with your precious cash.

Why do you need a money mantra if you're not skint? Because of something they call 'opportunity cost'. What that means is – you get one thing, but as a result, you miss out on something else. You've got the cash, you go ahead and buy something, but then you see something you really need but you haven't got the cash anymore.

This stuff needs practice. Just do it a few times. Even if it gets you to slow down and think, it'll stop any impulse buys. And when you repeat your money mantra, be honest with yourself. For example, if you ask 'will I use it?' and you don't know, or you're not sure how often you'll use it, then walk away. You've not come by your cash easily and you're not going to throw it away. Tomorrow, you might see a real bargain that you know you actually do need or prefer.



SAVING

When you're young and skint, saving for the future may seem irrelevant. Maybe – maybe not. If you are careful with your spending and have some spare cash, don't then go and chuck it away. Whether you put it away for a rainy day, find a way to make it grow, or treat yourself – that's up to you. But you work for your money, so make your money work for you.

Things to think about

- Even short-term saving is important (Christmas, holiday, special occasions)
- Saving is a skill. The best way to learn it is to practise.
- When you save up for something, you also save money by not paying for credit. And when you go to buy something, cash-in-hand can get you a better deal.
- But there's no point putting money away while you still owe money. First, pay off your debts – and that includes credit cards. Why? Because interest charged on borrowing is always higher than interest paid on savings. So if you're saving while you're in debt, you're losing money.
- If you do decide to put money away for the long term, don't let an 'adviser' sell you a 'product'. Do your homework, shop around and decide what's best for you.



Guide to benefits

Income Support/Income-based Job Seeker's Allowance Paid to people who are unemployed, or who are working less than 16 hrs a week, but have paid enough National Insurance Contributions at the right time	Single under 25 £51.85 Single 25+ £65.45 Couple both under 18 £51.85 one under 18 & other between 18-24 .. £51.85 one under 18 & other 25+ £65.45 both 18+ £102.75 Lone Parent-under 18 £51.85 18+ £65.45
Contribution-based Job Seekers Allowance Paid as of right for 182 days. Paid to people who are unemployed or who are working less than 16 hours a week	Under 25 £51.85 25+ £65.45
Employment Support Allowance (previously known as Incapacity Benefit) paid to people who cannot work because of an illness or disability	Single under 25 £51.85 Single 18+/lone parent £65.45 Couple Age 18+ £102.75 Work-related activity component £25.95 Support component £31.40
Working Tax Credit Paid to some people who work, but earn low wages	Basic element £1920.00 Couple/Lone Parent £1890.00
Child Tax Credit Paid to people who are responsible for at least one child, or young person who normally lives with them	Family element £545.00 Baby Addition £545.00 Child element £2300.00
Housing and Council Tax Benefit Rebate given towards Rent and Council Tax	Amount varies depending on household income and composition
Education Maintenance Allowance Paid to 16-19 yrs old in further education, studying 12 or more hours	Amount paid depends on household income
Statutory Sick Pay	£79.15

Disability Living Allowance Care Component - paid to people who need attention or supervision due to an illness or disability Mobility Component - paid to people who have problems walking or need supervision walking	Care component Lower £18.95 Middle £47.80 Higher £71.40 Mobility component Lower £18.95 Higher £49.85
Statutory Adoption, Maternity and Paternity Pay	£124.88
Maternity Benefit	Standard rate £124.88
Child Benefit	Only/Eldest Child £20.30 Other Children £13.40



STUDENTS

Education Maintenance Allowance (EMA)

The Government would like young people to remain in their household for as long as possible, while providing a safety net for those people who must leave home through no fault of their own.

The Education Maintenance Allowance (EMA) eligibility criteria reflect this objective. Learners that are estranged from their families and have this officially confirmed by Jobcentre Plus through the benefits they get are eligible for EMA and can combine Income Support (IS) with EMA.

If you have chosen to leave your parent / family and live independently and are not in receipt of IS, you can't get EMA. If you are living with foster parents, are being cared for by the Council or are leaving care you can qualify for EMA at the maximum weekly rate.

16 – 19 year old parents who are mainly responsible for their child will also be able to qualify for the £30 maximum and may also be able to claim IS.



What are the IS eligibility criteria for young people in education.

Jobcentre Plus classes relevant education as a course of A level (General National Vocational Qualification level 3) standard or below, which you do for more than 12 hours per week.

Young people in learning may be able to get income support if they are

- A single parent looking after their own child.
- Sick or disabled or registered blind.
- An orphan whom nobody is looking after.
- Unlikely to get a job because of severe disability.
- Not living with parents or not supported by them.
- Not in touch with parents.
- Separated from parents for reasons that cannot be avoided and where nobody is looking after them in their place

The Adult Learning Grant

The Adult Learning Grant, or ALG, is in place to help adults who want to study. It can be up to £30 a week, which you don't have to pay back, and is intended to help adult learners with the costs associated with returning to education. It is available to adults studying on all sorts of courses and training programmes.

- You must be aged 19 or over.
- There is an upper limit of income you can have to be eligible for ALG, so if you earn more than that, you can't claim. Currently these levels are £19,513 for a single person and £30,810 for someone who lives with a partner or is married, but do check this out because it may have change since we printed.
- Not all education courses qualify for the ALG, although many do. Firstly, in order to be eligible, the place you're studying at must be recognised by the Skills Funding Agency/YPLA. Individual colleges and schools should be able to tell you whether they are approved by them. The course being studied for must also lead to you getting your first full Level 2 (equivalent to five or more A to C GCSEs or NVQ 2) or Level 3 qualification (equivalent to two A-levels or NVQ 3).
- Study Hours: For an adult learner to be eligible for the ALG their course must be full-time and you must go at least 12 hours per week (or 150 hours per term).

The Adult Learning Grant (ALG) and Benefits

Those receiving benefits because they're out of work are not eligible for the ALG. These disqualifying benefits include Jobseeker's Allowance and Income Support.

Other types of benefit and part-time work don't usually affect eligibility for the ALG but there are some exceptions.

Applying for the Adult Learning Grant

The ALG can be applied for through colleges and learning institutions or by requesting an application pack from the Learner Support Helpline on 0800 121 8989.

Other sources of funding for students

They include

- The Student Loans Company
- Aim Higher
- Discretionary Learner Support Funds
- Care to Learn/Free Childcare for Training and Learning for Work
- Travel expenses
- Access To Learning Fund
- Charitable Trusts

Our local college, Hopwood Hall's Learner Service department can offer advice on financial assistance for study. For more information and advice call 01706 345 346 and ask for Learner Services.

The social fund - grants and loans

Loan/Grant Name	Loan/Grant Details	Eligibility and Accessing Loan Grant
Community Care Grant	<p>Tax-free sum of money that you don't have to pay back. To help people cope with special difficulties such as returning to the community after being in care, staying in your home rather than going into care, setting up home in the community after having an unsettled way of life, caring for a prisoner or young offender when they leave prison on temporary licence, easing exceptional pressures on you and your family.</p> <p>Things that can be applied for include furniture and household equipment, bedding and clothing, travel costs, removal expenses and storage or connection charges.</p>	<p>You may be eligible for the grant if you are getting:- Income Support, Income-based Jobseeker's Allowance, Pension Credit or if you are due to leave care within the next 6 weeks and are likely to receive one of the above benefits.</p> <p>To apply, contact JobcentrePlus by visiting www.jobcentreplus.gov.uk or TEL 0845-608-8510 or contact the nearest office to where you are.</p>
Budgeting Loan	<p>Tax-free loan, no interest is charged and it has to be paid back. Budgeting loans help you spread the cost of things you need to buy every so often.</p> <p>A budgeting loan can be used to help pay for furniture and household items, clothes and footwear, travel costs, costs to improve or maintain/secure your home, rent upfront or removal costs, costs of looking for or starting work, hire purchase or other debts you may have in relation to the items above.</p>	<p>You may be eligible if you are getting Income Support, Income-based Jobseeker's Allowance, or if you or your partner have been getting one of the above benefits for at least 26 weeks.</p> <p>Contact JobcentrePlus at www.jobcentreplus.gov.uk or contact the nearest office to where you are. Or TEL 0845-608-8510</p>
Crisis Loan	<p>Tax-free, interest free loan. Only given if there is no other way you can get help.</p> <p>A Crisis loan is something you need at once in an emergency, or because of a disaster & help you need is not available anywhere else. Or the only way to stop serious damage or risk to you or your family's health and safety.</p>	<p>Anyone aged 16 or over can apply for a Crisis loan.</p> <p>To apply, contact JobcentrePlus by visiting www.jobcentreplus.gov.uk or contact the nearest office to where you are. Or TEL 0800-032-8341</p>

Surestart Maternity Grant	<p>A tax free, one-off payment to help pay for things you need for a new baby if you are on a low income. Does not have to be paid back.</p> <p>You may be able to get this grant if your baby or your dependent's baby is due soon or was born in the past three months.</p>	<p>You may be eligible if you are getting Income Support, Income-based JSA, Working Tax Credit which includes a disability or severe disability element, Child Tax Credit, at a higher rate than the family element.</p> <p>Contact your local Jobcentre Plus or visit www.jobcentreplus.gov.uk</p>
Health In Pregnancy Grant	<p>A one-off payment (currently £190.00) if you are at least 25 weeks pregnant and you have been given health advice from a midwife or doctor to help you and your unborn baby stay healthy during pregnancy.</p>	<p>Not income related. Everyone gets the same.</p> <p>See your doctor or midwife. They have the form - they complete their part and you fill in the rest.</p> <p>More info on helpline 0845-366-7885</p>
Healthy Start	<p>Free milk, fresh fruit and vegetables, infant formula and vitamins.</p>	<p>If you're pregnant and/or have at least one child under 4 and you get Income Support / Income based JSA / Child Tax Credits / Income related ESA</p> <p>Complete form and get it signed by midwife, health visitor, doctor or nurse.</p> <p>Call 0845-607-6823 for a form.</p>

Types of bank account

(from Money Made Clear - The Consumer Financial Education Body)
Different bank accounts offer different features. This table sets them out.

	Basic bank account	Current account	Savings account
Common features	<p>This will:</p> <ul style="list-style-type: none"> receive money pay bills give you a cash card (and maybe a debit card) let you set up direct debits act as a stepping stone to a current account <p>This won't usually allow you to go overdrawn by more than £10.00</p>	<p>This will:</p> <ul style="list-style-type: none"> receive money pay bills give you a cash card give you a debit card allow you to set up direct debits and standing orders give you a cheque book and guarantee card allow you to have an overdraft <p>It might offer:</p> <ul style="list-style-type: none"> interest on your money special services – e.g. sending money abroad 	<p>This will:</p> <ul style="list-style-type: none"> Give you interest on your money. <p>It might offer:</p> <ul style="list-style-type: none"> a passbook; or Access to your money via a cashpoint.
It's right for you if...	<ul style="list-style-type: none"> You want to make sure you don't go overdrawn You might not get through the bank's credit check to open an account 	You want more than a basic bank account can offer you.	You want to set money aside for a purchase or expense and you may need to get at the money reasonably quickly.
Where can I get one?	Most major banks and building societies.	Any high-street bank Some building societies	All banks and building societies offer different types of savings accounts. Shop around and compare.

Basic bank account

Current account

Savings account

What to look for	Basic bank account	Current account	Savings account
	<ul style="list-style-type: none"> Cash machines - how many can you use free of charge? Branches - do you need one near where you live or work Post Office® - do you need an account that allows you to pay in or check your balance at a Post Office® branch? Check whether your bank offers this service. Interest - check what interest your money will be earning. Paying bills - does the account enable you to pay your bills easily? Any charges? 	<ul style="list-style-type: none"> Cash machines - how many can you use free of charge? Branches - do you need one near where you live or work? Post Office® - do you need an account that offers access at a Post Office® branch? Check whether your bank offers this service. Interest rates - Some current accounts pay interest. Overdrafts - Do they allow it and how much will it cost you? Telephone/online banking - does the account allow it? 	<ul style="list-style-type: none"> Type of account - what type of account is going to suit your needs? Minimum investment - how much money do you have to put in to open the account? Access to your money - can you take your money out straight away? Interest - how much interest will you earn on your money? Branch/telephone or internet access - some only postal or internet based.



Credit

The first thing to ask yourself is – can you afford to borrow?

Buying on credit is a form of borrowing. Before deciding to borrow money it is important to work out whether you will be able to pay it back. If your spending is greater than or close to your income already, you should think very carefully about whether you can afford to borrow more. Take advice from an independent debt / welfare adviser NOW before taking on a loan.

TYPE	FOR	AGAINST
SOCIAL FUND LOAN 0% APR	<ul style="list-style-type: none"> Interest free loan Only pay back what you borrow Payments taken direct from benefit 	<ul style="list-style-type: none"> Only available to people on benefits Amounts limited
Credit Union Loans Typical APR 12% to 24%	<ul style="list-style-type: none"> Good value loans No hidden charges Only lend amount of money you can afford to pay back 	<ul style="list-style-type: none"> Do not have Credit Union in Rochdale Can only borrow, once saving record has been established
Moneylines. APR 38%	<ul style="list-style-type: none"> Lend to people who may have difficulty borrowing from high street lenders. £50 - £1000 Provide guidance and advice 	<ul style="list-style-type: none"> Not available to students Need to have a bank account. Nearest one in Salford.
Bank Loans Typical APR 9%	<ul style="list-style-type: none"> Offer good interest rates Affordable repayments Repayments can be flexible. 	<ul style="list-style-type: none"> Strict acceptance policy Need good credit history
Internet Loans Big variation in APR 9% to 250+%	<ul style="list-style-type: none"> Online means you can shop around & use comparison sites Can be an alternative to the major banks 	<ul style="list-style-type: none"> Many just banks which have strict conditions Many just doorstep credit firms charging high interest The easier it is to get one, the dearer the borrowing
Hire Purchase (HP) Typical APR from 30% to 350%	<ul style="list-style-type: none"> Buy now, pay in instalments. 	<ul style="list-style-type: none"> If payments not made, goods can be claimed back High interest rates. Extras loaded on Can end up paying 3 times the high street price

TYPE	FOR	AGAINST
Interest-free credit	<ul style="list-style-type: none"> Allows you to 'buy now pay later' No interest charged until later. 	<ul style="list-style-type: none"> If payments not made by due date, high interest charged and charged on whole amount.
Catalogues Typical APR 35%	<ul style="list-style-type: none"> Spread the cost of your purchases Door to door delivery 	<ul style="list-style-type: none"> The prices for goods are usually higher You cannot check the goods
Credit Cards Typical APR 18%	<ul style="list-style-type: none"> Useful form of short-term borrowing Allows you to 'buy now pay later' Useful for buying over the internet. 	<ul style="list-style-type: none"> If limit exceeded, additional charges may be made If monthly bill not paid in full, high interest charged Minimum repayments are a debt trap
Store Cards Typical APR 25%	<ul style="list-style-type: none"> Spending limit given based on credit score Can sometimes get you discounts. 	<ul style="list-style-type: none"> Lower limit & higher interest than a credit card Only useful if you can repay your bill in full in a month. Too many store cards, can be difficult to keep track of
Doorstep Lenders Typical APR 250% to 1,500 %	<ul style="list-style-type: none"> Seems easy - they collect from your home, no credit checks, lend money over short periods. If you feel you have no other choice then contact us on 01706 273964 / 273934 or the CAB. AVOID USING. 	<ul style="list-style-type: none"> High interest – you could pay back 5 times the loan. Some operate illegally, do not use them Miss a payment & they come knocking at your door.
Loan Sharks 8,000% equivalent APR	<ul style="list-style-type: none"> NO REASONS. If you are considering using them then get money advice immediately. Contact us on 01706 273964 / 273934 or the CAB. Seems too good to be true? It is! 	<ul style="list-style-type: none"> Illegal lenders High interest rates Violence/intimidation may be used to collect debts Live in fear of them coming to your house.

A BUDGET SHEET

A budget sheet is the first step to being in control of your money. It will help you work out the most important things you spend your money on & where you can cut back on spending. A budget is just about writing things down, keeping track & making decisions. It will help you answer 2 questions

- Do I spend more than I've got?
- What can I afford to spend?

Martin Lewis is an award-winning journalist, with regular spots on ITV & Radio One. His website is MoneySavingExpert.com He says 'the most important thing to do is to understand that your finances must lead your lifestyle & not vice-versa.'



A budget sheet looks something like this.

	Amount (£)
Income	
Spending	
Item	
Rent	
Water	
Council Tax	
Electricity	
Gas	
Phone / Mobile	
Tv Licence / Rental / Subscription	
Food Shopping (Inc Cleaning)	
Toiletries	
Travel Expenses	
Laundry	
Clothing	
Luxuries	
Entertainment	
Other	
Savings	
Arrears	
Loans	
Fines	
Total Expenditure	
Remaining Income	