

MAKING MONEY MATTER

A GUIDE TO FINANCIAL CAPABILITY

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Learning Outcomes

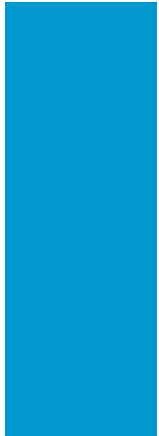
- What is Financial Capability?
- Budgeting and Financial Planning
- Savings
- Investing
- Borrowing and Credit
- Protecting your family and possessions
- Managing Debt
- Planning for the future

Our vision is a lifelong
community of people
offering effective support
for each other when life
takes a turn for the worse.

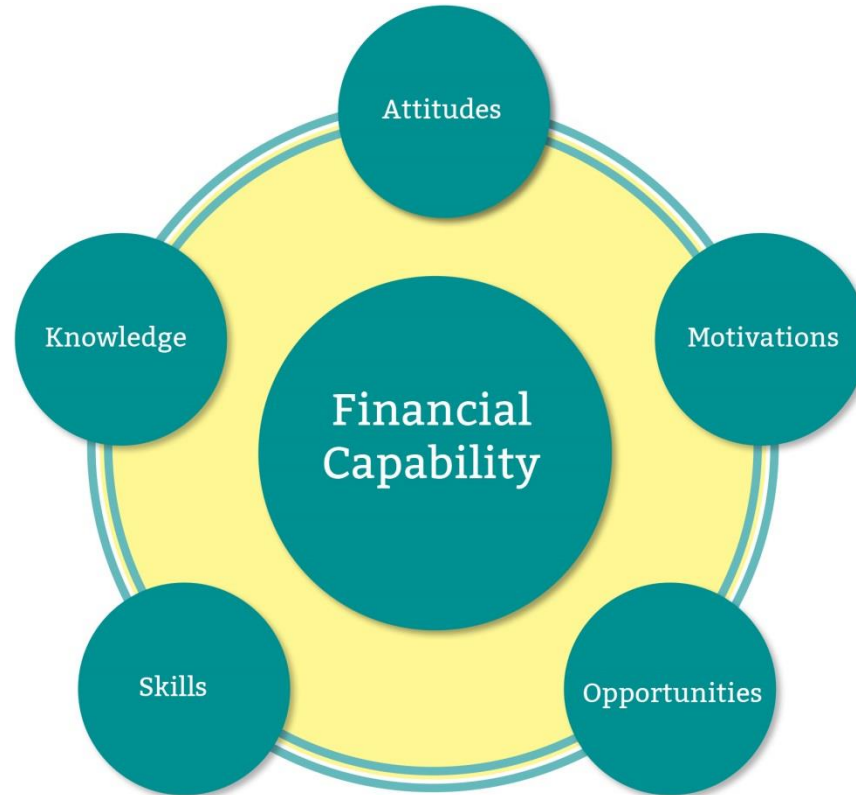
What is financial capability?



Financial Capability allows you to:

- Take control
 - Make the most of your money
 - Improve your life
- 

Financial Capability



Making Money Matter

- 
- Set goals
 - Make a plan
 - Take action
 - Seek support
 - Review regularly
- 

Budgeting and Financial Planning

Why is Budgeting important?

Budgeting helps you to:

- See what money you have coming in
- Keep track of your money
- Ensure essential bills are paid
- Work out payments towards any debts



Budgeting and Financial Planning

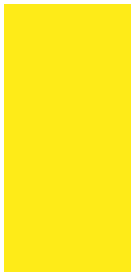
Before you start grab pen and paper and a calculator and
put together:

- Payslips
- Pension statements, benefit letters
- Bank statements
- Household bills
- Paperwork relating to money owed

Budgeting and Financial Planning

Draw up a personal budget

- Add up all household income...
- Note down all monthly spending...
- Don't forget the little things...
- Expect the unexpected...
- Look for savings...
- Plan ahead...



Budgeting and Financial Planning

When you have completed your budget consider:

- Do you have any money left at the end of the month?
- Is there a budget shortfall?
- Could I make any savings?
- What about future spending commitments?
- Could I afford to replace essential items?

Staying on budget

- Spending Diary
- Budgeting apps e.g. Toshl, Monefy
- Jamjar accounts
- Pen and Paper
- Review regularly

Ask yourself

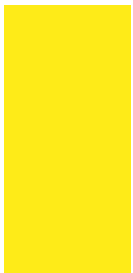
- Do I need it?
- Can I afford it?
- Can I get a cheaper deal?

Savings

Small Changes – Big Benefits

Set A Goal

- Financial “buffer” to help deal with emergencies
- An expected life event
- A specific purchase
- To invest for the future



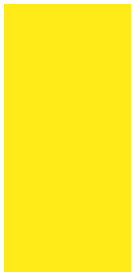
Savings

Save Regularly

- A small sum saved regularly will soon become a much larger amount
- Open a savings account or even a piggy bank
- Set up a Standing Order so you don't forget to make regular payments

Savings

- When to save
- Where to save
- Credit unions
- Tax
- Financial Services Compensation Scheme



Investing

- Cash – money in bank or building society
- Fixed Interest Securities (Bonds) – loaning money to a company or government
- Shares – buying a stake in a company
- Property – investing in a building

A portfolio refers to the different assets owned by an individual investor

Investing

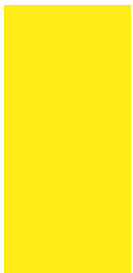
Returns

- Interest – paid on cash and fixed interest securities
- Dividends – paid from shares
- Rent – paid on property
- Capital Gains / Losses – difference between price paid and price sold

Investing

Risk

- Investments can carry risk and some more than others. These generally fall into 3 categories:
- Low
- Medium
- High



Investing

When should you invest?

- Depends on goals
- Generally only consider investing after you have enough money saved to meet household expenses for six months.
- Consider whether you can afford to lose your investment - this will guide your attitude to risk.

What might help in the workplace?


- Reasonable adjustments
- OH Referral
- Signposting (EAP, The Charity for Civil Servants, GP, etc.)
- Host wellbeing events
- Talk about mental health



Financial Advisors






Investing




Tactics fraudsters use to deceive investors

We conducted a YouGov poll of 1,000 people aged 55 and over*
Here's what we found...


Only **2 in 5** think they know how to spot a fraudulent investment opportunity

<p>We found...</p> <p style="font-size: 2em; font-weight: bold; color: #FFA500;">53%</p> <p>agreed that you sometimes need to act quickly to get a good deal.</p>	<p>Warning sign...</p> <p>being put under pressure to invest in a 'time limited' offer.</p> 
<p>We found...</p> <p style="font-size: 2em; font-weight: bold; color: white;">1 in 3</p> <p>agreed it's best not to discuss investment decisions with others.</p>	<p>Warning sign...</p> <p>being told the deal is only available to you and asking you to keep it a secret.</p> 
<p>We found...</p> <p style="font-size: 2em; font-weight: bold; color: #FFA500;">45%</p> <p>agreed investments are more attractive if you know of others who have made similar investments.</p>	<p>Warning sign...</p> <p>claiming others have already invested or want to invest in the deal (known as social proof).</p> 
<p>We found...</p> <p style="font-size: 2em; font-weight: bold; color: white;">1 in 5</p> <p>were unaware that being promised returns above the market rate could be a sign of investment fraud.</p>	<p>Warning sign...</p> <p>offering you returns above the market rate and downplaying the risks of the investment.</p> 


Be a ScamSmart investor:



Reject unsolicited contact about investments



Check the FCA Warning List



Get impartial advice

Find out more www.fca.org.uk/scamsmart

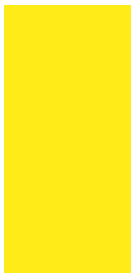
*YouGov online survey of 1,004 GB adults aged 55 and over in social grade ABC1

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Borrowing and Credit

We all need to take out credit sometimes

The key is knowing which products are available and how best to use them.



Borrowing and Credit

Types of credit

Secured

- Mortgage
- Secured Loan
- HP Agreement

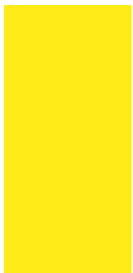
Unsecured

- Personal Loan
- Credit
- Store Cards
- Overdraft
- Credit Union
- Payday Loan

Borrowing and Credit

Before you borrow ask yourself:

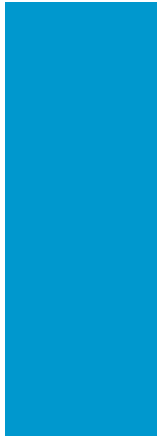
- How much can I afford to repay each month?
- How long do I want to repay for?
- What would happen if my income dropped? Could I still afford the repayments?
- What method of payment suits me?



Borrowing and Credit

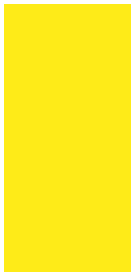


Comparing the cost of credit deals

- APR (Annual Percentage Rate)
 - Type of interest
 - Fees and Charges
 - Insurance Cover
- 

Borrowing and Credit

- Know your budget
- Shop around – compare deals
- Check the total amount payable
- Avoid borrowing to repay existing debt
- Be aware of interest free deals
- Watch out for payment holidays
- Variable interest – could you afford rate rises?
- Avoid unplanned overdrafts

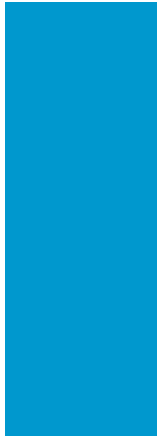


Credit Score



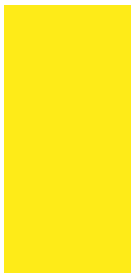
Experian (www.experian.co.uk)
Equifax (www.equifax.co.uk)
Callcredit (www.callcredit.co.uk)

**Check your credit file regularly and
report any inaccuracies.
Beware of free trial periods**


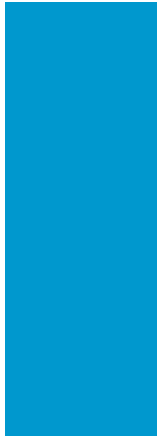


Protecting Family and Possessions

- Look at your budget
- Paying Off Debt
- Using savings as protection
- Insurance

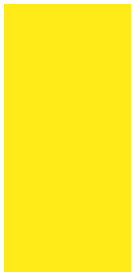


Managing Debt

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- Always pay priority debts first
 - Use savings to pay down debt
 - Stop borrowing
 - Seek advice
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Planning for the future

- Work out your retirement income
- Look at your budget
- Pay off debts
- Boost your pension
- Pension savings
- Get advice



What do we offer for individuals?

Supportive wellbeing conversation
Assistance when deciding where to go for the best advice, information &
practical help

A route to specialist charities and services where appropriate

Help for managers in supporting those who need it

Partner organisations:

Anxiety UK

Money Advice Service

Relate / Relate NI / Relationships Scotland

National Debtline

National Autistic Society

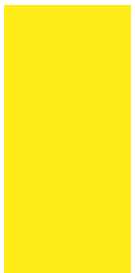
Law Express

We do not offer:

Guaranteed solutions to all problems
Replacement services

Other services

- Financial assistance
- Relationships
- Caring
- Law Express
- Wellbeing



Find out more about how we can help
and ways to get involved...

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