



University  
of Worcester

Student Services

Figure it out...

# Life After University



Money advice on all aspects of life following graduation

## Figure it out...



Taking charge of your finances is an important aspect of your life after graduating from university. This guide sets out to give you help and advice on subjects such as continuing your study, employment, benefits, banking, living costs, budgeting etc.

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## Postgraduate Funding

If you wish to continue your studies with a postgraduate course, Student Finance England offer a Postgraduate Master's Loan to help with course fees and living costs.

### What is available?

#### **If your course starts on or after 1 August 2021**

You can get up to £11,570 for your whole course.

The loan will be divided equally across each year of your course.

#### **If your course started on or after 1 August 2020**

You can get up to £11,222 for your whole course.

The loan will be divided equally across each year of your course.

#### **If your course started on or after 1 August 2019**

You can get up to £10,906 for your whole course.

The loan will be divided equally across each year of your course.

### When to apply?

You can apply for a Postgraduate Loan for the 2021/22 academic year in summer 2021.

### How to apply?

Apply as early as possible once the application launches to make sure your loan is ready for the start of your course.

Apply online at:

[www.gov.uk/masters-loan](https://www.gov.uk/masters-loan)

*For more information about Postgraduate Loans and who is eligible to apply, visit SFE's dedicated student finance zone at:*

[www.thestudentroom.co.uk/student-finance/postgraduate](https://www.thestudentroom.co.uk/student-finance/postgraduate)

### Other options for funding

- Scholarships and Bursaries
- Research Council Grants
- Employer Funding

More details at:

[www.prospects.ac.uk/postgraduate-study/funding-postgraduate-study](https://www.prospects.ac.uk/postgraduate-study/funding-postgraduate-study)

Source:

[www.prospects.ac.uk](https://www.prospects.ac.uk)

# Doctoral Loan

**Doctoral student loans were introduced in the UK for the first time in 2018.**

## What is available?

If you're starting a PhD or other postgraduate Doctorate in 2021/22, you may be able to borrow up to £27,265 (for your whole course) to help pay university fees, living costs and other expenses.

*Students who began in 2020/21 can borrow up to £26,445.*

## When to apply?

You will be able to apply for funding for the 2021/22 academic year in summer 2021.

## When you're paid

You get the first payment after your course start date, once your university or college confirms that you've registered.

The loan will be divided equally across each year of your course.

The loan will be paid in 3 instalments each year.

## Repayments

You have to repay your Postgraduate Doctoral Loan at the same time as any other student loans you have. You'll be charged interest from the day you get the first payment.

**For more information and details of eligibility visit:**

**[www.gov.uk/doctoral-loan](https://www.gov.uk/doctoral-loan)**



# Securing Employment

The majority of students will be looking for a job in their life after university. If you need advice or help with finding work in your chosen area, the Careers Service at the University of Worcester can help you.

Contact the University's Careers & Employability Service through myCareer at:  
<https://worchester.targetconnect.net>  
or  
Telephone: 01905 855166



**Remember you can use the University's Careers & Employability Service for 3 YEARS after you graduate!**

## How the University's Careers & Employability Service can help you

### On-line Resources

The Careers Service webpage includes resources to help you find a job as well as links to some popular online job sites. There is also guidance on the application process, including writing a great CV, completing a successful application form and excelling at interviews.

### Job hunting, career planning & CVs

You can continue to book appointments with a Careers Adviser through

**myCareer.** Typical themes discussed during careers appointments include CVs, applications & personal statements; job hunting and interviews; career planning and employability.

### Graduate Jobs

Find information on full-time & graduate jobs on the Careers Services webpage and discover the latest local and national graduate jobs on **myCareer**.

<https://www2.worc.ac.uk/careers/>



## Looking for a particular type of work

### Arts Jobs

[www.artshub.co.uk](http://www.artshub.co.uk)

### Community Care Jobs

<https://jobs.communitycare.co.uk>

### Countryside Jobs

[www.countryside-jobs.com](http://www.countryside-jobs.com)

### Digital Jobs

[www.bubble-jobs.co.uk](http://www.bubble-jobs.co.uk)

### Environmental Jobs

[www.environmentjobs.co.uk](http://www.environmentjobs.co.uk)

### Healthcare Jobs

[www.jobs.nhs.uk](http://www.jobs.nhs.uk)

### Local Government Jobs

[www.lgjobs.com](http://www.lgjobs.com)

### Media Related Jobs

[www.grapevinejobs.co.uk](http://www.grapevinejobs.co.uk)

### Science & Technology Jobs

<https://jobs.newscientist.com/en-gb>

### Sports Jobs

[www.uksport.gov.uk/jobs-in-sport](http://www.uksport.gov.uk/jobs-in-sport)

### Teaching Jobs

[www.eteach.com](http://www.eteach.com)

[www.education-jobs.co.uk](http://www.education-jobs.co.uk)

## Other Useful Websites

### Graduate Recruitment Bureau

[www.grb.uk.com](http://www.grb.uk.com)

### Save the Graduate

[www.savethegraduate.org](http://www.savethegraduate.org)

### Linkedin

<https://uk.linkedin.com>





# Income Tax And National Insurance

## National Insurance

You pay National Insurance (NI) contributions in order to build up your entitlement to certain state benefits, including your State Pension.

You will be required to pay National Insurance if you are:

- Over 16 years old (you will automatically receive your NI number following your 16th birthday)
- Earning over £184 a week
- Self-employed, making a profit over £6,515 a year

[www.gov.uk/national-insurance](http://www.gov.uk/national-insurance)

## Income Tax

Income Tax is a tax you pay on money you earn. Each of us has a 'personal tax allowance', which denotes the amount we can earn without paying any income tax.

The income tax rates for the 2021/22 tax year are as follows:

**Income up to £12,570** - 0% income tax.  
This is your personal tax-free allowance.

**Income between £12,571 and £50,270** - 20% income tax

**Income between £50,271 and £150,000** - 40% income tax

**Income above £150,000** - 45% income tax

[www.gov.uk/income-tax](http://www.gov.uk/income-tax)



## Paying Income Tax & National Insurance

If you are employed, you pay Income Tax and NI through a system called Pay As You Earn (PAYE). PAYE is where your employer deducts your contributions from your wages before paying you. Then, at the end of the year you will get a P60 which details the total amounts paid to you, and deducted from you – like a receipt.

[www.gov.uk/income-tax-rates](http://www.gov.uk/income-tax-rates)

If you are self-employed you will be asked to take part in self-assessment and pay the amounts you owe directly. For more information see:

[www.gov.uk/self-assessment-tax-returns](http://www.gov.uk/self-assessment-tax-returns)

## Payslips

## Understanding your payslip

Checking and understanding your payslip will help you know whether you have been paid correctly and that the right amounts of tax and insurance have been paid on your behalf. You should also be able to check that any other deductions from your pay are correct.

## What information your payslip must contain

Your payslip must show:

- **Gross pay** – your full pay before any tax or National Insurance has been taken off.

- **The amounts of any variable deductions** - deductions which change from payday to payday, eg tax and National Insurance, student loan repayments, and what the deductions are for.
- **The total amount of any fixed deductions** – these are deductions which don't change from payday to payday, for example union dues.
- **The total amount of take-home pay ('net pay')** after deductions.

Your employer might include additional information on your payslip which they are not required to provide, such as:

- National Insurance number
- tax code
- pay rate (either annual or hourly)
- breakdown of additional payments like overtime, tips or bonuses, which must in any case be included in your gross pay figure

<b>SPRINT NEW HIRE</b> Employee Name: <b>FULL NAME HERE</b>			Insurance Date: <b>20/01/2006</b>		National Insurance: <b>NP0000000</b>	
Units: <b>1.00</b> Rate: <b>3750.00</b> Amount: <b>3750.00</b>			Deductions:			
any			PAYE Tax National Insurance			
Method:			8 2			
ME HERE COURT ITON			Tax Period: 10      Tax Code: 489L		Total Gross Pay TD Gross Net Tax TD Tax Paid TD Earnings for NI TD National Insurance TD	
PANY NAME			Total Gross Pay Gross for Tax Earnings for NI		3750.00 3750.00 2730.00	
			Net Pay		26	

Source:

[www.moneyadviceservice.org.uk/en](http://www.moneyadviceservice.org.uk/en)



## Self Employment

If you're thinking of starting your own business or becoming self employed, you will need to think about your business structure, budgeting and paying your own tax.

HMRC have created an easy to use Interactive guide for anyone looking to start a new business in the UK at

[www.gov.uk/guidance/help-and-support-if-youre-self-employed](https://www.gov.uk/guidance/help-and-support-if-youre-self-employed)

You can also find information about setting up your business and financial support including government-backed schemes at:

[www.gov.uk/business-support-helpline](https://www.gov.uk/business-support-helpline)

[www.moneyadviceservice.org.uk/en/articles/thinking-of-starting-up-in-business](https://www.moneyadviceservice.org.uk/en/articles/thinking-of-starting-up-in-business)

[www.prospects.ac.uk/jobs-and-work-experience/self-employment/](https://www.prospects.ac.uk/jobs-and-work-experience/self-employment/)

When you start working for yourself, either as your only job, or at the same time as working for an employer:

- Check if being self employed is right for you
- Choose the name you want to trade under
- Check what records you'll need to keep
- Register for tax

*If you're unemployed before you start your business, don't forget to tell the jobcentre that you've started working for yourself.*

# Pensions

A pension is a way of saving for your retirement. You put money into your pension each month and in return, you get a regular income once you've retired. Pension contributions are usually tax free, which is one of the reasons why saving into a pension can be more effective than saving for your retirement in other ways.

## What type of pensions are available?

Some pension schemes are available as part of your employment; other schemes you take out as an individual. These are the different types you can have:

**Workplace** (employment) Every employer must now automatically enrol workers into a workplace pension scheme if they:

- are aged between 22 and State Pension age

- earn more than £10,000 a year
- work in the UK

This is called 'automatic enrolment'.

**State** (employment) - This requires you to make payments throughout your working life (via National Insurance contributions) in order for the government to pay you a pension once you reach retirement age.

**Personal** (individual) - You make regular payments into your pension fund. The fund is then invested in stocks and shares with the aim of increasing the amount over the years until your retirement.

**Stakeholder** (individual) - Similar to personal pensions, but they have to meet minimum standards set by the government.

Source:

<https://themoneycharity.org.uk/advice-information/pensions/>



# Welfare Benefits

There are several welfare benefits/tax credits available if you need additional help and support after you leave University - use a benefits calculator to find out what you may be entitled to:

[www.turn2us.org.uk](http://www.turn2us.org.uk)

[www.entitledto.co.uk](http://www.entitledto.co.uk)

[www.betteroffcalculator.co.uk](http://www.betteroffcalculator.co.uk)

## Universal Credit

Universal Credit is a payment to help with your living costs. It's paid monthly, and you may be able to get it if you're on a low income, out of work or you cannot work.

If you already get other benefits, Universal Credit is replacing the following benefits with one monthly payment:

- Child Tax Credit
- Housing Benefit
- Income Support
- Income-based Jobseeker's Allowance (JSA)
- Income-related Employment and Support Allowance (ESA)
- Working Tax Credit

*If you currently get any of these benefits, you do not need to do anything unless:*

- you have a change of circumstances you need to report
- the Department for Work and Pensions (DWP) contacts you about moving to Universal Credit

**Please note: If you get tax credits, they will stop when you or your partner applies for Universal Credit.**

[www.gov.uk/universal-credit](http://www.gov.uk/universal-credit)



## Welfare Benefits if NOT in receipt of Universal Credit

Please note: if you are making a new claim you may need to apply to **UNIVERSAL CREDIT** instead.

**Child Tax Credit:** is paid to families with children. You don't have to be working to claim. How much you get will depend on your individual circumstances, including household income, who lives with you and how old they are.

**Working Tax Credit:** is there to top up your income if you're working and on a low income.

To check your eligibility and how much you may receive, use the tax credit calculator at:

[www.gov.uk/tax-credits-calculator](http://www.gov.uk/tax-credits-calculator)

**Housing Benefit:** for those on low income, needing help with rent payments.

[www.gov.uk/housing-benefit](http://www.gov.uk/housing-benefit)

## Welfare Benefits continued..

**Income Support:** if you are on low income, you may be entitled to help with your day-to-day living expenses.

[www.gov.uk/income-support](http://www.gov.uk/income-support)

**Jobseeker's Allowance (JSA):** if you qualify, you will be entitled to receive the benefit to help you get by while applying for a full-time job.

[www.gov.uk/jobseekers-allowance](http://www.gov.uk/jobseekers-allowance)

**Employment and Support Allowance (ESA):** if you're ill or disabled, ESA offers you financial support if you're unable to work or personalised help so that you can work if you're able to.

[www.gov.uk/employment-support-allowance](http://www.gov.uk/employment-support-allowance)

## Disability Benefits

**Carer's Allowance:** available to those who look after someone who receives a qualifying disability benefit. You will need to look after that person for more than 35 hours a week.

[www.gov.uk/carers-allowance/](http://www.gov.uk/carers-allowance/)

**Disability Living Allowance (DLA):** Disability Living Allowance (DLA) is a tax-free benefit for disabled people who need help with mobility or care costs. You can no longer apply for DLA if you're 16 or over.

[www.gov.uk/dla-disability-living-allowance-benefit/](http://www.gov.uk/dla-disability-living-allowance-benefit/)

**Personal Independence Payment (PIP):**

Helps with some of the extra costs caused by long-term ill-health or a disability.

[www.gov.uk/pip](http://www.gov.uk/pip)

## Other Benefits

**Council Tax Reduction:** You could be eligible if you're on a low income or claim benefits. Apply to your local council at

[www.gov.uk/apply-council-tax-reduction](http://www.gov.uk/apply-council-tax-reduction)

**Child Benefit:** You get Child Benefit if you're responsible for a child under 16 (or under 20 if they stay in approved education or training).

[www.gov.uk/child-benefit](http://www.gov.uk/child-benefit)







## Graduate Banking

### Moving onto a graduate account

Once you leave university your bank will usually turn your student account into a graduate account. The main reason for this is to begin to reduce the level of overdraft that you may have built up over your time studying. These accounts still provide very generous interest-free overdrafts, but the amount of interest-free borrowing tends to reduce each year.

### Moving to a new bank account

Comparison websites are a good starting point for anyone trying to find a current account tailored to their needs. Also see Save The Student's guide on best graduate bank accounts 2021 at:

[www.savethestudent.org/graduates/best-graduate-bank-accounts.html](http://www.savethestudent.org/graduates/best-graduate-bank-accounts.html)

### Types of bank accounts

The terms used can differ from bank to bank, but here are four main types to look out for:

**Basic bank account** – the simplest type of bank account, that allows you to receive money and pay bills via cash or debit card, but doesn't include overdrafts, cheques or credit cards.

**Current account** – allows you to receive regular payments, e.g. salary, benefits, pension etc, and regularly withdraw money either in cash, or payments via cheque or debit card.

**Packaged account** – a current account that offers extra features, e.g. travel insurance, interest free overdraft, motor breakdown cover, for a monthly fee (often between £10-15)

**Joint account** – largely used by people who live together in order to manage bills, shared expenses, mortgage and rent payments. Just remember that if anything happens with the account, you are each responsible; and (unless you require everybody to authorise each transaction) people can spend money without the others knowing!

# Savings

## Why do I need savings?

People put money aside for lots of different reasons. You may want to save a deposit to buy your first home, plan next year's holiday, or put aside a regular amount to cover your bills. Whatever your reason for saving, it is always sensible to have some money available for emergencies, such as the boiler breaking down or unexpected car repairs.



## Types of savings accounts

There are many different savings accounts to choose from and potential catches to watch out for. The right choice for you will depend on your circumstances, including how much you have to save and how quickly you need to be able to access the money.

Here are a few things to consider...

**Interest rates:** Some savings accounts will offer higher interest rates for an initial period which can then drop. Others have fixed rates or rates that go up depending on the amount deposited.

**Tax:** The Government encourages us to save by giving certain tax-free incentives to do so. From April 2016, the Personal Savings Allowance (PSA) was introduced, meaning that every basic rate taxpayer can earn up to £1,000

interest without paying tax on it. Any savings already in tax-free ISA accounts will still be paid in full, but won't count towards your PSA.

### Help to Save Account

Help to Save is a savings account backed by the government. It allows certain people entitled to Working Tax Credit or Universal Credit to get a bonus of 50p for every £1 they save over 4 years. Find more information and eligibility at:

[www.gov.uk/get-help-savings-low-income](https://www.gov.uk/get-help-savings-low-income)

Source:

[www.themoneycharity.org.uk/](https://www.themoneycharity.org.uk/)

# Insurance

## What is insurance?

Put simply, insurance is when you pay a regular fee to your chosen insurer, usually monthly, in order to protect something of value to you; this could be loss of income, property or personal belongings etc. Then if anything goes wrong, you can make a claim on that insurance for them to give you money to help replace what you have lost.

## Why might I need insurance?

To protect yourself, your family and your possessions against any unexpected adversity, for example, a car accident, sickness while on holiday or a stolen bike.

## What types of insurance are there?

**Breakdown** - Covers the cost of repairing an item if it fails due to general wear and tear.

**General product** - Covers the replacement or repair of an item after a calamity such as fire, flooding or theft.

**Payment protection** - Pays a financial commitment (usually payments on a credit product) in the event of illness or loss of income.

**Income protection** - Pays an income if you find yourself unemployed or can't work temporarily due to illness or an accident.



**Critical illness** - Provides a lump sum or income if you are diagnosed with a serious, long-term/life threatening illness.

**Life** - Provides your family with a lump sum of money if you die.

**Health (and dental!)** - Covers the cost of private medical treatment.

## What should I be thinking about before I buy?

All insurance products have a policy document full of small print which sets out the rules – read this very carefully! Many insurance products have an ‘excess’: this is the amount of any claim that won’t be covered by the insurance. For example, if the excess on your car insurance is £100 and you put in a claim for damage totalling £750, the insurance will only pay out £650, and you pay the remaining £100.

Source:  
[www.themoneycharity.org.uk/](http://www.themoneycharity.org.uk/)

# Mortgages

Buying a home is the largest purchase you're likely to make. Before you arrange your mortgage, make sure you know what you can afford to borrow. Find out where to get a mortgage, the different types and how the process works.

## What is a mortgage?

A mortgage is a loan taken out to buy property or land. Most run for 25 years but the term can be shorter or longer. The loan is 'secured' against the value of your home until it's paid off. If you can't keep up your repayments the lender can repossess (take back) your home and sell it so they get their money back. This may later affect your credit score, and make it difficult for you to borrow money.

## Working out what you can afford

Don't stretch yourself if you think you'll struggle to keep up repayments. Also, think about the running costs of owning a home such as household bills, council tax, insurance and maintenance. Lenders will want to see proof of your income and certain expenditure, and if you have any debts. They may ask for information about household bills, child maintenance and personal expenses. Lenders want proof that you will be able to keep up repayments if interest rates rise. They may refuse to offer you a mortgage if they don't think you'll be able to afford it.

## First Time Buyers Mortgage Guide

**Money Saving Expert** have put together a 55 page guide which has tips on everything from putting together a

deposit, to knowing different mortgage types, from finding yourself a broker to getting the top deals. The guide is free to view and download at:

[www.moneysavingexpert.com/mortgages/mortgage-guide/](http://www.moneysavingexpert.com/mortgages/mortgage-guide/)

## Help to Buy ISA

If you are saving to buy your first home, and opened a Help to Buy ISA before the closing date, the Government will boost your savings by 25%. So, for every £200 you save, you will receive a government bonus of £50. The maximum government bonus you can receive is £3,000.

[www.help2obuy.gov.uk/help-to-buy-isa/how-does-it-work](http://www.help2obuy.gov.uk/help-to-buy-isa/how-does-it-work)

If you didn't manage to open an account in time, Lifetime ISAs also offer a 25% bonus for first-time buyers. Find further information at:

[www.moneysavingexpert.com/savings/help-to-buy-ISA/](http://www.moneysavingexpert.com/savings/help-to-buy-ISA/)

## For more advice and affordability calculator see:

[www.moneyadviceservice.org.uk/en/categories/mortgages](http://www.moneyadviceservice.org.uk/en/categories/mortgages)

[www.moneysavingexpert.com/mortgages/](http://www.moneysavingexpert.com/mortgages/)





## Renting

Moving to your own place? If you're renting for the first time follow Shelter's top tips to avoid the common pitfalls.

### Don't pay letting agents to register

Letting agents shouldn't charge any fees just for you to register with them. Fees can only be charged for services such as credit reference checks when they've found you a place to live.

### Be sure it's safe

Check the gas safety certificate before you move in. You should also make sure you're happy with the general condition of the property before you sign an agreement.

### Check that your deposit will be protected

Landlords must protect your deposit within 30 days after they've received it and must give you full details of which scheme is protecting it and how you can get it back.

[www.gov.uk/tenancy-deposit-protection](http://www.gov.uk/tenancy-deposit-protection)

### Make sure the inventory is accurate

When you move in, check and agree with the landlord or agent the list of contents in the property and any existing damage. You could also take your own photos when moving in and moving out. This is the best way to avoid disputes later on. Finally, make sure you have the right contact details for your landlord.

[https://england.shelter.org.uk/housing\\_advice/private\\_renting/how\\_to\\_check\\_and\\_agree\\_an\\_inventory](https://england.shelter.org.uk/housing_advice/private_renting/how_to_check_and_agree_an_inventory)

### Know your own responsibilities

Renters have obligations too. Your duties as a renter include paying rent and bills on time and not disturbing your neighbours.

### Moving in with a mate?

Signing a joint tenancy with your housemates or having individual tenancy agreements with the landlord can have a big impact on your rights. Check that you understand the agreement you have.



## Landlord wants to increase the rent?

Your landlord can increase the rent but only at certain times or if they are offering you a new agreement, depending on what type of tenancy you have.

Check what tenancy type you have at:

[https://england.shelter.org.uk/housing\\_advice/downloads\\_and\\_tools/tenancy\\_rights\\_checker](https://england.shelter.org.uk/housing_advice/downloads_and_tools/tenancy_rights_checker)

## When the boiler breaks, who should fix it?

Landlords are responsible for most repairs. If your landlord refuses to carry out repairs get some advice from an organisation like Shelter. Never withhold your rent as a bargaining tool - that would give your landlord grounds to evict you.

## Ready to leave?

Unless you are leaving at the end of a fixed term agreement, you need to give the correct notice period to end your tenancy agreement when you decide to move out.

Not ending the tenancy properly could mean you have to carry on paying the rent, even after you've moved out.

Equally if your landlord asks you to move out, they need to follow the correct eviction procedure unless you agree to move out on a certain day.

## Can't get your deposit back?

Check first if your deposit was protected. If yes, then use the mediation service available. If it wasn't

protected, once your tenancy ends you could take the landlord to court and ask the court to order the landlord to return your deposit and pay a penalty for non-protection of one to three times the amount of the deposit.



Source:

<https://england.shelter.org.uk/home>



## Household Bills

### Gas and electricity

As of March 2021, according to Ofgem, the average variable tariff for a dual fuel customer was £1,042 per year. However, this can vary widely between companies & even between different tariffs, and obviously by the size of the house/flat.

**It is therefore very important to shop around to get the best deal for you. Simply use a comparison site and the new Company will do all the work for you.**

### Water

The average annual bill for household water & sewerage bills in England and Wales are forecast to come down from £410 to £408 in 2021/22. If you have a water meter, you will be charged based on how much water you use. If not, you will pay a fixed amount each year.

### Council Tax

Now you're no longer a student, remember to bear in mind the cost of council tax - you'll have to start paying this now. If you are living on benefits or low income, you may be able to receive a Council Tax Reduction (see Page 13).

### Reducing energy bills (and helping the environment!)

- Turning the thermostat down by even 1°C can cut your heating bill significantly
- When a room is empty, make sure that the lights are turned off
- Close the curtains at night so you don't lose heat through the windows
- Stop draughts from badly fitting windows and doors
- Set your heating to come on around half an hour before you come home rather than leave it on all day while no one is in the house
- Leaving your appliances on standby wastes energy: make the effort and turn them off
- Don't put the heating on if you don't have to: warm jumpers can work too!
- Baths use more energy than showers - as long as you're not spending 20 minutes in the shower
- Use most economical household fuel provider where you can

Source:

[www.brightknowledge.org](http://www.brightknowledge.org)

## TV licence

An annual TV Licence is currently £159 (April 2021). You need to be covered by a TV Licence if you:

- watch or record any live TV online
- download or watch BBC programmes on iPlayer - live, catch up or on demand

This applies to any device and provider you use.

[www.tvlicensing.co.uk](http://www.tvlicensing.co.uk)

## Mobile phone

Think about your mobile deal. It's easier to keep track of your spending on 'Pay-as-you-go', but things can really add up if you're making a lot of long calls, plus you'll probably have to buy the handset as well.

It's normally cheapest to buy a package of minutes, texts and internet data each month. Check the different networks to get the best offer.

If you get a contract with a 'free' phone, you'll pay for it with a higher monthly bill.

If you're happy with your handset, you could opt for a cheap Sim only deal to cut your monthly costs.

Whichever option you choose, make sure you shop around for the best deal, and read what you're signing carefully, and factor those monthly fees into your budget. Read the small print in mobile phone and internet contracts: some can be expensive once the free offers have finished, and it may be costly to end the contract before the due date.

## Home phone and broadband

Most broadband connections will require a home phone line, but the line rental cost is now often included in the broadband package.

Check out comparison sites for the best deals.



Shop around for the best deals on gas, electric, broadband, car insurance etc, by using comparison sites such as:

[www.uswitch.com](http://www.uswitch.com)

[www.moneysupermarket.com](http://www.moneysupermarket.com)

[www.comparethemarket.com](http://www.comparethemarket.com)

[www.gocompare.com/](http://www.gocompare.com/)

<https://clubs.moneysavingexpert.com/cheapenergyclub>



## Should I take a year out after university?

A gap year after university can enable you to build the skills employers are looking for and you'll be equipped with experiences to give your CV a boost. On the other hand, due to your student loan and general living costs, you'll likely leave university in some debt, so taking a year out may not always be the best option. It's therefore important to do your research and make a plan. Check out **PROSPECTS** guides on Gap Year, Working Abroad and Virtual Work Experience - see links below.

### Gap Year

From choosing the destination and deciding what you'll be doing, to the practicalities of planning the trip, read Prospect's gap year tips on how to make the experience one that you'll never forget.

[www.prospects.ac.uk/jobs-and-work-experience/gap-year/7-steps-to-the-ultimate-gap-year](http://www.prospects.ac.uk/jobs-and-work-experience/gap-year/7-steps-to-the-ultimate-gap-year)

### Working abroad

If adventure beckons but you don't want to step out of the job market, working abroad could be the life-changing experience you need. Find out about visas, language requirements, and where to look for jobs abroad at:

[www.prospects.ac.uk/jobs-and-work-experience/working-abroad](http://www.prospects.ac.uk/jobs-and-work-experience/working-abroad)

### Virtual work experience

Virtual work experience is a hot topic right now thanks to the effects of the Covid-19 pandemic, as students and graduates try to find alternative ways to boost their employability.

[www.prospects.ac.uk/jobs-and-work-experience/work-experience-and-internships/virtual-work-experience](http://www.prospects.ac.uk/jobs-and-work-experience/work-experience-and-internships/virtual-work-experience)

Source:

[www.prospects.ac.uk](http://www.prospects.ac.uk)

## Taking Money Abroad

If you are planning an overseas trip (Covid19 rules allowing), or you're regularly buying from overseas websites, a specialist travel credit or debit card is the cheapest way to spend as it gives near-perfect exchange rates worldwide.

Specialist travel cards are so good for spending abroad and on overseas websites because they don't charge exchange fees. Use your everyday card while on holiday and you could be hit by a host of hidden charges.

### The 7 need-to-knows when spending abroad

1. You can save £100s per holiday using a specialist card
2. If you're using a credit card, ALWAYS pay it off IN FULL every month
3. If they ask whether you want to pay in pounds or the local currency, always pick the local currency
4. Beware your debit card – it could be the worst way to spend
5. Spending is almost always cheaper than withdrawing cash when you're on holiday
6. Not all cards are equal – Mastercard's exchange rate tends to beat Amex's and Visa's (though there's not much in it)
7. Looking to 'lock in' a rate? Consider a prepaid card instead These include adding a non-sterling transaction fee of around 3%, cash withdrawal fees and interest charges even if you pay off in full.

Find further details about spending abroad at:

[www.moneysavingexpert.com/credit-cards/travel-credit-cards/](http://www.moneysavingexpert.com/credit-cards/travel-credit-cards/)

Plus check out Money Saving Expert's travel guide for more top travel tips at:

[www.moneysavingexpert.com/travel/travel-tips/](http://www.moneysavingexpert.com/travel/travel-tips/)



Source:

[www.moneysavingexpert.com](http://www.moneysavingexpert.com)





## Budgeting

**It is important to monitor your spending in order to ensure that you have enough money for essentials like rent and fuel bills and to prevent overspending.**

Try using an online budget planner to help you see whether you need to cut your spending on non-essential items and/or increase your income.

[www.moneysavingexpert.com/banking/budget-planning/](http://www.moneysavingexpert.com/banking/budget-planning/)

[www.moneyadviceservice.org.uk/en/tools/budget-planner](http://www.moneyadviceservice.org.uk/en/tools/budget-planner)

### Budgeting Tips

- Ensure that your budget includes extra or irregular expenses such as birthdays, car maintenance etc.
- Once you have put together a budget, make sure that you stick to it.
- Prevent overspending by using cash rather than debit cards

- Avoid using credit cards, store cards etc. which charge interest
- Do not use credit as a source of income – the idea of a budget is to spend within your means
- Don't use PayDay loans because the interest rates are notoriously high, and the debt can mount up very quickly.

### Boost Your Income

- Sell unwanted clothes through local agencies such as Gumtree
- Sell unwanted items on websites such as eBay / Facebook
- Sell dvds, games etc on sites such as CEX and Music Magpie
- Sign up on survey sites - MoneySaving Expert list the Top 25 Online Survey Sites at: [www.moneysavingexpert.com/family/make-money-surveys/](http://www.moneysavingexpert.com/family/make-money-surveys/)

Find 60+ ways to earn extra cash at: [www.moneysavingexpert.com/family/boost-your-income/](http://www.moneysavingexpert.com/family/boost-your-income/)

# Debts

**Don't Ignore Debts** - if you are experiencing problems paying a bill, don't ignore it - get in touch with the creditor. You may be able to negotiate smaller payments.

## Priority Debts

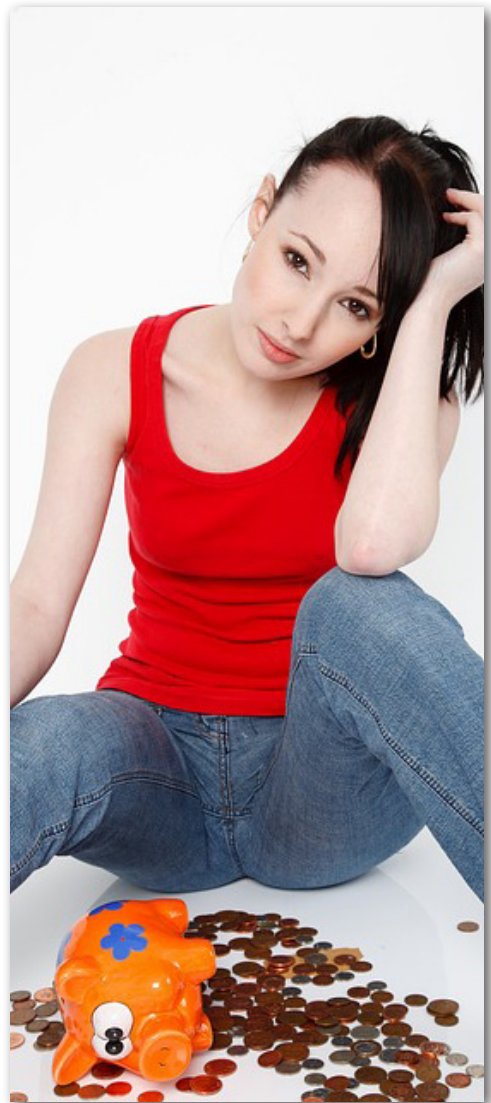
Priority Debts include rent, Council Tax, utilities (gas, electricity and water) etc. It is important to remember that when making payments, Priority Debts come first.

## Non Priority Debts

Non Priority Debts include credit cards, catalogue debts, loans, store cards etc. These can be dealt with by seeking debt management assistance from free agencies.

## Free Debt Advice Agencies

- Citizens Advice  
[www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)
- National Debtline  
[www.nationaldebtline.org](http://www.nationaldebtline.org)
- StepChange  
[www.stepchange.org](http://www.stepchange.org)



### **Never pay for Debt Advice!**

*There are several companies who offer FREE advice and support. However, watch out for the companies who offer free advice, but charge you high fees for setting up and administering your debt management plan.*

# Credit

## What is Credit?

Credit is a sum of money made available for you to use, which you have to pay back plus some extra interest/charges for the privilege!

## Examples of Credit

### Personal loan

The provider gives you a lump sum of money which you pay back on a monthly/weekly basis.

### Secured loan

Similar to a Personal Loan, but to buy high cost items such as a house. The loan is secured against the item bought, so if you can't repay the loan, the lender can take possession of the item.

### Credit cards

You have a card and a maximum amount you can spend on the card. If you pay the monthly bill in full you won't pay any interest, otherwise the bill tells you the minimum amount you must pay – this covers the interest plus a small amount of your spending.

### Storecards

Very similar to credit cards, but limited to use in a particular shop or chain of shops. The interest rates tend to be higher than credit cards.

## Why Credit is tough to shift

Say you spend £100 on your credit card: if you only make the minimum payment (say £5), your balance is now £95. If your monthly interest rate is 2%, you

carry forward a balance of £96.90 – you've only reduced your debt by £3.10. If you only make the minimum payment each month, it could take over two years to clear your £100 spend, and it will actually cost a total of around £130!!

**You'll need to consider things like the terms of a loan or credit card and interest or APR that you repay. There are credit cards that offer 0% for a set period of time, but you need to ensure you never miss a payment and repay within the 0% period, or switch to a new 0% card if you can.**

**Equally, it might also be worth weighing up whether you need credit at all, or whether you might be better saving up for the item.**



# Credit to avoid

## Loan Sharks

Loan sharks are illegal money lenders which should not be used under any circumstances.

A loan shark is someone who lends cash as an unauthorised business. If someone is struggling to pay a debt the loan shark will resort to threats, violence and intimidation to get what they say you owe, even if the debt has been paid off several times over.

If you know of loan sharks near you, report them to the England Illegal Money Lending Team at:

[www.stoploansharks.co.uk/report-a-loan-shark/](http://www.stoploansharks.co.uk/report-a-loan-shark/)

Call 0300 555 2222 at any time of the day or night or complete the on-line form on the website.

Email: [reportaloanshark@stoploansharks.gov.uk](mailto:reportaloanshark@stoploansharks.gov.uk)

If you're elsewhere in the UK, contact details to report loan sharks are on the Government's page at:

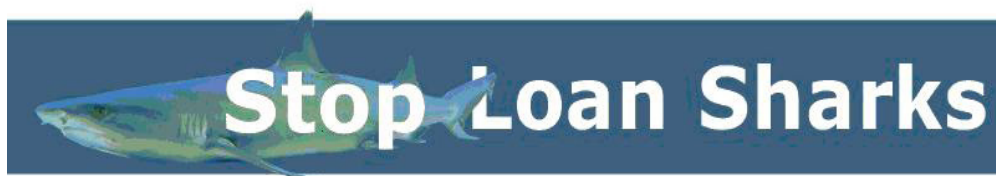
[www.gov.uk/report-loan-shark](http://www.gov.uk/report-loan-shark)

## Payday Loans

Payday Loans are short term loans that normally last no longer than one month and are repaid at your next wages pay-day. They can seem attractive because they are normally very easy and quick to apply for and in many cases the money is received into your account only a few hours after application. However they charge extremely high rates of interest – average 2615% APR (based on average fee of £29 per £100 borrowed.)

The cost of borrowing can mount up quickly, especially if repayment is late or you borrow repeatedly, making the amount you repay much larger than the original amount borrowed.

**In the long term Payday loans can make your financial situation worse.**





# Student Loan Repayments

Tuition Fee and Maintenance Loans are repaid after you leave University. The important thing to remember is that the amount you'll repay will be based on how much you earn, not how much you borrow.

## When you start repaying

Once you leave your course, you'll only repay when your income is above the repayment threshold. The current UK threshold (April 2021) is £27,295 a year, £2,274 a month, or £524 a week.

### Full-time courses

You'll be due to start repaying the April after you finish or leave your course, but only if you're earning over the repayment threshold. For example, if you graduate in June 2021, you'll be due to start repaying in April 2022, if you're earning enough.

### Part-time courses

You'll be due to start repaying the April four years after the start of your course,

or the April after you finish or leave your course, whichever comes first, but only if you're earning over the repayment threshold.

## How repayments are made

- If you start work, your employer will automatically take 9% of your income above the threshold from your salary, along with tax and National Insurance.
- If you're self-employed, you'll make repayments at the same time as you pay tax through self-assessment.

For more information:

[www.gov.uk/repaying-your-student-loan](https://www.gov.uk/repaying-your-student-loan)

*Any outstanding loan balance will be cancelled 30 years after you're due to start repaying – even if you haven't repaid any of it.*

Source:

[www.ucas.com/student-finance-england/repaying-your-student-loan](https://www.ucas.com/student-finance-england/repaying-your-student-loan)



# Sources of Help & Advice

## Free and Impartial Money Advice

### StepChange

[www.stepchange.org](http://www.stepchange.org)

Free help and advice with debt management.

Support over the phone and online.

Tel: 0800 138 1111

### The Money Advice Service

[www.moneyadviceservice.org.uk/en](http://www.moneyadviceservice.org.uk/en)

Provides free unbiased advice, information, and interactive money planners to help people manage their money.

Support over the phone and online.

Tel: 0800 138 7777

### National Debtline

[www.nationaldebtline.org](http://www.nationaldebtline.org)

Free advice for people with debt problems.

Support over the phone and online.

Tel: 0808 808 4000

## General Finance and Consumer Rights

### Money Saving Expert

[www.moneysavingexpert.com](http://www.moneysavingexpert.com)

Journalistic website created by Martin Lewis which provides free guides, tips, tools and techniques on how to save money.

### The Money Advice Service

[www.moneyadviceservice.org.uk/en](http://www.moneyadviceservice.org.uk/en)

Provides free unbiased advice, information, and interactive money planners to help people manage their money.



### The Financial Conduct Authority

[www.fca.org.uk](http://www.fca.org.uk)

Offers advice on all aspects of consumer rights and issues.

### TaxAid

<http://taxaid.org.uk/>

Free advice on tax to those on low incomes.

Tel: 0345 120 3779

## Tax and Benefits

### HM Revenue & Customs

[www.gov.uk/government/organisations/hm-revenue-customs](http://www.gov.uk/government/organisations/hm-revenue-customs)

Information on Tax, including Child Benefit and Tax Credit

Tel: 0300 200 3300

### Job Centre Plus

[www.gov.uk/contact-jobcentre-plus](http://www.gov.uk/contact-jobcentre-plus)

For welfare benefit claims as well as help finding work.

# Sources of Help & Advice

## Lone Parents

### Gingerbread

[www.gingerbread.org.uk/](http://www.gingerbread.org.uk/)

Free advice and practical support for single parents.

Tel: 0808 802 0925

### Child Maintenance Options

[www.cmoptions.org](http://www.cmoptions.org)

A free service that provides impartial information and support to help separated parents make decisions about their child maintenance arrangements.

Telephone: 0800 953 0191

## Health and Wellbeing

### Mind

[www.mind.org.uk](http://www.mind.org.uk)

Provides advice and support to empower anyone experiencing a mental health problem.

Tel: 0300 123 3393

### Samaritans

[www.samaritans.org/](http://www.samaritans.org/)

Available 24 hours a day to provide emotional support for people who are struggling to cope, including those who have had thoughts of suicide.

Tel: 116 123 Email: [jo@samaritans.org](mailto:jo@samaritans.org)

### Surviving Economic Abuse

<https://survivingeconomicabuse.org/>

UK Charity dedicated to raising awareness of economic abuse and transforming responses to it.

### National Domestic Abuse Helpline

[www.nationaldahelpline.org.uk/](http://www.nationaldahelpline.org.uk/)

Run by Refuge - Advice and Support for victims of domestic abuse

Tel: 0808 2000 247

### Mens Advice Line

<https://mensadvice.org.uk/>

Run by Respect - Advice and Support for male domestic abuse victims

Tel: 0808 8010 327

### LGBT+ Domestic Abuse Helpline

[www.galop.org.uk/domesticabuse/](http://www.galop.org.uk/domesticabuse/)

Emotional and practical support for LGBT+ people experiencing domestic abuse.

Tel: 0800 999 5428



### GamCare

[www.gamcare.org.uk](http://www.gamcare.org.uk)

Information, advice, support and free counselling for the prevention and treatment of problem gambling.

Tel: 0808 8020 133

### GambleAware

[www.gambleaware.co.uk](http://www.gambleaware.co.uk)

For help, support and advice about problem gambling.

## Housing & Benefits

### Shelter

[www.shelter.org.uk/](http://www.shelter.org.uk/)

Advice and support on housing issues and homelessness.

### Turn2us

[www.turn2us.org.uk/](http://www.turn2us.org.uk/)

Helps people in financial hardship to gain access to welfare benefits, charitable grants and support services.



## Worcester Local Services

### Worcester Citizens Advice

<https://citizensadviceworcester.org.uk/>

Offer a range of services, supporting people, providing information / advice and directing people to the best source of help for their issue.

Tel: 0808 278 7891

### Job Centre Plus

[www.gov.uk/contact-jobcentre-plus](http://www.gov.uk/contact-jobcentre-plus)

For welfare benefit claims as well as help finding work.

Vine House, Farrier St, Worcester WR1 3EL

Tel: 0800 169 0190

### Worcester Hub (Worcester City Council)

[www.worcester.gov.uk](http://www.worcester.gov.uk)

Local council contact point for information on a variety of issues including: Council tax, Housing Benefit, Council Tax Benefit & housing.

Tel: 01905 722233

Provided by the University of Worcester  
Money Advice Service  
firstpoint, Peirson Centre,  
Henwick Grove, St Johns, Worcester, WR2 6AJ

[www.worcester.ac.uk/moneyadvice](http://www.worcester.ac.uk/moneyadvice)

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