



**MAKING  
EVERY PENNY  
COUNT**  
a toolkit for ULRs



# Contents

How to use this toolkit	04
Activity 1: Word search	06
Activity 2: Crossword	08
Activity 3: The ABC of money quiz	10
Activity 4: Balancing the books	12
Activity 5: Payday lending case study	14
Activity 6: What are credit unions?	16
Activity 7: Debt quiz	18
Activity 8: Payslip check	20
Activity 9: Payslip terms	22
Workbook Activity A: Money personality quiz	24
Workbook Activity B: Draw up your own budget	26
Workbook Activity C: Managing your bills	28
Workbook Activity D: Priority and non-priority debts	29
Glossary	30
Online help	31



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# Introduction



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**UNISON is committed to developing the skills we all need to fully participate in work, the union and society itself – English, ICT and, above all, maths.**

Having good maths skills and the confidence to try them out is vital for all of us, especially these days. We need to be able to understand our pay slips, work out the cost of a loan, and calculate how much we need to save every month towards Christmas or a big holiday.

Yet when we surveyed our members about Functional Skills four years ago, 12 per cent of the 27,000 who responded said they found it difficult to understand their pay slips.

This toolkit is packed with easy and enjoyable activities that will not only help the people in that 12 per cent but also anyone who isn't sure how to work out what 12 per cent of 27,000 actually is (the answer is below).



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**Solution: First calculate 1 per cent: 27,000 ÷ 100 = 270. Multiply that by 12 to get 12 per cent = 3,240.**

Note: All information contained in this toolkit is correct at time of print.

# How to use this toolkit

All the activities can be run using the activity sheets that you can download from the online resource **Learning.UNISON**.

**Learning.UNISON** is also where you can find the eight-page A4 money management workbook, which you can download and print off for individual members to complete. Again, it looks very similar to the version on pp20-25, except the answers are not included.

**We put together this toolkit to equip ULRs with information, guidance and activities to:**

- raise awareness of financial issues such as budgeting and debt management
- highlight the importance of maths to financial know-how and what UNISON can do to help
- signpost members to help and support where needed.

You can dip into the toolkit and use it in informal one-to-one situations or groups, depending on the context and needs of individuals.

While the activities do have some maths in them, you do not need to have skills at Level 2 or above to facilitate them.

The activities are designed to be accessible for all and the notes in each section will take you through each activity step by step.

## Go to

In order to run any of the activities, you will need to download the individual activities from the **Learning.UNISON website**: click on ULRnet>ULR resources>Making every penny count. Each activity looks exactly like the version in this toolkit – except it doesn't have the answers printed on it! Remember to make enough copies for the number of people attending your session. We will be adding new activities and tutor notes to this online resource in future.

## What next?

Once you have whetted everyone's appetites with these fun, confidence-building activities, you can help them move on by taking any or all of these next steps.

- Run a longer financial literacy or numeracy course with a local provider such as the Workers' Educational Association (WEA) or adult education centre: **[www.aoc.co.uk/about-us/aoc-regions](http://www.aoc.co.uk/about-us/aoc-regions)**
- Develop Maths Champions in your workplace or link up with National Numeracy and the Numeracy Challenge: your Regional Learning Development Officer will be able to advise which would be the best route for you. **[www.nationalnumeracy.org.uk/](http://www.nationalnumeracy.org.uk/)**
- Speak to Learning and Organising Services (LAOS) about funding for numeracy sessions and support and advice.
- Work with your branch There for You (TFY) officer to keep up to date and promote TFY services: **[www.unison.org.uk/get-help/help-with-problems-at-home/there-for-you/](http://www.unison.org.uk/get-help/help-with-problems-at-home/there-for-you/)**
- Have a look at the online learning course to help activists increase their understanding at **<http://learning.unison.org.uk>**
- Speak to your local Credit Union about the services they offer, including talks with members and promoting affordable finance services: **[www.unison.org.uk/get-help/services-support/there-for-you/credit-unions/about-credit-unions/](http://www.unison.org.uk/get-help/services-support/there-for-you/credit-unions/about-credit-unions/)**

## ACTIVITY 1

# Word search

### Aim

To check and develop individual understanding of money terms and definitions by asking individuals to find specific words/terms hidden in the grid.

You can use the word search in one-to-one or paired/small group activities.

### How to

1 Distribute the activity sheet and explain that the object is to identify the 15 words/items that are hidden in the grid, reading horizontally, vertically or diagonally, forwards and backwards, within a set time limit (between three and five minutes). You can help people get started by showing them where the word 'creditor' is written across on line 1, for instance.

2 When the time is up, discuss the meaning of each of the words they have found, which can lead to a wider discussion of specific issues, such as the importance and benefits of budgeting or the drawbacks of payday loans.

### Tips

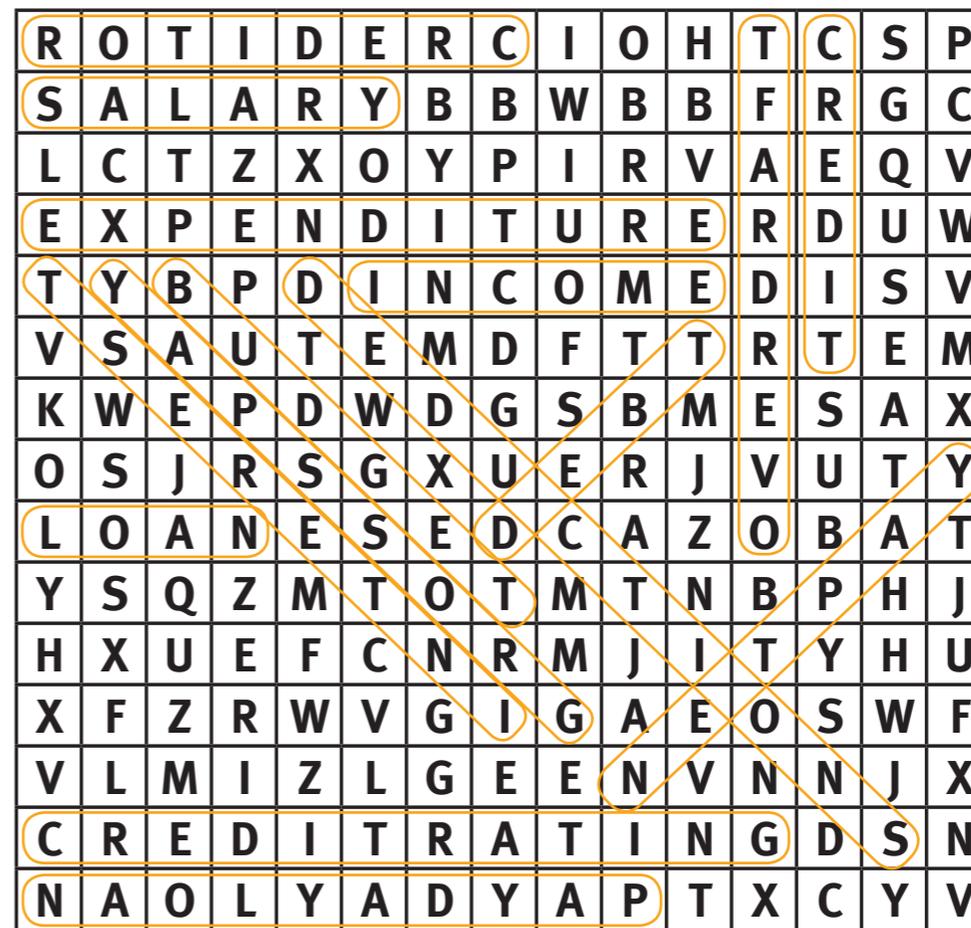
You can use the word search as an icebreaker at the start of a meeting leading to the offer of confidential follow-up support for those who are interested.

You can distribute the word search across workplaces, for example during Adult Learners' Week/Learning at Work Week, perhaps linked to a prize draw, and with the offer of confidential follow-up support.



To download the **Activity 1** worksheet go to <http://learning.unison.org.uk/course/view.php?id=17>

We have hidden 15 money-related terms in the word search below. Working horizontally, vertically or diagonally, forwards and backwards, how many can you find? And how many can you define the meaning of? Answers circled below in orange.



### Words to find:

Budget  
Credit  
Credit rating  
Creditor  
Debt  
Deductions  
Expenditure  
Gross pay  
Income  
Interest  
Loan  
Net pay  
Overdraft  
Payday loan  
Salary

## ACTIVITY 2

# Crossword

### Aim

To check and develop individual understanding of money terms and definitions and promote discussion about money matters.

You can use the crossword in one-to-one or paired/ small group activities.

### How to

1 Distribute the crossword. Explain that the aim of the exercise is to answer all 11 clues, five across and six down, that relate to different money terms within a set time (three to five minutes). You might like to get them started by giving them the answer to a clue of their choice.

2 When the time is up, ask the group to supply the answers and fill in any gaps. Then you can discuss the meaning of the answers, and develop that into a discussion of specific issues, for example, understanding your payslip.

### Tips

You can use the crossword as an icebreaker at the start of a meeting, leading to the offer of confidential follow-up support for those who are interested.

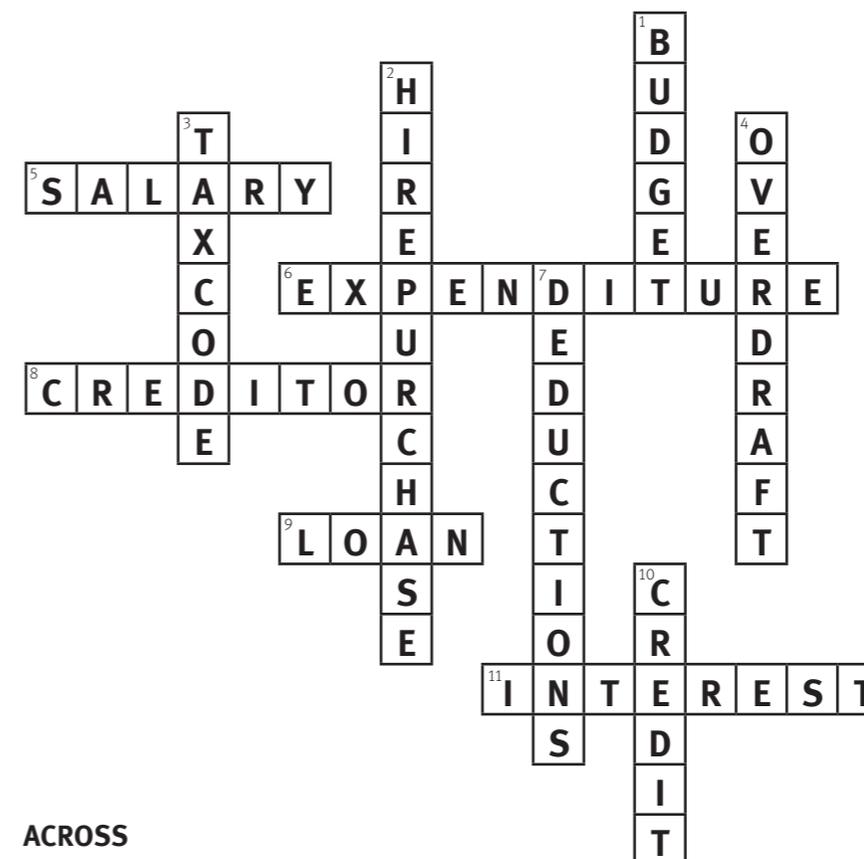
You can distribute the crossword across workplaces, for example during Adult Learners' Week/Learning at Work Week, perhaps linked to a prize draw, and with the offer of confidential follow-up support.

**Go to**

To download the **Activity 2** worksheet go to <http://learning.unison.org.uk/course/view.php?id=17>

The answers are all different money-related terms. Can you get all 11? And how many can you define?

The solution is shown below.



### ACROSS

- 5 What you are paid by your employer (6)
- 6 Outgoings such as rent or mortgage, insurance and Council Tax as well as living expenses and regular and irregular spending (11)
- 8 Someone you owe money to (8)
- 9 Money that is borrowed with an agreement to pay back (4)
- 11 What you pay to borrow money – can be set at different rates (8)

### DOWN

- 1 Record of money that you have coming in and payments that you make (6)
- 2 Credit agreement where you hire goods with the option to buy them (4,8)
- 3 Provided by HM Revenue & Customs (HMRC) to tell your employer how much tax-free pay you should get before deducting tax from the rest (3,4)
- 4 Money borrowed through your current account (9)
- 7 Money taken directly out of your salary such as National Insurance, tax, union subscription and pension contributions (10)
- 10 Amount of money someone is willing to loan you to purchase goods and services (6)

## ACTIVITY 3

# The ABC of money quiz

### Aim

You can run quiz as a paper-based activity, where the aim is to answer as many questions as possible within a set time limit, working one-to-one or in small groups.

If you have access to a computer with Powerpoint and a live internet connection, you can run the online version of the activity, where the aim is to answer the same set of clues but this time as displayed on a grid, once again working one-to-one or in small groups.

### How to

- 1 The aim is to answer as many questions as possible within a given time (five to ten minutes).
- 2 When the given time is up, run through all the answers.
- 3 This can lead to further discussion and provide a platform for offering follow-up support either through further related activities/ guidance in the toolkit or by referral to support agencies.

### Tips

The online version is available at Learning.UNISON. We made the online version using the free trainer game downloadable from the Trainer Bubble website: [www.trainerbubble.com/](http://www.trainerbubble.com/)



You can use the online version in a meeting, conference or workshop setting.

To download the **Activity 3 worksheet** go to <http://learning.unison.org.uk/course/view.php?id=17>

Answers shown below in **orange**.

- 1 What A is the yearly cost of credit expressed as a percentage of the loan (three words)? **Annual Percentage Rate (APR)**
- 2 What B is the record of money you have coming in and payments you have to make? **Budget**
- 3 What C is the amount of money an organisation is willing to lend you? **Credit**
- 4 What D is the amount of money you owe to lenders? **Debt**
- 5 What E is the total amount of your outgoings such as rent/mortgage, bills, travel etc? **Expenditure**
- 6 What F is the two-word phrase that describes the tax and accounting period that begins every 6 April? **Financial year**
- 7 What G is the two-word phrase for the money you earn before deductions eg tax? **Gross pay**
- 8 What H is the credit agreement where you hire goods with the option to buy them (two words)? **Hire purchase**
- 9 What I is the figure you pay to borrow money? **Interest**
- 10 What L is the money that you borrow with an agreement to pay it back? **Loan**
- 11 What M is the legal agreement with a bank or building society to borrow money to help purchase a property? **Mortgage**
- 12 What N is the money you earn after deductions and is also called 'take-home pay' (two words)? **Net pay**
- 13 What O is money you borrow through your bank account? **Overdraft**
- 14 What P is a short-term loan to tide you over to the end of the month (two words)? **Payday loan**
- 15 What R is the money you regularly pay a landlord for the use of their property? **Rent**
- 16 What S is the money you are paid by your employer? **Salary**
- 17 What T tells your employer how much tax to deduct from your pay (two words)? **Tax code**
- 18 What U is the two-word phrase that describes a loan taken out without any assets such as your home offered as security? **Unsecured loan**
- 19 What V is a 20 per cent tax charged on most goods and services in the UK? (Clue: It is a three-word phrase usually referred to by its initial letters.) **Value Added Tax or VAT**
- 20 What W is a two-word phrase meaning an employer is suspending salary increases for a period of time? **Wage freeze**

## ACTIVITY 4

# Balancing the books

### Aim

To raise awareness of the benefits of budgeting as a crucial way to avoid over-spending and falling into debt.

We have provided a sheet of activity cards in the back pocket of the booklet.

### How to

- 1 Distribute the activity sheet to everyone and ask them to insert their approximate monthly income (or a figure they are happy working with) in the starting amount box. Make sure everyone has a calculator or a calculator app on their phone, tablet or computer.
- 2 Pick an activity card at random from the sheet provided in the back pocket of this booklet and read out what it says to the group. If it's an income card, they add the amount to their income and enter the new figure in the second box; if it's an expenditure card, they subtract the amount and enter that figure in the second box. When everyone has done that, pick another card at random and do the same. Continue until everyone has filled in the final box and can see whether they have money left or have overspent. NB: You have more cards than you need to work your way through the activity.
- 3 You can follow on from this activity with a discussion about unforeseen outgoings, the importance of saving an 'emergency fund' and the benefits of budgeting.

### Tips

You could follow up the discussion with the offer of the Budgeting and Money Management Workbook that accompanies this toolkit. Since the activity may raise the issue of number skills, ULRs can use the opportunity to suggest maths skills development support. You can deliver this activity as an introduction to the paper-based budgeting tool in the Budgeting and Money Management Workbook.

**Go to**

To download the **Activity 4** worksheet go to <http://learning.unison.org.uk/course/view.php?id=17>

- 1 Ask learners to write their approximate monthly income (or a figure they are happy working with) in box 1 on their activity sheets
- 2 Pick one of the income and expenditure cards in the deck provided and ask learners to add or subtract the money from the figure in their box 1
- 3 Pick up another of the income and expenditure cards in the deck provided and ask learners to add or subtract the money from the figure in their box 2
- 4 Pick up another of the income and expenditure cards in the deck provided and ask learners to add or subtract the money from the figure in their box 3
- 5 Pick up another of the income and expenditure cards in the deck provided and ask learners to add or subtract the money from the figure in their box 4
- 6 Pick up another of the income and expenditure cards in the deck provided and ask learners to add or subtract the money from the figure in their box 5 to get their final balance

## ACTIVITY 5

# Payday lending case study

### Aim

To look at payday lending options and consider the impact of repayments on budgets. Can be run one-to-one or in small groups.

### How to

- 1 Distribute the activity sheet and give everyone the chance to read through the problem. Make sure everyone has a calculator or a calculator app they can use on their phone, tablet or computer.
- 2 Ask participants first to work out the answer to question 1, how much money Claire has left after paying all her outgoings.
- 3 Ask participants to work out how much Claire would have to repay if she takes out a £100 loan from each of the companies listed. You could work out the first repayment together by explaining how to calculate the percentage.
- 4 Share the results and lead a discussion focusing on how Claire would struggle to make the repayments and the possible impact of her spiralling into debt.

### Tips

You could circulate information about your local credit union and discuss how Claire might benefit from joining one in her area. You could move straight on to Activity 6, which focuses on credit unions and affordable finance.



To download the **Activity 5** worksheet go to <http://learning.unison.org.uk/course/view.php?id=17>

### Read through the case study and answer all three questions.

Answers shown below in orange.

Claire takes home £745 per month. Her outgoings, which comprise rent, Council Tax, utility bills, phone/internet bills, debt repayments, food, drink, clothing and travel costs, total £715.

- 1 How much money does Claire have left after paying all her outgoings? Show how you work out the answer.

$$\begin{aligned} & \text{£745} - \\ & \text{£715} = \\ & \text{£30} \end{aligned}$$

Claire has six days until she is paid but has no money for food or emergencies and would like to go to a close friend's birthday party. She

doesn't know anyone she could borrow money from so she is looking to borrow £100 from a payday lender. She has heard some of them can be expensive so thinks it will be best to look at the different interest rates, though she needs the cash today, so it will have to be a quick one.

- 2 How much in total would Claire have to repay the three different lenders for borrowing £100?
- 3 Remembering how much money Claire has left after all her outgoings are taken into account (£30), if she borrows the money from any of the lenders, will she be able to make the whole repayment within the 28 days? **No**

Lender	Interest rate for 28 days	Equivalent APR	Charge	Timescale	Claire will pay back
Bazonga	25%	1413%	Free	Online, instant approval and transfer	<b>£125</b>
Quidz Kwik	24%	1270%	£29.99 per £100 borrowed	Within 24 hours	<b>£153.99</b>

## ACTIVITY 6

# What are credit unions?

### Aim

To inform members about the benefits of credit unions, which are a welcome alternative to payday loans or doorstep lending.

Credit unions are non-profit financial organisations set up by members with something in common, such as living in the same town or working in the same sector, for example the NHS.

As they do not have to make a profit for third-party shareholders, they are able to offer mutual benefits to their members and can often help people who are unable to access ordinary bank products – a lifeline in less well-off communities for folks grappling with their finances.

### How to

- 1 Remind everyone of the payday lending case study in Activity 5. Ask participants what they would say to someone like Claire to encourage them to use a credit union?
- 2 Look at the credit union case study opposite and work through the three questions.

### Tips

You could circulate information about your local credit union and discuss how participants might benefit from joining. There is more information about UNISON's network of partner credit unions, including a directory of credit unions across the country, organised by region, on the UNISON website: [www.unison.org.uk/get-help/services-support/there-for-you/credit-unions/](http://www.unison.org.uk/get-help/services-support/there-for-you/credit-unions/)

**Go to**

To download the **Activity 6** worksheet go to <http://learning.unison.org.uk/course/view.php?id=17>

Read through the case study below and answer all the questions.

Answers shown below in **orange**.

Claire looks for her local credit union and finds one quite close to where she lives. When she calls them, they advise her that they usually prefer people to save with them first before they take out a loan. However, they can offer a payday loan but she will pay a slightly higher rate than regular savers.

- 1 If Claire still needs to borrow £100, what would the interest be if it's charged at 2 per cent?  
**£2**
- 2 If Claire has to use the same day payment facility to borrow £100 from the credit union, what would be the total repayment figure?

- 3 What late payment fees do you think the credit union will charge?

- a) **Nothing**
- b) £10
- c) £20

NB Most credit unions don't add late payment fees to help members avoid spiralling debt costs.

Description	Joining fee	Interest	Equivalent APR	Same day payment facility	Repayment figure
Credit union	£5	2%	26.8%	£11	<b>£118</b>

## ACTIVITY 7

# Debt quiz

### Aim

To raise awareness of debt in the UK and consider how it has become such a big issue.

### How to

Ask participants to complete the quiz individually or in pairs. You can follow up by discussing their responses alongside the answers and asking for their comments in relation to anything they found surprising or shocking.

### Tips

You can use this activity as an icebreaker in a group situation, workshop, conferences or meetings such as branch meeting.

The statistics in the answers to questions 1–6 are correct as of September 2015 when this toolkit went to press. Since month-to-month changes are not usually significant, you can continue to use the quiz to stimulate discussion.

In question 7 on priority and non-priority debt, the key phrase is ‘severe consequences’ (7b), which it is useful to explore in discussion. Each person’s circumstances are different and what may be severe for one person may be less so for someone else. For example, when someone needs their car for work, being without it may have the severe consequence of losing their means of income, whereas for someone else, being without their car may simply be an inconvenience.

Update the quiz and answers with the help of data from The Money Charity website: <http://themoneycharity.org.uk/debt-statistics/>

**Go to**

To download the **Activity 7** worksheet go to

<http://learning.unison.org.uk/course/view.php?id=17>

Answers shown below in orange.

- 1 What is the average household debt in the UK, including mortgages?  
a) **£53,961**  
b) £32,326  
c) £19,300
- 2 How many new debt problems did the Citizens Advice Bureaux in England and Wales deal with each working day in the year ending March 2015?  
a) 2,786  
b) 5,372  
c) **6,323**
- 3 How many people are declared bankrupt or insolvent every day in the UK?  
a) 154  
b) 209  
c) **258**
- 4 How often is a UK property repossessed?  
a) every 18 minutes 15 seconds  
b) **every 29 minutes 42 seconds**  
c) every 36 minutes 47 seconds
- 5 How much does the average UK child cost to raise up until they are 21 years old?  
a) £193,351  
b) **£221,094**  
c) £247,628
- 6 How many people became redundant every day in the UK between April and June 2015?  
a) 894  
b) 972  
c) **1,155**
- 7 What is the main difference between a priority and a non-priority debt?  
a) a priority debt should be paid off first  
b) **a priority debt has severe consequences if you default**
- 8 What is the worst that can happen if you default on a priority debt?  
a) **you can lose your home**  
b) **a bailiff could take your belongings**  
c) **you could go to prison**  
NB All three answers are correct.

## ACTIVITY 8

# Payslip check

### Aim

To help learners understand their payslips and what they include and to raise discussion points about where deductions go.

### How to

- 1 Distribute the payslip check activity sheet. Make sure everyone has a calculator or calculator app on their phone / tablet / laptop.
- 2 Take everyone through the various definitions of each item on the sample payslip.
- 3 Ask participants to work out the answers to questions 1 to 3.
- 4 Show participants the UNISON calculators they can use to work out if Universal Credit will leave them better or worse off and HMRC's tax code calculator.

### Tips

Highlight the difference between National Insurance and income tax. National Insurance pays for the NHS, unemployment benefit, sickness and disability allowances and the state pension (designed as a safety net). Income tax pays for things like education, benefits, defence, prisons etc.

HMRC recommends you keep your payslips for at least 22 months from the end of the tax year they relate to.

Look at John's payslip and answer all three questions below. Answers shown in orange.

Employee name	Employee number	National Insurance number	Tax code	Tax period
John Brown	1062	YH 558877D	710L	02
Payment	Gross pay	Deduction	Amount	Bal/YTD
Basic pay	£1250.00 (monthly)	Tax paid	£66.67	£133.34
		NI	£69.40	£138.80
		Pension	£60.00	£120.00
		UNISON subscription	£9.70	£19.40
		Charitable contribution	£3.00	
<b>Net amount payable £1,041.23</b>				

- 1 Based on the payslip tax period, which month is John being paid for?  
a) January  
b) March  
c) **May**
- 2 What is the total amount of deductions paid by John in this pay period?  
a) £204.77  
b) £205.77  
c) **£208.77**
- 3 What is John's annual gross salary?  
a) £13,000  
b) £14,000  
c) **£15,000**

## ACTIVITY 9

# Payslip terms

**Employee number:** Issued to you by your employer

**National Insurance number:** Needed to work in the UK. NI is used to pay for:

- the NHS
- sickness and disability allowances
- state pension
- unemployment benefit

**Tax code:** Provided by HM Revenue & Customs (HMRC). Tells your employer how much tax-free pay you should get before tax is deducted from the rest. If wrong, you could pay too much or too little tax, so always check this against your notification of your tax code

**Tax period:** Represents the tax period for your particular pay slip: for example, if you are paid monthly, 01 = April and 12 = March

**Payment:** What you are being paid for, for example basic pay

**Gross pay:** Your total earnings before deductions are made (could be a weekly or monthly payment)

**Deduction:** Amount taken from your wages

**Tax paid:** Amount of tax deducted for this period

**NI:** Amount of National Insurance contribution deducted for this period

**Pension:** Amount deducted to be paid into your pension fund for this period

**UNISON subscription:** Membership fee for this period

**Net amount payable:** The amount you actually receive once all the deductions have been made. You should check this against your bank statement to make sure what is paid in is the same amount

The government is phasing out tax credits and replacing them with Universal Credit, which is less generous for most working people. Use our calculator to find out if you can still get tax credits and the last date to claim in your area.

Tax credits calculator: <https://unison-takeup.entitledto.co.uk/Home/NewClaim>

Benefits calculator: <https://www.unison.org.uk/get-help/services-support/there-for-you/tax-credits-and-universal-credit/>

You can check your tax code at: [www.gov.uk/income-tax/check-youre-paying-the-right-amount](http://www.gov.uk/income-tax/check-youre-paying-the-right-amount)

Draw a line to match the payslip term in the left hand column with the correct meaning in the right hand column.

Payslip term	Meaning
Gross pay	Provided by HM Revenue & Customs (HMRC). Tells your employer how much tax-free pay you should get before tax is deducted from the rest.
Tax code	The pay you receive once all the deductions have been made.
Net pay	Number issued to you that will remain the same throughout your working life. Linked to contributions you make to the NHS and state benefits.
Deductions	Total earnings before deductions are made.
NI number	Amount of money taken out of your salary, like tax and National Insurance, union subscriptions, and any contributions you're making to a workplace pension.

## WORKBOOK ACTIVITY A

# Money personality quiz

Find out what type of 'money personality' you have by completing this short quiz. Just tick the answer that most closely matches what you think, feel and do.

### 1 Having savings is:

- A something other people do
- B impossible, however much you try
- C something you aim towards
- D an important part of managing your money
- E the whole point of your life.

### 2 How would you rate your relationship with money?

- A I never think about it
- B I get by
- C I think I should be better at managing it
- D I'm pretty good at managing it
- E people ask me for advice about their finances!

### 3 At the end of each month you have:

- A no idea what you have spent
- B added to your overdraft or credit card debts
- C spent about as much as you have earned
- D carefully worked out next month's income and spending
- E put plenty of money aside for savings.

### 4 When you go shopping:

- A you buy whatever you fancy
- B you have an idea of what you want, but are always distracted by other things
- C you make a list, but don't always stick to it
- D you always have a list and stick to it
- E you buy whatever's cheapest.

### 5 When things go wrong, what effect does shopping have?

- A it makes everything better
- B it helps take my mind off the problem
- C it doesn't really help
- D I would never go shopping just because I feel upset
- E It makes me feel worse!

This money personality quiz is included in the 'My budgeting and money management workbook' that accompanies this toolkit. To download copies to use with your learners, go to: <http://learning.unison.org.uk/course/view.php?id=17>

### 6 How often do you borrow from friends or relatives?

- A it seems I always owe someone something
- B from time to time
- C very rarely
- D never
- E they always want to borrow from me!

### 7 What is your main aim in life when it comes to money?

- A I don't really have one
- B to be able to buy whatever I want
- C to have enough to treat myself regularly
- D to always know what's coming in and what's going out
- E to save as much as possible.

### 8 How are you saving for your retirement?

- A I'm not – I'm still too young
- B I never get around to it
- C I've started a pension but have no idea if I'm saving enough
- D I've worked out how much I need to save every month until I retire
- E I put as much as I can into my pension every month.

## ANSWERS

### Mostly As

- You're a debt collector's delight.
- You have so little idea about your finances that you could be in trouble.
- If you carry on like this you will have a lot of debt and no way out.

### Mostly Bs

- You're a day-to-day debtor.
- You never quite know how much money you've got or how you've spent it. This is the road to debt.

### Mostly Cs

- You're a smart spender.
- You are in reasonable control of your finances but keeping a closer track on your spending will make you more comfortable with life.

### Mostly Ds

- You're a careful controller.
- You plan for every penny that comes in and goes out of your life.
- Unexpected expenses can cause you a lot of stress.

### Mostly Es

- You're a squirrel.
- Your greatest love in life is saving money.
- Perhaps you could use new ideas on where to put your money without sacrificing the security you hold dear.

## WORKBOOK ACTIVITY B

# Draw up your own budget

A budget is a record of money you have coming in and payments you must make that helps you to check your day to day financial position; react quicker to debt; plan when borrowing money, moving house or moving jobs; and see the impact of any change in your financial circumstances.

### Tips

- Use weekly or monthly amounts: don't mix!
- Use realistic amounts
- Make a rough budget first
- Don't forget to include fines, travel and loans
- Be realistic about food and housekeeping
- Include emergencies – and Christmas!

### How to

To calculate weekly amounts from a month: multiply/times (x) monthly amount by 12 and divide/share (÷) by 52

To calculate weekly amounts from a year: divide/share (÷) the annual amount by 52

To calculate monthly amounts from a week: multiply/times (x) weekly amount by 52 and divide/share (÷) by 12

To calculate monthly amounts from a year: divide/share (÷) the annual amount by 12

This budget template is included in the 'My budgeting and money management workbook' that accompanies this toolkit. To download copies to use with your learners, go to: <http://learning.unison.org.uk/course/view.php?id=17>

Income		Weekly	Monthly
Salary / wages (take home)			
Partner's salary / wages (take home)			
Maintenance or child care			
Boarders or lodgers			
Other family contributions (eg board)			
Student loans and grants			
Job Seekers' Allowance (income based)			
Job Seekers' Allowance (contribution based)			
Income Support			
Working Tax Credit			
Child Tax Credit			
Child Benefit			
Employment and Support Allowance / Statutory Sick Pay			
Disability Living Allowance / Attendance Allowance			
Carer's Allowance			
Other (eg Maternity Allowance, Statutory Maternity Pay)			
State Pension			
Private or work pension			
Pension Credit – Guarantee Savings			
Other			
Other			
Other			
<b>TOTAL INCOME</b>			

Expenditure		Weekly	Monthly
<b>Household</b>	Rent		
	Ground rent / service charges		
	Other secured loans		
	Mortgage		
	Mortgage endowment / mortgage protection		
	Buildings / contents Insurance		
	Pension / life Insurance		
	TV licence		
	Council Tax		
<b>Utility</b>	Gas		
	Electric		
	Water		
	Other utility costs (eg coal, oil, Calor Gas)		

<b>Care costs</b>	Maintenance or Child Support		
	Childcare costs		
	Adult care costs		
<b>Legal cost</b>	Magistrates' Court fines		
	Hire Purchase / Conditional Sale		
<b>Phone</b>	Landline		
	Mobile		
<b>Transport</b>	Public Transport (eg bus, train)		
	Other (eg taxis)		
	Car insurance		
	Road tax		
	Fuel (eg petrol, diesel, oil)		
	MOT / car maintenance		
	Breakdown or recovery		
	Parking charges or tolls		
	Other car costs		
<b>Consumables</b>	Food		
	Cleaning / toiletries		
	Newspapers / magazines		
	Cigarettes / tobacco		
	Alcohol		
	Laundry / dry cleaning		
	Clothing / footwear		
	Nappies / baby items		
	Pet food		
<b>Sundry costs</b>	Repairs / house maintenance		
	Haircuts		
	Cable / satellite / broadband		
	TV / DVD rental		
	School meals / meals at work		
	Pocket money / school trips		
	Lottery / pools		
	Hobbies / leisure / sport		
	Gifts (Christmas, birthday, charity)		
	Vet bills / pet insurance		
	Health (eg prescriptions, dentist, opticians)		
	Other (eg postage)		
	Other		
<b>TOTAL EXPENDITURE</b>			

## WORKBOOK ACTIVITY C

# Managing your bills

What do you think could happen if you fall behind with paying different bills?  
Draw a line from each bill to one of the options in the 'Impact' column.

Bill	Impact
Electricity	You could lose your home
Local lender	The amount you owe could rise significantly
Credit card	You could be cut off
Magistrates' court fines	You could get a large fine
Rent/mortgage	A bailiff could take your belongings
Catalogue	You could be taken to a county court
TV licence	You could be sent to prison
Council Tax	Your credit rating could go down

Both of these activities are included in the 'My budgeting and money management workbook' that accompanies this toolkit. To download copies to use with your learners, go to:  
<http://learning.unison.org.uk/course/view.php?id=17>

## WORKBOOK ACTIVITY D

# Priority and non-priority debts

**Not paying some bills has more effect than others. The most important bills are called priority debts. If you don't pay a priority debt, the result can be serious, such as losing your home.**

Other bills and debts are called non-priority debts. They still matter, but the result of not paying them is not as serious.

If you owe money to someone they are called a creditor. The law gives creditors different ways to get their money back.

If you run into debt problems, it's always best to talk to your creditors: communication will help prevent issues from escalating and you will feel less stressed.

What happens if you don't pay priority bills and debts	
Electricity and gas	You could be cut off Your water supply cannot be cut off
Rent or mortgage	You could lose your home
TV licence	You could have money taken from your benefits or wages A bailiff could take your belongings You could get a large fine
Council Tax	A bailiff could take your belongings You could have money taken from your benefits or wages You could go to prison
Maintenance for others, including support for children	A bailiff could take your belongings You could have money taken from your benefits, wages or bank account You could go to prison
Secured loan	You could lose your home
Magistrates' court fine	You could be sent to prison

What happens if you don't pay non-priority debts	
Catalogue	These are often called 'credit debts' You cannot be imprisoned You can be taken to a county court
Credit card	
Store card	
Personal loan including local lenders	

# Glossary

**Annual Percentage Rate (APR)**

yearly cost of credit expressed as a percentage of the loan

**Budget**

record of money you have coming in and payments that you make

**Credit**

amount of money an organisation is willing to loan you to purchase goods or services

**Credit card**

card that lets you borrow money and pay it back later

**Credit rating**

measure of how creditworthy you are based on your financial history

**Creditor**

someone you owe money to

**Debit card**

card that lets you spend what you have in your bank accounts

**Debt**

amount of money you owe to lenders

**Deductions**

money taken directly out of your salary, such as National insurance, Income Tax, pension contributions and union subscription

**Expenditure**

outgoings such as rent or mortgage, insurance and Council Tax as well as living expenses and regular and irregular spending

**Financial year**

tax and accounting period that begins every 6 April

**Gross pay**

money earned before any deductions are made

**Hire Purchase**

credit agreement where you hire goods with the option to buy them

**Income**

money coming in from things like salary or wages, pensions or benefits

**Interest**

what you pay to borrow money, can be set at different rates

**Loan**

money that is borrowed with an agreement to pay back

**Mortgage**

legal agreement with a bank or building society to borrow money to help purchase a property

**Net pay**

money you earn after deductions; also called 'take home pay'

**Overdraft**

money borrowed through your current account

**Payday loan**

expensive short-term loan

**Rent**

money you regularly pay a landlord for the use of their property

**Salary**

what your employer pays you weekly or monthly

**Tax code**

worked out by HM Revenue & Customs (HMRC) to tell your employer how much Income Tax to take from your pay or pension

**Unsecured loan**

loan you take out without offering any assets such as your home as security

**Value Added Tax (VAT)**

tax charged on most goods and services at 20 per cent

# Online help

**UNISON** There for You's Debtline offers members free, confidential advice to help clear your debts. The service is provided by debt management experts PayPlan, six days a week. Tel: 0800 389 3302. [www.debtclinic.co.uk/unison](http://www.debtclinic.co.uk/unison)

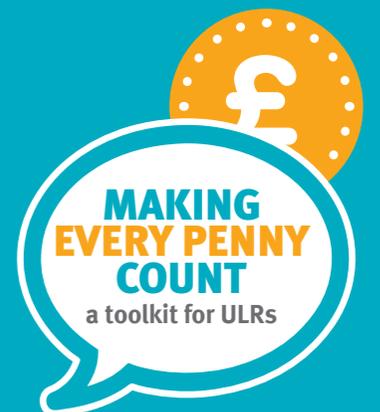
**Citizens Advice** provides a wide range of support about debt and money on the dedicated section of its website: [www.citizensadvice.org.uk/debt-and-money/](http://www.citizensadvice.org.uk/debt-and-money/)

**National Debtline** is a free, independent and confidential debt advice service run by the charity Money Advice Trust: [www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)

**Turn2us** is a national charity that helps people in financial hardship to gain access to welfare benefits, charitable grants and support services: [www.turn2us.org.uk](http://www.turn2us.org.uk)

**Money Advice Service** is an independent service, set up by government, that helps people manage their money, both through its own free and impartial advice service and also by working in partnership with other organisations to help people make the most of their money: [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)

You will need the cards in this pocket for Activity 4: Balancing the books (page 12).



To find out more and how to join contact:  
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textphone users FREEPHONE **0800 0 967 968**  
Lines open: 6am – midnight Monday to Friday,  
9am – 4pm Saturday

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