

Learn to manage your money in Scotland



scottish
refugee
council

Financial Literacy Project

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FLP - English

Our Financial Literacy Project

Our free information sessions, workshops and courses provide an opportunity to learn about managing your money, plan and prepare for the future, and resolve any issues you may have with money or bills. This leaflet outlines topics covered at our workshops, identifies who should attend and how to book a place. It also provides useful information about each of the workshops and highlights where to get further financial advice.



What are the workshops about?

Our workshops provide information about:

- banking and saving,
- budgeting,
- borrowing money,
- utility bills,
- insurance,
- moving into work; and
- starting your own business.

Who should attend the workshops?

Anyone can attend our workshop but they will be most relevant for people with Refugee status or leave to remain in the UK. Workshops run regularly throughout the year in various locations across Glasgow. Travel expenses are paid and childcare may be available upon request.

How do I find out more or book a place at the next workshop?

For information about the next workshops or to book a place, email:

financialworkshops@scottishrefugeecouncil.org.uk or refer to our website:

http://www.scottishrefugeecouncil.org.uk/how_we_can_help/i_have_refugee_status/leave_to_remain_in_the_uk/financial_literacy_project

The following information outlines topics covered in the workshops. It also provides useful tips and information to help you manage your money.

Banking and saving

- There are many types of bank accounts and each have with different options and features. Refer to Scottish Refugee Council's leaflet '**How to open a bank account**' to find out more about opening an account:
http://www.scottishrefugeecouncil.org.uk/assets/0000/0188/How_to_open_a_bank_account_June_2010.pdf
- Alternatives to bank accounts are **Credit Union** accounts. These operate in similar ways to banks, are run locally and provide an advice service in addition to regular financial services.
- **Keep track:** once you have a bank or credit union account, it is very important to keep track of the money going into and out of your account to ensure you do not run out of money or receive charges from the bank for being overdrawn.

Borrowing

- There are many different places and ways to borrow money. You may be able to borrow money in different ways such as loans, credit cards, catalogues, weekly payment stores and overdrafts. Sometimes this is to pay for goods and sometimes it is to get cash.
- The cost of borrowing money in the above-mentioned ways varies. It is therefore very important to understand the terms and conditions.
- You usually have to pay interest when you borrow money; this is called APR – **Annual Percentage Rate (APR)**. Generally the higher the APR the higher the amount of money you have to pay back.
- You may not be able to borrow money if you have a poor **credit rating**. A credit rating is the evaluation of your ability to repay money to a lender, such as a bank. Your credit rating is determined by a number of factors including address history, employment status, income, and bill-paying history.
- You may be entitled to apply for a loan. Some of the available loans that you may be eligible for include:
 - **UKBA Integration loan**
The UKBA Integration loan is an interest free loan from the Home Office to help new refugees. Find out more on the Home Office's website:

<http://www.ukba.homeoffice.gov.uk/aboutus/workingwithus/workingwithasylum/integration/integrationloan/>.

- **Crisis loan**

The crisis loan is an amount of money available from the Social Fund to help you furnish your home in the instance of an emergency or disaster. **You will have to pay it back later, but no interest is charged on it.** This means you only repay the amount you borrowed.

Find out more about the crisis loan, including eligibility requirements and how to apply, on the Directgov website:

http://www.direct.gov.uk/en/MoneyTaxAndBenefits/BenefitsTaxCreditsAndOtherSupport/On_a_low_income/DG_10018856

Utility bills

- If you have received refugee status or leave to remain in the UK, you will be responsible for paying your electricity and gas bills for cooking, lighting and heating your home. These bills can be very expensive and prices may change throughout the year. You should therefore monitor these costs to ensure that you are not paying too much or too little.
- Your home should have a meter, and you should take the meter reading(s) on the day you move in; you can then phone the gas/electricity company with this information. Taking your meter reading regularly ensures that you track how much energy you use; this will help you to understand your bill. Find more advice about your gas and electric bills on the Consumer Focus Scotland website: <http://www.consumerfocus.org.uk/scotland/files/2010/11/Tenants-advice-leaflet2.pdf>
- You can pay for your fuel in a number of other ways, for example by paying your bill at the post office, bank or by direct debit where you give permission for money to be taken out of your bank account at a set time. It is very important that you check your bills and read your own meter at home. If you don't, it can be easy to get into debt (arrears) with your bills.
- Find out more about energy costs in Scottish Refugee Council's leaflet ***A housing guide for refugees in Scotland: Energy costs*** available on our website: http://www.scottishrefugeecouncil.org.uk/assets/0000/0215/L8_-_fuel_poverty18_Nov_2009.pdf

Insurance

- There are many different insurance products available, for example, life insurance, private health insurance, home contents insurance, payment protection insurance and car insurance.

- If you drive a car you **must** have at least third party insurance, but most other kinds are optional.
- Sometimes your housing provider may be able to help you to arrange home contents insurance for a reduced price. At different stages in your life it will be important for you to consider which types of insurance may be appropriate for you and your family.
- You can buy insurance directly from specialist insurance companies on the phone or via a website. You can also buy insurance from banks, major supermarkets and other shops. You should shop around for the best price and can compare prices by using a comparison website like <http://www.gocompare.com/>

Moving into work

- When you start working there will be changes to the benefits you receive. Job Centre Plus and other local money advice agencies can do '**Better off in Work Calculations**' for you, to allow you to make informed decisions about whether you are financially better off in work. They can also explain what benefits you are entitled to. Moving into full time studies will also affect your benefits. Get information on benefits from the Directgov website:

http://www.direct.gov.uk/en/Dio1/DoltOnline/DoltOnlineByCategory/DG_172666

- When you start working you should get a regular **payslip**, which will show you how much you have earned and the deductions from your total pay. You will usually pay **income tax** and **national insurance**; the exact amount you pay depends on a number of factors, including the amount you expect to earn in the year or if you have more than one job.

Learn more about deductions and managing your money by watching the video on the BBC website: http://www.bbc.co.uk/raw/money/new_job/managing_while_you_work.shtml

Starting your own business

- If you would like to become self-employed or start your own business, there are a number of organisations that can give you advice free of charge:

- Business Gateway can give start up advice and information as well as ongoing support to existing business.

Refer to their website for more information: <http://www.bgateway.com>

- HMRC (Her Majesty's Revenue and Customs) also are available to give support with calculating tax returns.

Refer to the HMRC website for more information: www.hmrc.gov.uk

Where can I get further financial advice?

If you require more information on any of these courses or other related issues, contact a member of staff at Scottish Refugee Council for more information:

Financialworkshops@scottishrefugeecouncil.org.uk or phone 0141 248 9799.

Free, confidential and impartial advice is available from GAIN (Glasgow's Advice and Information Network). Refer to the GAIN website www.gain4u.org.uk for details about an agency near you or their telephone helpline on 0808 801 1011.