

## Money Management and Debt

The best way to organise your finances is to prepare a personal budget or financial statement. Most student funding is paid in 3 instalments throughout the academic year. This can make it difficult manage your money.

With a personal budge you should be able to:

- See how much money you have coming in.
- See how much money is going out.
- Plan your future spending.

You can find templates and tools for making personal budget sheets online:

[D://www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner?source=mas#http://budgetbuilder.themoneycharity.org.uk](http://www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner?source=mas#http://budgetbuilder.themoneycharity.org.uk)

[www.savethestudent.org/money/student-budgeting/student-budget-calculators.html](http://www.savethestudent.org/money/student-budgeting/student-budget-calculators.html)

### What if my expenses are greater than my income?

To begin with look at ways of maximizing your income. Are you getting all of the student funding you are entitled to? Can you make an application to the University Student Support Fund? Are you eligible for any Welfare Benefits?

If you aren't already working, could you find a job that fits around your studies? MDX Works maybe able to help with your job search:

<https://unihub.mdx.ac.uk/employment>

You may also have to look at ways of saving money by cutting back on any non-essential expenses. Tips for saving money and reducing expenses can be found at the following links:

[www.moneysavingexpert.com/students/student-guide/](http://www.moneysavingexpert.com/students/student-guide/)

[www.savethestudent.org/takeaway](http://www.savethestudent.org/takeaway)

If you are struggling to do this yourself or not sure you have all the income you are entitled to; you should speak with a Student Welfare Adviser for some further support.

### What about dealing with debts?

If you have out standing debts and are struggling with managing your money you should speak with a Student Welfare Adviser for some further support.

Debts fall into two categories, priority and non-priority. Priority debts need to be prioritised as the consequence for non-payment are more severe.

#### Priority Debts:

**Rent arrears**

**Mortgage**

**Council Tax**

**Unpaid HMRC fines**

**Gas/Electricity**

#### Consequence of non-payment:

Bailiffs/Eviction

Repossession

Bailiffs/Imprisonment, Attachment of earnings

Imprisonment

Placed on a key/card meter charged at a higher rate

#### Non-Priority Debts:

**Water Rates**

**Telephone**

**Credit debts**

**Fee Debts to University**

#### Consequence of non-payment:

Repayment plan/County Court

Disconnection

Difficulty obtaining credit

Award withheld, or cannot re-enrol in the next year.

#### Priority debts MUST ALWAYS BE PAID FIRST!

If you are finding it difficult to manage your re-payments it is important that you seek advice. The free money and debt advice organisations listed on Page 2 of this guide offer independent and confidential advice. They can help you draft a budget; making sure you are budgeting for your living expenses and essential outgoings and looking at what you can realistically afford to pay towards your non-priority debts.

### Should I tell my creditors that I have other debts?

Yes, It is very important that you always tell each creditor exactly how many other debts you have, the total owing and the rate at which you are repaying each one.

### What are the basic rules of money management?

- Always work out your personal budget. It is a useful tool if you are negotiating repayments.
- Do not ignore a problem. It won't go away and often the longer you leave it the worse it gets.
- Get in touch with your creditors. Keep a note of who you spoke to and explain the difficulties.
- Prioritise your debts. Tackle your priority debts first.

- Consider making reasonable offers of repayment based on your personal budget. Do not offer a payment you cannot afford. Irregular payments or breaking agreements could mean creditors start legal action.
- Do not ignore letters from creditors. Always keep a copy of any correspondence you have with your creditors.
- Fill in any reply forms sent from the courts. Never ignore court papers. Many will have a deadline.
- Try to attend court hearings. Take copies of all correspondence relating to the case. The courts that deal with debt will not give you a criminal record.
- Do not borrow money to pay off debts without seeking advice first.
- If you cannot make an offer do not give up. Seek advice immediately!

### How do I check my credit rating?

- Experian Consumer Help Service, Tel: 0800 013 8888 or visit [www.experian.co.uk](http://www.experian.co.uk)
- Equifax Credit File Advice Centre, Tel: 0844 335 0550 or visit [www.equifax.co.uk](http://www.equifax.co.uk)
- TransUnion, Tel: 0330 024 7574 or visit [www.transunion.co.uk](http://www.transunion.co.uk)

### Where to seek Help?

For organisations that can help and may act on your behalf:

- Step Change (CCCS) (freephone) 0800 138 1111 [www.stepchange.org](http://www.stepchange.org)
- National Debtline: (freephone) 0808 808 4000 [www.nationaldebtline.org](http://www.nationaldebtline.org)
- Citizens Advice: for your nearest contact: [www.adviceguide.org.uk](http://www.adviceguide.org.uk)

- Barnet Money Advice Project Helpline on: 0808 250 5708 or visit [www.barnetcab.org.uk](http://www.barnetcab.org.uk)
- Mary Ward Legal Centre : 020 7831 7079 or visit [www.marywardlegal.org.uk](http://www.marywardlegal.org.uk)
- The Money Charity: This is a money education charity that helps people to manage their money better. Visit [www.themoneycharity.org.uk](http://www.themoneycharity.org.uk)
- Payplan: They can provide you with a debt management plan and/or an 'Individual Voluntary Arrangement' (IVA) without up-front fees. Call 0800 280 2816 or visit [www.payplan.com](http://www.payplan.com)
- Finance Conduct Authority (FCA): Prosecute financial companies who do not adhere to financial guidance and regulations. Visit [www.fca.org.uk/firms](http://www.fca.org.uk/firms)

**Note:** The Debt Management Companies listed above provide free advice and support. Some organisations charge for their advice and may try and sell you an inappropriate solution. We would advise you avoid private fee charging Debt Management Companies as there is free help and advice available

### Any questions?

Contact the Middlesex University Student Welfare Advice Team on 020 8411 3008 between 11am - 1pm and 2pm - 4pm Mon to Fri,

or submit an enquiry at <https://unihub.mdx.ac.uk/support/unihelp> (use the subject Student Welfare Advice in the enquiry) or make an appointment at <https://unihelponline.mdx.ac.uk/#/offlineBookAppointmentService/MzAw//MTY=/>

You can access all of our other Welfare Advice Guides at: [unihub.mdx.ac.uk/welfare-guides](http://unihub.mdx.ac.uk/welfare-guides)

Middlesex University Student Welfare Advice Team has made every effort to ensure that the information contained in this leaflet is accurate. Middlesex University however, cannot be held responsible for any omissions or errors.

June 2023