

# **FIX YOUR FINANCES**

There are few things more frustrating than needlessly giving away your money.

Yet most of us are guilty of doing this by failing to organise our finances. By spending a couple of hours fixing your finances, you could dramatically increase the amount of money you have to spend on the fun things in life.

Here, we suggest 10 quick financial fixes to help you make the most of your earnings.

## **1. Transfer your debt**

If you're making large interest payments on debt, it might make financial sense to transfer it all onto a credit card with a 0% balance-transfer deal.

These credit cards won't charge any interest on transferred debts for a set period, giving you the opportunity to repay any money owed at no extra cost.

However, the interest tends to skyrocket at the end of the promotional period, so make sure you pay off the balance in full before this happens.

The Which? Money Compare credit card comparison tables let you search all available cards, from providers large and small, to choose the best deals, based on quality of service as well as cost and benefits.

## **2. Organise a free overdraft**

Some banks impose harsh penalties on customers who accidentally slip into an overdraft that they haven't arranged in advance.

If you regularly go overdrawn, you could benefit from switching to a bank that offers a free authorised overdraft. Which? Recommended Provider First Direct could be a good bet - it currently offers a £250 interest-free overdraft as part of its 1st Account.

## **3. Reduce your tax bill**

You can keep hold of a bigger chunk of your earnings by claiming all the tax reliefs you're entitled to.

Reliefs such as annual investment allowance (AIA), rent-a-room relief and potentially exempt transfers (PETs), can all save you heaps of money, yet relatively few people are aware of them.

## **4. Use price comparison websites**

Price comparison websites let you compare hundreds of financial products and ensure you choose the best one for your circumstances. Whether you're looking to buy car insurance, credit cards or a broadband bundle, there is normally a huge difference between the cheapest and most expensive providers, so it's worth browsing for the best offers on these websites.

## 5. Sign up for loyalty cards

A whole host of retailers, restaurants and supermarkets reward customers by allowing them to store points on a loyalty card every time they make a purchase. These points can be converted into money-off vouchers.

Many cards also offer one-off deals or discounts in order to tempt you into signing up in the first place.

## 6. Cancel unnecessary direct debits

If you don't regularly read your bank statement, it can be easy to miss direct debits that you have forgotten to cancel.

A quick browse of your monthly statement can help prevent any unnecessary payments lasting for months or even years.

Get into the habit of logging into your online bank account once a month and making sure you're not shelling out for services you no longer need or use.

## 7. Get a better mobile phone deal

With thousands of mobile phone deals out there, it can be difficult to find the right one for you. Providers can often be unhelpful when it comes to offering existing customers a better deal.

Take a couple of minutes to check your bills to make sure that your call, text and mobile web usage aren't consistently above, or a long way below, your allowance. If they are, you may benefit from asking for a more suitable deal from your provider.

## 8. Use personal finance software

Personal finance software can help you track where your money is going, making it easier to see where you can make potential savings.

Many packages allow you to set savings goals, and some will even suggest a clear path towards hitting them. Others can highlight your spending habits in detailed reports, as well as letting you monitor all of your bank accounts and investments in real time. This can be particularly useful if you tend to go into debt by spending more than you earn, or if you are struggling to save up for a major purchase.

## 9. Learn to haggle

You can reduce the cost of most products and services by haggling over the price. However, many consumers are too nervous to even try.

Our guide takes the mystery out of haggling by revealing how much money you can save by negotiating over services. It suggests tips for haggling with retailers, car dealers, travel agents and many other service providers. We even provide scripts to help improve your chances of securing a discount.

## 10. Plan your expenses in advance

Expenses such as car insurance premiums, line rental or gym membership fees can often be cheaper if you pay them annually instead of monthly. You could save a bundle by ensuring you have enough money stored away to pay these annual bills in one go.

Also, there are plenty of products that tend to cost less at certain times of the year. If you can plan your major purchases to coincide with these discounting periods, it's possible to make big savings.

### **SAVE MONEY ON FOOD**

Whether you're eating in, dining out or taking away a morning coffee, there are loads of ways to save money on food and drink.

#### **Don't dismiss supermarket own brands:**

Buying supermarket basic and budget ranges can produce significant savings - and you may find that avoiding big brands doesn't mean compromising on taste.

#### **Get rewarded for your spending:**

When shopping for treats, choose retailers that offer good reward schemes. John Lewis and Waitrose typically perform very well in Which? satisfaction surveys and offer a credit card reward scheme for customers that gives one point for every £1 spent in its stores, and one point for every £2 spent elsewhere.

#### **Click to make supermarket shopping cheaper:**

The website [MySupermarket.co.uk](http://MySupermarket.co.uk) features a brilliant tool for saving money on groceries. You can compare the price of a basket of goods at the UK's 'big four' supermarkets - Asda, Ocado, Sainsbury's and Tesco - as well as Aldi, Waitrose and other stores. It instantly shows you what you could save by shopping around.

If you've selected your items at one retailer and discover another is cheaper, this nifty site will transfer all your choices for you, while its price and health checkers also suggest money and healthy-eating tips.

#### **Try cheaper cuts of meat:**

Choosing a cheaper cut of meat, such as braising steak rather than fillet, doesn't mean missing out on a tasty meal. A slow cooker can gradually break down the fibres in cheaper meat, giving great taste at a lower cost. The best slow cookers are easy to set up, use and clean.

## **Make your own:**

Many people drink smoothies as a healthy shortcut to their five-a-day portions of fruit and vegetables, but there's nothing healthy about the price of these drinks.

Buying a smoothie maker or jug blender and blending your own could save you a significant sum if you're a regular smoothie drinker.

## **Buy in bulk:**

Buying in bulk is a simple way to save. If you own or manage your own business, it's worth signing up with a wholesale retailer or membership club such as Costco, which has 28 warehouses in the UK.

There is an annual membership fee of £26.40. Other wholesale retailers to consider include Makro and Bestway.

## **Use price-match promises:**

Tesco, Asda and Ocado all offer discounts to customers if their shopping could have been bought cheaper from certain rivals, so make a habit of swiping your loyalty card or registering your receipt online after every supermarket shop.

## **Extreme couponing:**

Shoppers can save huge amounts by actively searching for coupons and discount deals. There are a number of very good discount deals and extreme couponing blogs which post dozens of offers on their social media pages every day.

## **Don't be duped by discounts:**

Special discounts, such as buy-one-get-one-free deals, can offer good value, but be careful. Only buy items you actually need and are likely to keep and use - toiletries such as toothpastes and shampoos are a good example, as are toilet rolls.

Markdowns on perishables at the end of the shopping day are another way to bag a saving, but only if you know you'll use whatever you buy.

## **Keep food fresher for longer:**

Make the most of your fridge and freezer. Freezing leftovers instead of binning them will save you money and time, as you've got an instant meal for a day when you don't fancy cooking. And storing food properly in your fridge will give it a longer shelf-life.

For example, cucumbers turn soft because the fridge is too cold - wrap them in a tea towel to keep them crisper. And avoid putting milk in the door rack, as it's warmed whenever the door is opened.

## **SAVE MONEY WHEN EATING OUT**

Eating out is a luxury that most of us enjoy from time to time, although it can sometimes prove expensive.

Here are 10 simple tips that could slash the cost of a restaurant meal.

### **Click and print restaurant vouchers:**

Many restaurants offer online promotional vouchers. For example, Pizza Express regularly runs 2-for-1 deals on main courses.

Check newspapers for vouchers regularly and make sure you visit websites, such as VoucherCodes, HotUKDeals and MyVoucherCodes, to check for discounts and deals before you go out.

It can be worth checking daily-deals websites, such as Groupon and Wowcher, for restaurant deals too.

### **Book your night out online:**

Websites such as Opentable, Lastminute and 5pm specialise in 2-for-1 deals, 50% off offers and promotions where wine may be included with your meal. You can search for the deals that are currently available in your area, then book a table at your chosen restaurant.

When you arrive at your dinner destination, you'll simply need to remind your server that you booked through a special deal online.

### **Sign up for chain restaurant discounts:**

Joining some chain restaurants' own clubs can save you a lot of money. These tend to be free to sign up to via email, and are run by large chains such as Chez Gerard, Gourmet Burger Kitchen, La Tasca, Pizza Express and Wagamama.

Once you're on a company's mailing list, you'll get details of special deals sent straight to your inbox as soon as they are launched.

### **Enjoy lunch in London:**

If you're in London, try eating out at lunchtime instead of in the evening. There are great bargains to be had at some of the country's best restaurants.

A set lunch at the Michelin-starred Alain Ducasse at The Dorchester can be £60 a head, including three courses, wine and coffee.

Other top eateries that offer cut-price lunchtime menus include Wild Honey and Dinner by Heston Blumenthal. Always call ahead to check special offers are still available.

## **Eat out 'off-peak':**

If you're flexible, you can eat at some great restaurants quite cheaply. For example, many offer a pre- or post-theatre menu that is cheaper than what's on offer during peak hours.

## **Join a dining club:**

Become a member of a loyalty scheme and save up to 50% at participating restaurants. Tastecard costs £79.99 a year and is accepted at more than 6,600 restaurants. Annual membership of The Gourmet Society is £69.99 and can be used at more than 7,000 restaurants.

## **Bring your own bottle:**

There's a raft of restaurants around the country that allow you to bring your own bottle (BYOB) to have with your meal and going to one could save you a tidy sum. A typical bottle of house wine costs around £15, whereas you could pick up an equivalent one from a supermarket for around £5.

See the online BYOB directory on the Wine-pages website for a list of BYOB restaurants. Some charge a corkage fee of around £2, so check before you go.

## **Don't buy expensive bottled water:**

Establishments that serve alcohol are now required by law to give customers free tap water, so don't be shy about asking for it. Some restaurants charge more than £3.50 for a bottle of mineral water, so twice-monthly diners could save almost £100 a year by switching to tap.

## **Remember your doggy bag:**

There should be no stigma attached to taking home leftover food. You paid for it, so why waste it? People commonly over-order in restaurants, so it makes sense to ask for a doggy bag and take your leftovers home. This will save you money on lunch the following day.

## **Be social:**

If you regularly eat at a particular chain or have a favourite restaurant, then sign up to its Facebook or Twitter account. That way, you won't miss out on any special offers or deals.

## **SAVE MONEY ON MOTORING**

The cost of running a car seems to keep rising, but there are a few ways to put the brakes on your spending.

Follow our 10 tips to help you save hundreds of pounds on your car costs.

### **Find the cheapest fuel prices in your area:**

Find out which cheap fuel price apps and websites came out on top by going to Which? fuel prices guide.

### **Cut the cost of your MOT:**

There's a maximum test fee of £54.85 set by the government for car MOTs, but service centres often run half-price deals. Check what's on offer in your area before you book.

Some garages try to attract customers by offering reduced prices. To avoid the cowboys, choose a garage through a personal recommendation.

### **Save money on your sat nav:**

You don't have to pay over the odds to get a great sat nav system.

The best sat nav systems are easy to set up and use, and get you from A to B with the minimum of fuss. The worst are confusing and annoying, and more likely to leave you reaching for a map. Make sure you buy the right system for you and don't pay over the odds.

### **Pay less for vehicle checks:**

Whether you're buying a vehicle privately or from a dealer, checking the car's history is essential.

Experian AutoCheck and HPI are some good value companies that offer this service.

### **Buy your car insurance online:**

If you're looking to save money on car cover, it makes sense to buy online. Our last survey showed that it's generally much cheaper than buying over the phone.

### **Get better-value breakdown cover:**

Join a breakdown service to help you cut costs if your car packs up.

### **Join a car-sharing scheme:**

Joining a car-sharing scheme could halve your fuel costs. According to liftshare.com, sharing a daily commute can save you more than £1,000 a year.

## Make money from your parking space:

There are plenty of websites that allow you to rent out your empty driveway or garage to motorists needing a place to park.

You normally pay a one-off registration fee to have your space advertised - the cost of renting a space is up to the space owner.

## Grab a green car:

Cars with the lowest CO2 emissions are exempt from car tax charges, while the worst gas guzzlers could incur annual fees of up to £515.

## Find cheap car parts:

For discount car parts, try [AutoTrader's used car parts finder](#).

You can search a database of more than 450,000 quality used car parts from nationally recognised salvage experts.

## **SAVE MONEY ON HEATING**

Energy prices have been rising for some time, but there are plenty of actions you can take to keep your bills under control.

Here are 10 tips that could help cut the cost of keeping your home warm.

### Turn down the heat:

If you are walking around indoors in a T-shirt in winter, you are burning cash. A simple but effective way to cut heating costs is to take control of your central heating thermostat. Reducing room temperatures by just 1°C could cut your heating bills by almost 10%.

Adjusting your central heating timer to switch off at night and during the day if the house is empty will also minimise fuel consumption.

### Mind the fire:

A working fireplace looks great, but when it's not in use it can feel as if you're heating a room with an open window. When the fire's out, keep the damper closed or buy a chimney balloon for around £20, which can be inflated in the opening above the fire to reduce draughts.



## **Install insulation:**

Up to a third of heat disappears through the roof, so it makes sense to add insulation. Common insulation, such as mineral wool, has been joined in recent years by green options, such as sheep's wool.

Installing 270mm of insulation in a four-bedroom detached house could cost as little as £395 and could cut your fuel bills by up to £240 a year as a result.

## **Ensure your boiler is efficient:**

Installing a more efficient boiler will lower your heating costs, particularly if you buy a condensing boiler. According to the Energy Saving Trust, a condensing boiler could save you as much as £310 a year - although installation costs can be higher than for a conventional boiler.

## **Don't overuse extractor fans:**

Extractor fans in bathrooms and kitchens burn energy if they are left on longer than necessary, so adjust the timer or switch them off manually to save energy. Some ventilation units have heat-recovery systems to reduce energy loss further.

## **Deal with draughts:**

Tackle draughts by filling any gaps around window frames, door frames and pipework that passes through external walls. This can be done using draught excluder strips or expanding foam fillers. Loft hatches should also be insulated, as should the edges of the loft opening.

## **Wrap up your tank:**

If you live in an older house and have an uninsulated or poorly insulated hot-water tank, you are wasting money every time you switch on your hot-water system.

Wrapping it up in a British Standard cylinder jacket that is at least 75mm thick can reduce heat loss by 70%. Jackets are available for as little as £10.

## **Switch energy suppliers:**

You can cut your heating bills by switching energy suppliers.

## Don't heat unused rooms:

If you have a spare bedroom that is rarely used, turn its radiator down to the lowest setting without turning it off completely. Fitting reflective foil behind radiators on external walls will also help to reduce the rate of heat loss in these rooms.

## Get an energy audit:

Getting expert advice to help you save money needn't be hard work - you can carry out a free, online home-energy check on the Energy Saving Trust website, [energysavingtrust.org.uk](http://energysavingtrust.org.uk).

\*\*\*\*\*