## Creating a Household Budget

## A household budget can be really helpful in understanding how you spend your money and identifying opportunities to improve your ongoing financial health.

Start by listing all of your regular income (money in) and expenditure (money out), on a piece of paper (like these pages) or computer spreadsheet. Total up both sides and you'll then know what your regular disposable income is - that is, the regular money available to pay for extras like one-off expenses, luxuries etc.

If, for example, you have $£ 2,000$ per month coming in and $£ 1,950$ per month going out, you only have $£ 50$ disposable income. That means, if you had to pay for a new washing machine at $£ 200$, you either need to borrow money, or save your $£ 50$ per month for 4 months to be able to afford it.

After developing a household budget, you should try to identify ways in increasing the money in and/or reducing the money out in order to improve your disposable income and reduce financial stress.

You can do your budget on a weekly or monthly basis. Most people find it easier to do it on a monthly basis. If some things are weekly, we normally multiply them by 4 to get a monthly amount that is usually close enough for budgeting purposes.

MONEY IN - INCOME

|  | Weekly amount | Monthly amount |
| :--- | :--- | :--- |
| Salary / Wages |  |  |
| Pension |  |  |
| Child Benefit |  |  |
| Universal Credit |  |  |
| PIP |  |  |
| Carers Allowance |  |  |
| ESA |  |  |
| Tax Credits |  |  |
| Housing Benefit |  |  |
| Child Maintenance |  |  |
| Partner's Income |  |  |
| Other benefit: |  |  |
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|  |  |  |
|  |  |  |
| Other income: |  |  |
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## Your Notes:

MONEY OUT - EXPENDITURE

|  | Weekly | Monthly |
| :--- | :--- | :--- |
| Rent/mortgage |  |  |
| Council tax |  |  |
| Gas/electric |  |  |
| Telephone |  |  |
| Internet (if not part of a package) |  |  |
| Media package (Virgin, Sky, Netflix etc.) |  |  |
| TV Licence |  |  |
| Travel (fuel) |  |  |
| Travel (bus, train, taxi etc) |  |  |
| Groceries (food, cleaning products) |  |  |
| Insurance |  |  |
| Car tax and insurance |  |  |
| Clothing |  |  |
| Memberships |  |  |
| Credit cards |  |  |
| Loans |  |  |
| Car finance |  |  |
| Eating out/takeaways |  |  |
| Cigarettes/vaping/tobacco |  |  |
| Childcare |  |  |
| Pets (insurance, food etc.) |  |  |
| Lottery/scratchcards/betting |  |  |
| Other: |  |  |
|  |  |  |
|  |  |  |
| TOTAL |  |  |
|  |  |  |

## It All Adds Up!

Household food shopping is increasingly costly, but savings can be found by swapping big-name brands for cheaper alternatives, often with people unable to notice any difference! You can use this simple table below to identify potential savings over a year, by swapping branded items.

The first line has been completed as an example, using correct pricing from Tesco on 27 August 2023.

| Item | Number bought <br> each week | Famous <br> brand | Supermarket own <br> brand or value range | Cost saving <br> per week | Cost saving <br> every year |
| :--- | :--- | :--- | :--- | :---: | :---: | :---: |
| Baked beans | 4 tins | Heinz £3.95 | Tesco £2.00 | $£ 1.95$ | $£ 101.40$ |
| Coffee |  |  |  |  |  |
| Crisps |  |  |  |  |  |
| Chocolate biscuits |  |  |  |  |  |
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## Useful Resources

Here's a list of reputable sources for more information or support to help make ends meet.

## Citizens Advice Bureau in Fife

(Citizens Advice and Rights Fife)
Help on maximising your income, welfare benefits, money advice and debt advice.
www.cabfife.org.uk/get-advice

## Greener Kirkcaldy

Support on reducing heating and utility costs, including access to grants and financial support.
www.greenerkirkcaldy.org.uk

## Fife Council

A wide range of information and resources on increasing income, help to access food, help with heating and utility costs and more.
https://our.fife.scot/gethelp

## Money Saving Expert

A high profile, UK-wide website established by Martin Lewis to help people to reduce bills and save money. Has more than 16 million users each month. www.moneysavingexpert.com

Finally, always consider using reputable money comparison websites or other big retailers before making key purchases to see if there are better deals.

