

# CLYDE VALLEY HOUSING ASSOCIATION

This newspaper is produced with the financial support of Communities Scotland



## FINANCIAL INCLUSION NEWSLETTER

### Would you credit it?

Do you have bank account?

Do you pay more than you need to for money that you borrow?

Have you managed to tuck money away as savings?

Do you save regularly?

These and a number of other questions were asked in a survey of CVHA tenants just over a year ago.

By undertaking a survey of you, our tenants, through several hundred interviews we wanted to build up a picture of your needs, in order that we could identify areas where we could help.

The figures revealed in our survey showed that **over 1 in three of CVHA tenants did not possess a bank account**, this compares to a Scotland wide figure of just over 1 in ten. CVHA tenants were unlikely to have any savings, **only 3 in ten of our tenants have savings** against a Scotland wide figure of 6 in ten. **At least 1 in ten of CVHA tenants borrow from doorstep lenders**, whilst only 1 in fifty borrow from a Credit Union. A whopping **1 in two of our tenants say they would start up their own business** if the money was available to do so.

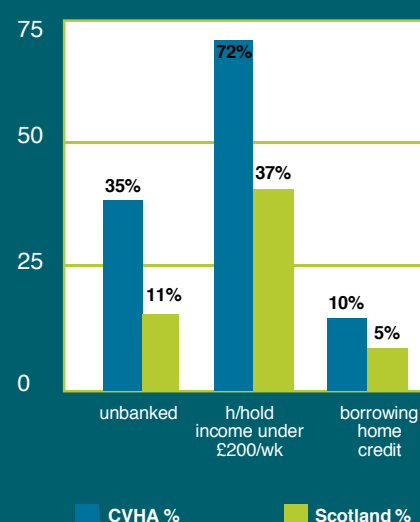
These figures (see graph opposite), when compared with national statistics and other surveys on this subject give us at CVHA lots of things to think about. Can we work with other partners, like a local CAB, to get you the type of advice and information that you need to make informed choices on your banking, budgeting, benefits and borrowing, and make your own money go further?

When 70% of our tenants are living on a household income of less than £200 a week then we need to do our bit as your landlord to make life easier for you.

Across the UK 9 million people cannot get mainstream credit, from banks and building societies; 3 million people borrow small amounts at the doorstep from home credit, or buy from overpriced catalogues. People cash their cheques at money shops and cash converters, where the businesses take a percentage of your cheque to give you your own money.

Money worries don't just cause financial headaches, they lead to relationship difficulties at home, cause distress, stress, anxiety and depression, one in four people who owe money seek help from their GP for the stress they are under. Money worries cause rent arrears to rise and means people can't sustain their tenancies, this means that we can't do our job of creating sustainable, vibrant communities.

We're looking at ways of helping, we hope to launch new initiatives in 2007, meanwhile this newspaper can help you with useful names, numbers and information to get you thinking of how to get your finances into shape for 2007. So please, read through the newsletter and resolve to be MONEYWISE in 2007.



CVHA V SCOTLANDWIDE



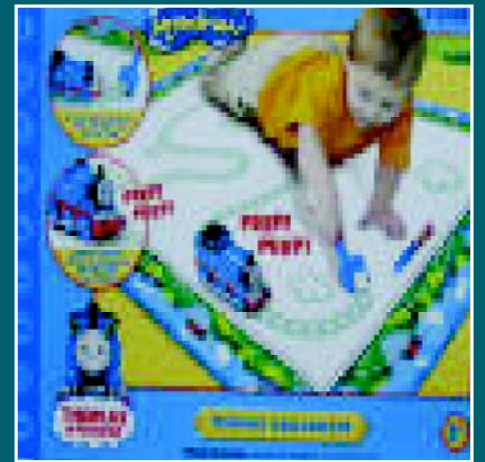
£30.00 - £50.00



£27.00 - £30.00



£33.00 - £40.00



£30.00 - £35.00

# A TANGERINE, A FEW NUTS AND SOME CHOCOLATE MONEY – WHAT MORE DO YOU WANT?

Do you remember the Rubik Cube, Cabbage Patch dolls, Pokemon trading cards, Pogo sticks, Meccano, Scalextrik, Speak and Spell, Tiny Tears, Trivial Pursuits, Bopit all top selling toys at Christmas, the most sought after, the must-haves. This year's top toys include Lets Dance Barbie, Dr Who Cyberman Voice Change Helmet, Fast Talking McQueen car and Thomas Aquadraw, board games remain popular on the top ten list, we've now got "trivial pursuit 90s", that's nostalgia for you! and "Deal or no Deal" based on the Noel Edmonds game show. So, if your kids are writing to Santa for these goodies what will Santa have to fork out?

Your Argos catalogue will probably be dog-eared at the relevant page, left out by your children to remind you, however, don't forget to shop around. If you have internet access try a search engine like price runner to compare prices online before you buy.

We found Lets Dance Barbie on sale at Tesco for £39.97, at John Lewis for £29.95 Amazon at a hefty £51.97 and Woolworths for £29.99 that's a price difference of just over £22!

Dr Who Cyberman voice change helmet is £29.94 at Tesco; £26.99 at Forbidden Planet; and £29.99 at Argos, all much of a muchness but still, better the £3 difference in your pocket than theirs.

Fast Talking McQueen is available at Amazon for £34.99, John Lewis at £32.95, £40.00 on eBay and £39.97 at Tesco. Again, by shopping around there is a possible saving of £7.05 from best to worst.

For the ever popular Thomas (the tank) Aquadraw we found prices from £29.94 to £34.95, saving £5.01 just by doing a little research. If you were buying all four as gifts you could be looking at a price difference of £38. Shop around, you get a real sense of satisfaction if you get it cheaper – or you could always just go for the Satsumas, 80P IN Somerfields!

## DAVE DIRT'S CHRISTMAS PRESENTS

Dave Dirt wrapped his Christmas presents  
Late on Christmas Eve  
And gave his near relations things  
That you would not believe.

His brother got an odour-eater-  
Second-hand one, natch.  
For dad he chose, inside its box,  
A single burnt-out match.

His sister copped the sweepings from  
His hairy bedroom rug,  
While mum received a centipede  
And granny got a slug.

Next day he had the nerve to sit  
Beneath the Christmas tree  
And say: "OK, I've done my bit-  
What have you got me?"



# AVOID A DEBT LADEN CHRISTMAS

Christmas is coming, and although the adverts and common perception suggests that we all love it, for many people Christmas is a season not of goodwill and cheer but debt and depression. Christmas puts a great strain on families, and the household budget - with enormous pressure to spend large amounts of money on presents and entertaining. It is particularly difficult for people with children who want the latest and most expensive toy because they have seen it on the television and 'everyone else has got one'. We spend more on presents than countries like, Spain, Italy, Germany, Belgium, Canada, Australia and Japan.

**If recent figures are any guide, this year parents will spend on average:**

- £137 on presents per child;
- £165 on food and drink;
- £680 on gifts;
- £20 on cards and postage;
- £25 on decorations;
- £20 on crackers;
- £35 on Christmas trees.

Alarmingly, 54% of people will spend more than they intend to, with many paying the cost of Christmas in credit card repayments and loans for months afterwards. Retailers reckon that £7m will be spent via the internet alone in the run up to Christmas. How many of us have tucked money away to pay for the annual extravaganza? Well, in the three months to September 2006 Britons have saved, on average, the sum of £413 toward Christmas.

Borrowing money is not always a good option, and we don't want to see our tenants getting into debt that they cannot afford to repay, especially if you are struggling to pay for other priorities, or are already in debt. However, if you do decide you need credit then you need to know the real cost of what you are getting into, and where the best deals are.

The best advice is to set and stick to a budget, but we know that 25% of people will borrow money so, if you are planning on borrowing it is worth thinking about who you'll borrow from, at what rate, and over how long a period.

Don't be tempted by store cards, they offer discounts when you open them, and the sales person can be so nice and persuasive, but they rely on people not repaying the balance come January, and you will be facing interest rates around 30%.

Over 40% of people with credit cards don't clear their balance every month and, on average the people who owe interest on their credit cards rack up £3,123 in interest alone. If you are a member of a credit union you can borrow from them. If you are not a member you can join one and build a saving record with them. Saving even a very small weekly amount into a credit union account will allow you to borrow up to four times the amount you've saved, and they'll not charge you any more than 12% interest on your borrowing. Credit Unions are ethical social businesses, the money you save with them is absolutely safe, unlike the recent case of the food hamper company - FarePak - where 170,000 people lost money they had saved, money saved in a credit union, like a bank is always safe, you'll not lose it.

Even if you are not a member of a credit union now, ask them if they might offer a loan, some credit unions offer loans to new members who are not currently savers.

Just like shopping for presents, compare prices when shopping for a loan, why would you want to pay back £480 on a £300 loan over 32 weeks (283% APR) when you can borrow the same amount over the same period of time and repay just £310 from a credit union.

One in five of us will be stressed by Christmas, and one in four will use some kind of credit or loan to pay for it. If you find that you are having trouble coping with your finances and are getting increasingly stressed and the bills and creditors are mounting up, please, please, please, don't ignore it.

Enjoy the festive season, keep warm, keep healthy, keep happy and keep within your budget, however, if things get difficult please use the numbers listed in the newsletter to get help. Maybe think about beginning a saving record with a bank or credit union for next year, saving just 50p a day (£3.50 a week) from January 2007 will mean you've got £164 put aside by next December, £1 a day and you've got £328, and you would be able to draw on that money for an affordable loan.

# CAN YOU AFFORD NOT TO BE INSURED?



Have a look around your house, what are the contents worth? If they went up in smoke, or were water damaged or, if you were burgled could you replace the TV, DVD, Fridge, Microwave, CDs, books, Clothes, settee, baby cot, jewellery, your most prized possessions?

3 million social rented households lack housing contents insurance, yet they are twice as likely to be burgled as owner occupiers. 60% of housing association household have no contents insurance compared with 7% of those with a mortgage.

At CVHA we know that insurance is important, but sometimes it seems like an expense that is not worth it, "it'll never happen to me!" Sadly, it does happen, floods, fires, and house break-ins. At CVHA we have a great deal for our tenants through Diamond Insurance, Diamond will cover the contents of your home if the worst happens for a low cost premium. **Diamond will cover you for:**

1. Fire, smoke, explosion, lightning or earthquake.
2. Water or oil escaping from any fixed water or heating installation or domestic appliance.
3. The building being hit by an aircraft, aerial device, or anything falling from them, or by a vehicle, a train or an animal.
4. Falling trees or branches.
5. Riot, civil commotion, strikes, labour or political disturbances.
6. Malicious people or vandals.
7. Storm or flood.
8. Subsidence or heave of the site under the buildings or landslip.
9. Theft or attempted theft.

Being covered also includes the following:

1. Rent and alternative accommodation if your home cannot be lived in due to damage by an insured peril.
2. Accidental breakage of mirrors, fixed glass in furniture, external glazing, televisions, video recorders, hi-fis, DVD players and satellite aerials.
3. Food in a deep freezer.
4. Tenant's liability and third party liability.
5. Accidental death.
6. Lost or stolen keys.
7. Replacing documents.
8. Wedding and Christmas gifts.
9. Home improvements – as long as this is included in your total sum insured.
10. Accidental breakage of external glazing.
11. Money.
12. Visitors' personal possessions whilst in your property.

All claims will be settled on a new-for-old replacement for all articles, other than items of clothing and household linen, which will have an amount taken off for wear and tear, and unlike many policies there is no policy excess.

The cost has been kept to a very reasonable price, drop into the office and we'll give you more details, take the uncertainty away and give us a call – can you afford not to?

## NEED HELP – CALL IN AT A CAB

If you need to speak to someone in complete confidence, go to any of the following CAB offices. Your local CAB can help you in lots of different ways. Citizens advice bureaux give free, confidential, impartial and independent advice on a wide range of subjects, including...

### Debt and money advice;

Benefits – working out entitlements and sorting out problems;  
Consumer issues, such as consumer debt and faulty goods;  
Housing, including homelessness and mortgage and rent arrears;  
Legal matters, including evictions, small claims and actions to recover debt;

### Employment issues like the national minimum wage or unfair dismissal from work;

You don't need an appointment, although you may be asked to wait, the staff are well trained and know their business. In 2005 CAB had over 1.128million debt enquiries.

| CAB         | Telephone                      |
|-------------|--------------------------------|
| Airdrie     | 01236 754109 or 01236 754376   |
| Cumbernauld | 01236 723 201                  |
| Coatbridge  | 01236 421 447 or 01236 421 448 |
| Bellshill   | 01698 748 615                  |
| Motherwell  | 01698 251981 or 01698 259389   |
| Wishaw      | 01698 373388                   |