

Seven simple steps to spring clean your household spending

If you follow these steps over the next month, you can give yourself a hefty pat on the back as you'll have most of the basics covered in terms of sprucing up your day-to-day finances.

If it seems like a lot, why not choose three you can tackle now and see how you get on? Or start at the top and gradually work your way to the bottom. At the end of each step we've added a search tip to help you find more detailed information on moneyadvice.service.org.uk.

1. Take a feather duster to your bank account

Online banking makes this easy, but if you don't have access the first thing to do is gather your paper statements together. Then:

- Look for unusual payments or high amounts. You could have been overcharged in a shop by accident, or even worse be subject to fraud.
- Audit your regular payments: Direct Debits and standing orders come and go every month and they're easy to overlook. Take this chance to run through them all. First look for wrong amounts and double payments. If you find an error, don't worry. You're protected by the Direct Debit guarantee. This means you can get a refund from your bank once you've let it know about the problem.
- Check for autorenewals. Are they correct? Make sure there aren't any old cancelled agreements still active in your account.
- Are you being charged a fee? Some bank accounts come with bonus features such as travel insurance or fraud protection, but are you actually using them? They may be cheaper to buy independently.

Only 60% of people check the items on their bank statements (Money Advice Service)

- Switch your current account to something better. If your bank doesn't offer you anything special, there's actually a very competitive market right now for current accounts. Interest rates as high as 5% AER, cashback or a bonus of £100 are just some of the perks on offer. There are requirements to get these though, so read the terms and conditions first. Most importantly make sure the new account meets your needs – for example if you go into your overdraft a few times a year, you'll want to make sure you're not going to get hit by fees.

→ Search 'Running a bank account'

2. Give your nest egg a spring-time boost

Have you made the most of your tax-free savings allowance? Two main things to think about here – if you haven't used up your ISA allowance for this year, do you have any spare money you could use in this way before the end of the tax year? And if you already have an ISA, there's a good chance you won't be getting the same interest rate as when you opened it if you had a "bonus period" which raised the interest rate for a fixed period.

The rate could have dropped down to make any money made negligible. Get in touch with your provider to see what interest rate you're on, then shop around to see if there is a better rate.

→ Search ISAs

3. Find any cash hidden down the back of the (metaphorical) sofa.

If you're lucky you might find a spare tenner down the back of the sofa during spring cleaning, but there's also a chance you might have paid tax unnecessarily on your savings interest, perhaps because your income is below your personal allowance.

So, if you think you've paid tax unnecessarily and want to make sure you don't pay tax on any savings interest in the future you should:

- Use the HMRC calculator to see if you qualify for tax-free interest
- Apply to get tax-free interest using HMRC form R85
- Claim back tax you've already paid using HMRC form R40

→ Search 'Your tax rate'

4. Get the real measure of your money

Do you know what interest rate you're paying on personal loans, or credit cards? Sit down, make a list. Then you can see exactly which is costing you the most in terms of interest rates. Could you pay them off more efficiently, saving you money in the end?

➔ Search 'Paying off debt'

5. Make sure all your renewal dates are in the diary for the year ahead

If you let your car insurance, or any other kind of insurance, auto-renew (you know, that letter which says 'you don't need to do anything, we'll just carry on insuring you and taking your money) you're probably paying more than you need to. If you know when this is happening, you can be prepared to get a better deal.

➔ Search 'Insurance getting a good deal'

6. Check all the nooks and crannies for the best deal for you

You don't have to wait for a renewal date. If you're really on the ball you can make sure you're getting the best deal on everything from utilities to mobile phones.

Make a list of providers and work through each one. Do some research and challenge them to match the best deals around.

Your list might include:

- Energy provider
- Broadband and phone
- Mobile phone
- Home insurance
- Car insurance

➔ Search 'Insurance getting a good deal'

95% of us are paying up to £234 a year more than we need to for energy (Competition and Markets Authority)

7. Get rid of clutter

That's the overall goal of spring cleaning, right? A nice, tidy, clutter-free home. In fact, this could help you spruce up your finances too, as you've probably got things lying around you could sell, perhaps on auction sites like eBay or on local sales sites like Gumtree. Could the extra cash top-up your ISA needs?

➔ Search 'Staying safe online'

UK online shoppers have on average £107 worth of unused internet purchases lying around their home which they have never used (Money Advice Service)

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