

Saving for a deposit

Do you spend more than you earn?

House prices have increased substantially over the past 10 years making it more and more difficult for people to get their foot on the property ladder. However, you need not despair. Despite the high prices, if a sensible plan is adopted, it is still possible for prospective purchasers to get into their very own home.

Budgeting software, such as www.moneydance.com, can be very useful. Keeping a careful track of exactly what is being spent enables you to cut back on unnecessary expenses.

Seeing the steady growth of any savings also helps to keep you focused on your ultimate goal.

- **Luxuries** - Inevitable sacrifices will have to be made when saving up for a deposit. Small changes such as packed lunches, taking a list to the supermarket, take up running and cancel the gym membership and cooking meals at home instead of dining out will give a big boost to savings.
- **Holidays** – Look closer to home for your breaks. Explore your local countryside, bring a picnic. How far is it to the nearest beach? Weekend visits to see old friends?
- **Parents** – Not such a crazy idea! Many people are moving back to parents in the short term to enable them to plough money into savings, instead of paying dead rent. You could make a small financial payment or contribute in some other way; cleaning, chores, become their very own personal assistant (for a fixed period of time!?)
- **Consolidate Outgoings** – A highly recommended method of lowering your monthly outgoings is via The Utility Warehouse. This is a fairly new concept whereby you place all your services with one company = one bill = lower outgoings. Independent representative Gill Alton 0845 095 3435 or 07783 506649. Email – gill.alton@altonmortgages.co.uk
- **Travel** – Could you manage with one car? If you are near good transport links, could you manage with no car? If not, you could offer colleagues a lift for a weekly charge.
- **Deals** – Are you getting the best deals on your services? For instance mobile phones – if you are at the end of your contract period, call the disconnection department and tell them you have found a better deal on another network. Guaranteed they will improve on your terms to get you to stay. Apply this method to all service providers.

- **Fun** –The whole deposit saving experience can be fun. Have a competition between yourselves to see who can get the best deals and save the most money.
- **Work extra hours** – If you are in employment, ask the boss if you can do a few extra hours each week for a specified amount of time.
- **Part time job** – Could you fit in a couple of hours a week? Or a Saturday job? Some Sunday jobs pay time & a half. This could be over the summer months each year as you save for your deposit.
- **Surveys** - Try filling out on-line surveys at your desk over lunch. You are paid in vouchers that you can spend at Boots or Amazon. Try www.pureprofile.co.uk or www.lightspeedpanels.com. or www.ilovefreebiesuk.net How about £50 for a few hours work? This site -www.sarosresearch.co.uk - runs focus groups and pays for your opinion.
- **Lodger** – Do you have a spare room? The Government backed 'Rent a Room' scheme www.spareroom.co.uk has an £4,250 per year tax- free allowance. Rooms must be furnished; it can be a whole floor but not a self contained flat.
- **Surplus to Requirements** – If you intend moving in together, do you have two of anything? Do you have any items you don't need anymore? Clothes you never wear. There are various methods of turning them into money, and giving your deposit a kick-start. Sell unwanted books on www.amazon.co.uk Set up a stall at a local car boot sale -www.carbootjunction.co.uk or sell them on ebay, www.ebay.co.uk or www.winkaniko.com (new).
- **Isa** – Consider depositing ongoing **savings** into an Isa account. These will give you the best returns.
- **The Bank of Mum & Dad** – How desperate are they for you to move out? It could be in the form of a loan. When your new house has increased in equity, you could remortgage and pay them back.
- **Top tip** – Cut toothpaste tubes in half to get the last bit of toothpaste out! Apply this ideology to all aspects of your life, and you will have your deposit in no time!
- **Lifestyle** – For on-going tips and advice log onto to Martin Lewis's brilliant site - www.moneysavingexpert.com

We hope this small report has been useful.

If we can be of any further assistance, fill out our [contact form](#) or call us.



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