



Money Guidance Service Toolkit

Factsheet 4 – Priority expenses

This factsheet provides an overview of essential expenses. Please speak to someone if you want to discuss your priority expenses and [contact us](#) for more information.

Using an [income and expenditure sheet](#) is helpful when working through this section.

Please also look at other expenses you need to budget for and tips for help with those costs in our [Managing other household expenses](#) and [Generating additional income](#) factsheets.

Expense	Notes	Helpful information
Rent	You could lose your home if you do not pay your rent. If you fall behind with your rent, please seek advice as soon as possible so that you can get help setting up arrangements to pay them at an affordable rate.	<p>If you are in rent arrears in:</p> <ul style="list-style-type: none"> ● England and Wales ● Scotland – Private Tenants ● Scotland – Social Housing Tenants ● Northern Ireland
Mortgage	You could have your home repossessed if you do not pay your mortgage. If you have missed payments, please seek advice as soon as possible. Your lender can help you to set up affordable repayment arrangements.	<p>Always seek advice before applying for help towards your mortgage through Universal Credit. It may be in the form of a loan, secured on your property.</p> <p>If you are in mortgage arrears in:</p> <ul style="list-style-type: none"> ● England and Wales ● Scotland ● Northern Ireland

Expense	Notes	Helpful information
Council Tax (England, Wales and Scotland)	If you do not pay your Council Tax, there are various options the local authority can use to recover the debt, and you could ultimately go to prison (this doesn't apply to those in Scotland).	Use the Benefits Calculator to check if you are entitled to any help. If you have council tax arrears in: <ul style="list-style-type: none"> ● England and Wales ● Scotland
Rates (Northern Ireland)	If you do not pay your rates, there are various options the local authority can take to recover the debt.	If you are finding paying rates challenging, find more information on what to do here .
Gas and electricity	Allow enough in your budget to pay for your gas, electricity, or another fuel source like oil or solid fuel. If you fall behind with gas and electricity payments, your supplier may want to install a prepayment meter which can be more expensive.	Check if you are eligible for any grants . Look at some money-saving tips . Find information if you need help with fuel costs at National Energy Action . Check for Government support . Find further information on The MoneyHelper website .
Food, toiletries & household essentials	Allow enough money in your budget each week or month to buy the essentials you need. You may have relied on help from a foodbank, friends or relatives or used credit cards, but think about how much you realistically need for your household.	Find out what help might be available to you.
Home insurance	Home insurance is a good idea, but we know that not everyone has it. It can be tempting not to prioritise insurance, especially if money is tight. However, home insurance might be essential.	Check if you are required to have contents or buildings insurance or both by your mortgage lender or housing provider. You can find tips on getting better deals with home insurance at MoneySavingExpert .
Car insurance and road tax	It is a legal requirement to have Third Party insurance, as a minimum, if you drive a car, van or motorcycle. Road tax is essential unless you declare the vehicle off-road.	If your car is off the road, you can declare this using the government Statutory Off Road Notification (SORN) . Check for getting better deals for your car insurance here .

Expense	Notes	Helpful information
Self-employed expenses	<p>If you are self-employed or run your own business, you will be liable to pay tax and National Insurance. The amount you will have to pay depends on your income.</p> <p>Sometimes it can be unclear whether you are an employee, self-employed or a contractor, so you should check your status.</p>	<p>Find out more at GOV.UK:</p> <ul style="list-style-type: none"> ● Self-employment ● National Insurance ● Income Tax ● VAT ● Budget tool for Income Tax <p>Find more information about Self-employed Tax and National Insurance at MoneyHelper.</p> <p>Think about a separate bank account to put aside an amount each month for your Income Tax, National Insurance, and VAT.</p> <p>Tax Aid can provide further advice about your income tax.</p> <p>For more advice on your tax arrears or other debts, visit the Business Debtline.</p>
Travel for work and school	<p>Include the amount you and your family need to get to work and school.</p>	<p>If you have a car, include all the expenses involved; road tax, insurance, fuel, replacement of tyres, engine oil, MOT and repairs.</p> <p>Check if you are eligible for help with travel costs.</p>
Telephone/mobile	<p>Consider whether the phone is essential for everyone in your household.</p>	<p>Check if you could get a better deal. MoneySavingExpert has a finder for good mobile deals.</p>
TV Licence	<p>If you watch or download things on TV, you will likely need a TV licence, which is required by law if you meet the criteria.</p>	<p>Check:</p> <ul style="list-style-type: none"> ● If you need a TV licence ● If you are entitled to a discount or concession ● For ways to pay your TV licence

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Water	<p>In England and Wales, water is usually paid as a bill or included in your rent.</p> <p>In Scotland, it's collected with Council Tax.</p> <p>In Northern Ireland, domestic customers do not receive a water bill.</p>	<p>Check how you need to pay and what support your water provider can offer towards ongoing charges and any arrears you may have.</p> <ul style="list-style-type: none"> ● England ● Scotland ● Wales
Hire Purchase (HP) or Conditional Sale (CS)	<p>Payments for HP or CS are only considered a priority if they are for essential items, and this can vary depending on your circumstances. As you risk losing an item you bought on HP or CS if you do not keep up the repayments, you must consider them when putting together your budget. If you are in arrears or have other debts, seek debt advice as soon as possible.</p>	<p>Please seek advice if you are struggling to keep up the repayments or are in arrears. See Factsheet 7 – Accessing debt support.</p>
Child maintenance	<p>If you are liable to pay maintenance for a child or young person, you must budget for this. If you fail to pay, various actions can be taken against you, including deducting money directly from your wages.</p>	<p>For help with maintenance payments, seek advice or get online information from Citizens Advice.</p>
Payments owed to DWP or HMRC	<p>You should prioritise any money you owe to DWP (Department for Work & Pensions) or HMRC (HM Revenue & Customs). For example, repaying a loan or overpayments, or any taxes you owe.</p>	<p>If you have debts with DWP or HMRC, please seek debt advice.</p>
Court fines	<p>If you have a court fine, you must keep up the repayments and include the amount in your budget.</p>	<p>If you have a court fine and finding it hard to keep up repayments, please seek debt advice.</p>

We've got you.

We understand that money problems can feel overwhelming.

Whether you are looking for support for yourself, a friend or a family member, GamCare can help.

When you're ready to talk, we're ready to listen.

Call us free on **0808 8020 133** or chat to an adviser at www.gamcare.org.uk