

# Recurring expenses checklist

Check your spending on these categories of recurring payments. Are there ways that you can reduce your costs and/or increase the value for money you receive?

If you are in the UK, use the following resources to research your options and answer the questions below. (Unfortunately, I am unable to provide reliable international resources.)

<https://moneysavingexpert.com>

<https://moneyhelper.org.uk>

<https://which.co.uk>

This checklist has been designed to be as broadly applicable and timeless as possible. If some items are not useful at present or to you personally, ignore them.

## Utilities

Ask yourself:

- Have I signed a fixed term contract with penalties for ending it early, or could I switch without a cost?
- If I could switch without a cost, am I on the best available tariff? Could I find a new deal? *If you take up a deal remember to put a reminder in your calendar shortly before it ends to prompt you to shop around again.*
- If I am mid-contract, would the cost saving from switching be high enough to make it worth paying to end the contract early?
- If not, when does the contract end? *Put a reminder in your calendar shortly before this date to be ready to find a new deal.*

<b>Expense</b>	<b>Old monthly cost</b>	<b>New monthly cost</b>	<b>Notes</b>
Gas			
Electricity			
Other fuel			
Mobile (cell) phone			
Landline phone			
Broadband			

### Credit repayments

It is usually advisable to avoid borrowing money where possible except in certain cases such as mortgages. Even then, it is usually wise to borrow as little as possible, keep interest rates low and repay quickly. Minimising the interest you pay on credit can save thousands over time.

If you have both savings and debt, you will almost always be paying more interest for the debt than you are receiving for the savings. The exception is mortgage debt and most UK student loans. This means it's often wise to use at least some of your savings to repay outstanding credit as long as there's no early repayment charge.

Remember that if you are shopping around for credit, it pays to use an “eligibility calculator” that does a “soft search” on your credit reference file and does not affect your credit rating. Don’t make speculative applications to see what you will get, as these can negatively affect your credit score.

If you have a fixed rate or low cost variable rate mortgage deal that is going to end in the next six to 12 months, speak to an independent specialist mortgage adviser sooner rather than later to get advice on securing the best possible replacement deal.

Ask yourself:

- Is there a zero-interest deal available? Would there be a cost to transfer a balance to this?
- Will I have to pay an early repayment charge, or could I switch without a penalty?
- If not, am I on the best available deal? Could I find a new deal and what would be the costs to switch? *If you take up a deal remember to put a reminder in your calendar before it ends to prompt you to shop around again.*
- If an early repayment charge would apply, would the cost saving from switching now be high enough to make it worth paying?
- If not, when does the charge no longer apply? *Put a reminder in your calendar before this date to be ready to find a new deal.*

Type of credit	Old monthly repayment	New monthly repayment	Notes
Mortgage			
Credit cards			

Secured loan(s)			
Unsecured personal loan(s)			
Car loans or hire purchase agreements			
Store cards			
Other kinds of in-store credit			
Overdraft ( <i>enter amount of interest paid monthly instead of repayment amount</i> )			
Any other credit arrangements			

### **A note about buy-now-pay-later schemes**

Although these are convenient and charge 0% interest as long as all payments are made on time, some mortgage lenders see them as a sign of poor budgeting. Leaving aside whether this is fair, if you are likely to be applying for a mortgage or re-mortgaging in the next six months, it is a good idea to avoid buy-now-pay-later.

### **General Insurance**

Ask yourself:

- Do I have the right amount of cover? *It's important to avoid either under-insuring and leaving yourself at risk or over-insuring and spending money on cover that you will almost certainly never need.*
- When does my insurance renew? *Put a reminder in your calendar to shop around six weeks ahead of the renewal date.*
- Could I save money by changing how I insure my goods, for example, by insuring gadgets through my home contents policy or adding a second named driver on a car insurance policy?

<b>Type of insurance</b>	<b>Old annual premium</b>	<b>New annual premium</b>	<b>Notes</b>
Home contents insurance			
Buildings insurance			
Vehicle insurance(s)			
Breakdown cover			
Travel insurance			
Pet insurance			
Mobile device insurance(s)			

**A note about appliance insurance/extended warranties:**

Usually these are expensive and poor value for money. If a salesperson is being pushy about these, ask if they are saying that their products are poorly made, unreliable and likely to break down.

**If you decide to replace a policy, *never* cancel the existing insurance until your new policy is live.**

**Life and health insurance**

Making the right choices about protecting your income in case of serious illness or injury and protecting those you love in case you die is a topic that is too complex for this checklist. Please consider speaking to a specialist independent protection adviser about your needs.

If you review your protection insurance cover, or you are considering buying private medical insurance, check what your employer provides. Many employers provide at least some of these types of insurance, often at discounted group rates. However, be aware that if you have to leave your job, for example, because of long term illness or disability, your cover may end.

If you decide to replace any of your existing cover, check your new terms and conditions very carefully to make sure that your new cover is at least as good as your old. For example, if your health has changed, it may be that a new policy won't pay out for a condition that was covered under your old policy.

**If you decide to replace a policy, *never* cancel the existing insurance until your new policy is live.**

## Subscriptions

Ask yourself:

- Am I using this product or service enough to justify this subscription?
- Do I need this tier subscription or would a lower priced tier meet my needs?
- Would a pay-as-you-go option be more flexible and affordable?
- Have I signed a fixed term contract with penalties for ending it early or changing pricing tiers?
- If not, am I with the best value provider and on the most suitable pricing tier? Could I find a new deal? *If you take up a special deal, remember to put a reminder in your calendar shortly before it ends to prompt you to shop around again.*
- If I am mid-contract, would the cost saving from switching or ending the contract be high enough to make it worth paying to end the contract early?
- If not, when does the contract end? *Put a reminder in your calendar shortly before this date to be ready to find a new deal.*

Type of subscription	Old monthly cost	New monthly cost	Notes
Gym, fitness and wellbeing memberships			
Meal-kits, beverages, snacks, supplements etc			
Additional TV channels (cable/satellite/streaming)			
Music and audio streaming			

Household goods (paper products, cleaning items etc)			
Clubs, societies and leisure memberships			
Other physical products (e.g. contact lenses, razors, cosmetics, children's items, pet items, flowers, clothing, hobby/craft supplies etc.)			
Magazines and newsletters			
Premium bank accounts			
Software, web-based services and in-app purchases on mobile devices (e.g. games, downloads, social media and communities, dating, educational, productivity, wellbeing apps etc)			
Any others?			

### Others

You may also choose to review how much you are giving to any charities or religious organisations, or to creators through services like Patreon.