



Fears over the spread of coronavirus are causing people uncertainty and real worry in different areas of their lives, from their health and wellbeing to work and finances. If you're feeling any stress around your financial situation or future, read our tips to find out what you can do.

Look at your budget

If you're ill, you've had your working hours reduced or have had to take unpaid holiday it can be a big financial shock. In order to find out how that's affecting your finances, you need to know what you've got coming in and what you spend.

As well as making sure you're claiming what you're entitled to – including benefits and sick pay (read on for more on this) – you may need to see if you can cut back on your outgoings. Depending on your spending and needs, that might not be easy. But it's an important first step.

Cutting back may mean seeing if you can do without things you'd normally buy, as well as getting a better deal on regular spending, such as gas, electricity, phone and broadband.

Review any debts or loans

Debts that may have been affordable a few weeks ago could now be causing you to worry if your income has dropped or might do so. Some banks have offered to defer mortgage and loan payments for a limited period for people affected by coronavirus. Contact your lender to see what their policy is around repayments.

Some have also offered extra temporary support like increases in limits for credit card borrowing and cash withdrawal – again, check with your bank what they're providing. If you do need to use a credit card to pay for essentials while things are a bit tight, make sure you plan how you're going to make the repayments and be clear on what the restrictions are.

Check if you're entitled to sick pay

If you're an employee earning at least £120 a week you're entitled to Statutory Sick Pay (SSP), which gives you £95.85 a week for up to 28 weeks (in the 2020/21 tax year). If you're on a zero-hours contract you can also claim SSP, as long as you meet the condition above.

Usually you need to be off work for four days in a row before SSP kicks in, but if your absence is related to coronavirus it will now be paid from the first day. You could also get extra sick pay from your employer – these schemes are often more generous than SSP so it's worth checking your contract or asking your HR department.

See if you can claim any benefits

If you're self-employed, a contractor or a freelance worker it's very likely that you won't receive SSP. If you become ill, you may be able to claim Employment and Support Allowance, or if you need help with childcare or housing costs you may be entitled to Universal Credit.

If you need them, check if you're eligible for any benefits as soon as possible and don't put off making a claim as it can take a while to process – the benefits calculator from financial support charity **Turn2us** can help you to work out what you're entitled to.

Review your insurance policies

If you can't work, check to see if you have any insurance policies that could help with your income or mortgage payments. If you do, make a claim as soon as you can – check the terms and conditions of your policy to see if and when you might be able to claim.

Spend less, save more

You may not be able to build up savings if your income has dropped, but if you're able to save, it's worth building up a cash buffer for emergencies. Even saving a small amount is better than nothing.

If you're working from home rather than commuting to work, you'll be spending less on travel and possibly things like lunches and coffees – you could consider putting this money into a savings account instead.

It's also worth reviewing regular subscriptions like gym memberships that you may be able to freeze or cancel if you're not going to use them for a while – just remember to check any terms and conditions beforehand to see what your options are and when (or if) you can make changes.

Don't panic about your investments

If you have a pension (or an investment product), try to not panic if you see the value going down. It's important to remember that pensions are long-term investments – and it's normal for the value of investments to go up and down.

While it might be tempting to move investments now, it's important to take more of a long-term view and to remember that your funds will recover.

**Here at Brian Mellor Financial Services, we are on hand to help and advise you,
so if you have any questions or concerns just give us a call on 01538 371288.**



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