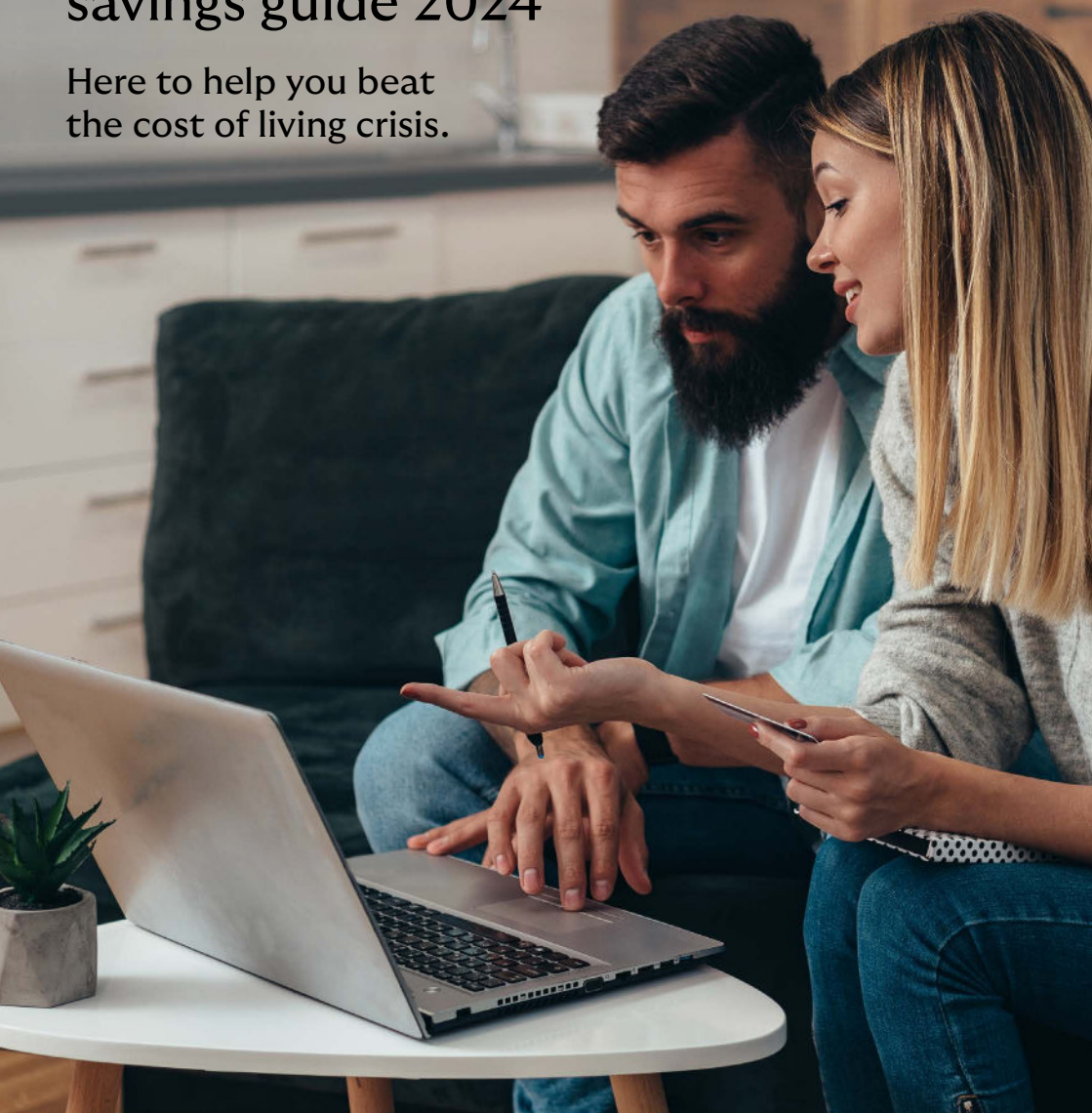


HOWDEN

Your ultimate money savings guide 2024

Here to help you beat the cost of living crisis.



Contents

Introduction.....	3
Supermarket shopping	4
Loyalty schemes	5
Drive cost-efficiently	6
Covering your vehicle.....	7
Reducing costs at home	8
Direct Debits that may surprise you	10
Scams	12
The survey says.....	13
Here to help	14



Introduction

We're on a mission to not only help you save money on your insurance, but also on your shopping, energy bills and more.

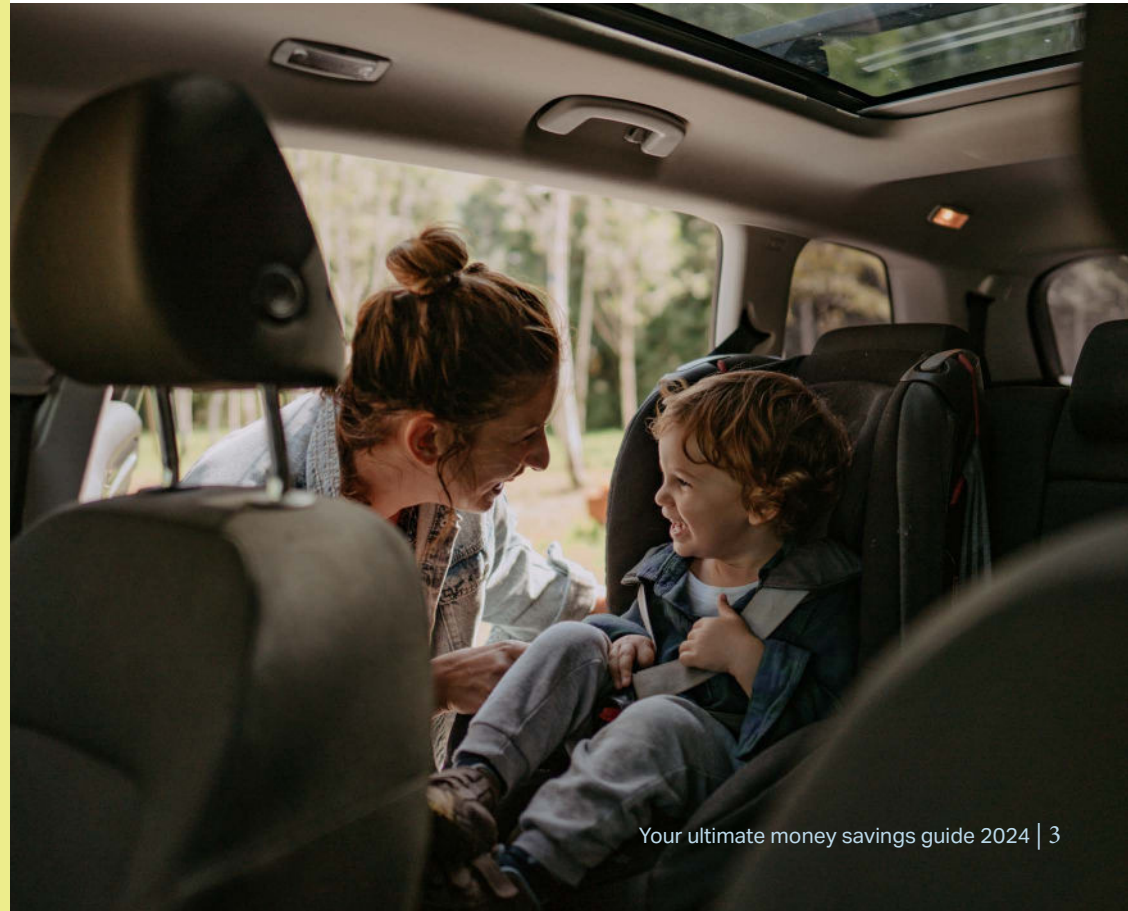
The New Year greeted us all with a rise in the energy price cap that meant our household energy bills would shoot up by 5%. For the average household, that equates to an extra £94 a year. While there are hopes that this will reduce in spring, one thing is clear: higher costs are here to stay for the foreseeable.

We've seen this with the increase in insurance premiums as well. Motor insurance premiums, in particular, have

doubled in some instances, and so we've been helping our clients find more affordable cover and recommending Direct Debits to help reduce the price shock.

While inflation has reduced since a high of 11.1% in 2022, the rate of the increase has simply calmed. We are all still paying more for goods and services than we were two years ago.

Our team of gurus have put together some helpful tips to keep costs low this year, guiding you on how to shop around for better deals, safely.



Supermarket shopping

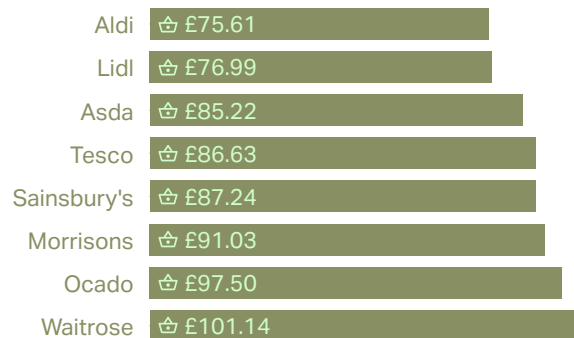
According to Which?, who track the prices of up to 200 branded and own-label products, the past year has seen some leapfrogging of supermarket brands.

Up until 2019, Sainsbury's, Morrisons and Asda were regular winners. However, from 2020, with the introduction of Aldi and Lidl to the list, the supermarket landscape changed fast. In 2022, we reported that Aldi was named as the UK's cheapest supermarket, followed by Lidl. But as the cost of living heated up, so did the competition. At the start of 2023, Tesco hit the 'cheapest supermarket' headlines for the first time, while Morrisons slashed the costs of thousands of items.

This wasn't enough to secure a spot as the Which? cheapest supermarket of the year 2024, with the accolade going to Aldi, where a basket of 47 items cost £76.77. The same basket of items at Waitrose was priced at £93.39, making it the most expensive.

However, if you're looking for a big trolley shop, Asda came out on top every month but won during 2023, as Aldi and Lidl are excluded from the research due to their limited product range.

Average supermarket basket price



Source: Which?

If you're an online shopper, divide and conquer. All you need is a friend, partner or family member to use their phone to shop one order via one supermarket, and you order the same items with the other. Whichever basket comes in cheaper, wins.



Loyalty schemes

Most shops these days have some type of loyalty scheme, but you have probably spotted that supermarket schemes have changed over the past year. This is due to supermarkets adapting to reflect not only consumer habits, but also supply chain pressures.

It also used to be that consumers saved reward points to redeem for treats, or days out, however this behaviour has also changed, with many using points towards their food shop.

Whether you shop at one or several supermarkets, consider opting into their loyalty schemes to increase your savings at the till. Here are our favourite loyalty schemes:

Lidl Plus App

Provides new coupons each week such as 20% off fresh pizza, tailored to your shopping habits and gives discounts for monthly spend milestones. And, if you're a bakery fan, enjoy 30% off bakery items from 7pm to close.

Iceland Bonus Card

Use in Iceland or Food Warehouse and get £1 for every £20 you save on it.

myWaitrose

Rather than earning points, you get offers, rewards and freebies, such as a free hot drink.

Tesco Clubcard

Clubcard members could save up to 6% on a basket of goods. Plus turn every 150 points into £1.50 instore vouchers, or double value at Rewards Partners. Clubcard Plus (£7.99 a month) also offers a 10% discount on two big shops per month.

Sainsbury's Nectar Points

Which? research revealed an average 2.1% savings on a basket of goods. Plus earn 1 Nectar point per £1 spent and spend in-store when you reach £2.50 or more.

Asda Rewards

Lets you earn money back into a cash-pot that can be exchanged for vouchers.

Morrisons More Card

Although the scheme ended in 2021, you can still use your More Card to get offers based on your purchases.

M&S Sparks Rewards

Every £1 spent earns 10 Sparks, and the more Sparks you collect through shopping, the more offers, events and exclusives you can get.

Interestingly, the UK's cheapest supermarket Aldi, does not have a loyalty card. So if you don't want to sign up to anything and still have access to lower prices, you need look no further.

Drive cost-efficiently

While we've seen fuel prices fluctuate, 2023 saw the second highest fuel forecourt prices on record.

The AA estimates that, despite fuel prices being lower now than they were a year ago, the average consumer on the forecourt pays £12.50 more per tank than they did in 2019. And if you're a van driver, that increases to £21.42.

Fuel prices were a major factor behind the large drop in inflation in November 2023, and there is hope that prices will continue to reduce. While nothing is certain, here's how to make the most of your full tank:

- Under-inflated tyres burn more fuel - check your tyre pressure monthly.
- Smooth driving is an easy way to reduce fuel consumption. Anticipate the road in front of you, ease off the throttle and maintain momentum rather than braking hard and accelerating again.
- Regular servicing can help reduce or maintain fuel consumption.
- Change up and down multiple gears at a time, and change to the highest suitable gear as soon as you can to avoid over-revving.
- Avoid 'coasting', where you engage 'neutral' or drive with the clutch held down. It's unsafe and unlikely to save you any fuel.
- Aircon can increase fuel consumption by around 10%.
- Petrol is cheaper than diesel to buy, however diesel cars can have cheaper running costs in the long run.
- Idling consumes around 0.6 litres of fuel per hour. A stop/start engine is recommended if you are frequently stuck in traffic jams.
- Considering a new car? Compare fuel costs using the Which? fuel cost calculator to help you make an economical decision.

Sources: AA, Which?, Good Housekeeping, Carplus



Covering your vehicle

The past year has seen the average car insurance premium rocket up by 48%, with renewals coming as a huge price shock for many.

Most of us only think about insurance once a year, usually when a renewal arrives. To receive a renewal where the premium has doubled can be very worrying.

It's not like a pint of milk, which became 30% more expensive between March 2022-23, incrementally. You may notice a few pence per shop, but if you were to buy a full year's supply in one go, you would be in for a huge price shock.

And that's where many find themselves now with their car insurance renewal.

Before you begin to cut back on your insurance cover, there are some things you can do to reduce the price shock this year:

- Look at your renewal options a month early to get the best rates.
- Protect your no claims to get the best discounts.
- Speak to a broker to make sure you get the best value while avoiding costly underinsurance.
- Consider increasing the excess to reduce your premium.
- If you do increase your excess, consider Excess Protection. For as little as £38, if you need to make a claim, an excess of £300 would be returned to you.*
- Reduce your mileage if you now work from home or overestimated your mileage previously.
- If you're looking for a new car, Group 1 is the cheapest to insure, while Group 50 is the most expensive.
- Check whether any cheaper policies exclude windscreen cover, which could leave you out of pocket later.

*Terms & conditions apply. For more information, see page 14.



Many pay their insurance premium in one lump sum, not realising that you don't need to do this. With prices now higher, choosing to switch to a more affordable monthly Direct Debit payments can really help with cashflow.



Reducing costs at home

Unfortunately energy bills have increased again, this time by 5%. There may be ways to offset this. Several small changes at home can equal big savings. Here are some to try:

- Turn your thermostat down by 1 degree to save 10% on your heating bill (avoid going below 18 degrees).
- Environmentally friendly kettles can save up to 30% energy.
- Insulate your walls and roof to prevent 30% of your heat escaping.
- Choose your lighting wisely – it makes up 15% of household energy use.
- Lower the flow temperature of your combi boiler to save up to 8% on your gas bill.
- Reducing your wash to 30 degrees uses 40% less electricity over a year.
- Reducing your wash to 20 degrees uses 62% less electricity a year.
- Thermal curtains could reduce a three-bedroom home's heating bill by £327 a year.
- Only heat the room you're in, so if you're in a home office all day, use a portable heater.
- Use thermostatic radiator valves to ensure each room is only ever as warm as it needs to be.
- Underfloor insulation can reduce heating bills by up to £115 a year.
- Overfilled kettles waste £68 million in energy a year, only boil what you need.
- Line dry indoors to save £55 a year on tumble drying.
- An energy saving shower head can reduce your water usage by 30%.
- Avoid leaving your television (and consoles) on all day. See the table below to find out how much you could save. Keep in mind most households have several televisions.

TV Size	Average yearly running cost
40-43 inches	£25.48
48-50 inches	£28.79
55-58 inches	£31.55
65 inches	£39.14



There are also grants to explore, such as an increase in the heat pump grant to £7,500 this year, and new energy efficiency grants available from 2025 to improve radiators and insulation. Find out more at Gov.uk.

Warning!

We recommend avoiding the terracotta pot heating method you may have seen on social media, as this can cause a fire in your home.

Statistics based on average use. Sources: Energy Savings Trust, Citizens Advice, Thisismoney.co.uk, Ofgem, Moneysavingexpert.com, Uswitch, The Money Edit, Gov.uk.





Direct Debits that may surprise you

Many are paying large lump sums of money annually, or quarterly, for utilities and services, when payments can be more manageable split over 12 months via Direct Debit.

Direct Debits are simple to set up. The best part is that you have regular proof of payment and remain in complete control. It can also improve your credit score!

Although there may be small fees associated with paying in monthly instalments, they are usually relatively low, and many find the budgeting, convenience, and the added benefit of visibility is worth a couple of pounds more a year.

Council tax over 12 months

It makes little sense to pay high payments for 10 months and then none for two months, or worse, one lump sum a year.

While paying more for 10 months may suit the council, times have changed. You are entitled to spread your council tax payments over 12 months, via standing order or direct debit, without penalty.

Call your council tax office and ask to switch to 12 monthly payments. Some councils offer this option online.

NHS prescriptions monthly

With the price of a prescription now at £9.65, obtaining medication can be a big expense. A prepayment certificate – or PPC – may be worth spreading the cost throughout the year via direct debit.

It covers all NHS prescriptions no matter how many items you need. A three-month PPC currently costs £31.25, while an annual option costs £111.60. If you opt for the annual PPC, you can pay via 10 monthly Direct Debit instalments of £11.16 a month.

There's also now an annual HRT-specific PPC priced at just £19.30.

TV license Direct Debit

The current TV license fee is £159 per household. From April this will increase to £169.50 a year.

Many still pay the fee annually, or quarterly (which includes a £1.25 charge), often in

person. It's much easier to switch to Direct Debit. You may need to pay £26.50 over six months prior to it rolling into a regular 12 monthly bill of £13.25 per month.

Then, when the price rise comes into effect, these figures will increase by less than £1 a month. Your licence will continue to auto-renew, so you will not be at risk of breaking the law. Once it is scrapped, your payments will simply stop. No cancelling, no paperwork, what could be easier?

Pay insurance monthly

If you have always paid your insurance premiums in one lump sum, consider the convenience of monthly Direct Debit which can really help with cashflow.

With insurance premiums having risen at an alarming rate, we have already advised clients to consider switching to Direct Debit, to help avoid a sudden price shock.

You can still change providers at renewal, you can still make mid-term adjustments, but the stress relief it can bring to pay monthly via Direct Debit can be a big win.

Talk to your broker who will be able to compare the costs for you, and any interest rates if applicable. They can also assist you in finding new ways to reduce your premium, making sure you only pay for what you need.

Spread the cost of car tax

Many are still heading to the Post Office to pay their car tax, usually in one lump sum. This trip can be avoided entirely via paying by monthly Direct Debit. When you receive your next reminder, try switching to a convenient Direct Debit instead.

You can actually set up your Direct Debit at the Post Office or a visit to the government's vehicle tax website will guide you through the process within minutes. All you need is your reminder letter containing a 16-digit reference number, and the system will navigate you through the process.

Your payments will continue to roll over to ensure you never fall foul of the law. And you can still cancel it and claim back any overpayments if you sell your car.

Dodge a utility bill price shock

In addition to the 5% price increase on our energy bills in January, from April, there will also be a £31 per annum price hike for water. Manual, lump sum or quarterly payments simply aren't sustainable for many.

Like mobile phones or Wi-Fi, all utilities are payable by Direct Debit. Spreading utility bill payments over 12 months as opposed to four could go a long way to avoid a price shock – and if you do that for all your bills, not just one or two, you'll know exactly where you stand each month.

Also, never feel you have to stick with the same utility supplier. The process to switch is very easy once you approach the end of your current tariff. This could even include services such as your internet, Virgin or Sky.



Scams

Here at Howden we want to help you stay savvy about scammers. Anyone can fall victim to a scam, no matter their age, profession, or computer-skills. Clicking on the wrong link can waste thousands of pounds. Sadly, times like these are when scammers are most likely to strike so stay on your guard.

Top 5 scams to look out for:

1. Weird websites

Convincing imitations of well-known shopping sites offering bargain discounts on popular items.

2. Social media

Facebook, Instagram and X are all full of fake adverts for fake products, giveaways and charities. Scammers also use chatbots, or even message you directly, and send you dodgy links. Don't click the link.

3. Vehicle scammers

Suspect car listings are all over Facebook, Instagram and eBay. Often the price is too good to be true, and the fraudster uses pressure tactics to get you to buy.

4. Copycat couriers

A text, email, WhatsApp or telephone call stating you must pay delivery or customs duty on a parcel, with a link to enter your bank details. Then, you receive a call from a scammer posing as your bank, urging you to send money to a new account for protection.

5. Phony investments

These promise major returns on a small upfront fee. Sophisticated scammers will gain your trust over time, but others use a scattergun approach with phony emails, texts, and even fake celebrity endorsements.

How to beat the scammers:

- **Watch out for pressure tactics**

Countdown timers, bombarding messages, or claims there's only one item left in stock. Keep a cool head and take your time.

- **Check the link**

A safe website should have 'https' and a padlock in the web address bar. Rather than click a link, Google search the company name or account from scratch.

- **Hang up the call**

Trust your instincts and hang up. Google the company, check the reviews and whether there's a customer service phone number. Call the official number to check the call is legitimate.

- **Anti-virus**

Use a reputable anti-virus on your laptop and update your passwords regularly.

- **Pay with a credit card**

Your refund rights are stronger than a debit card.



Remember the golden rule:

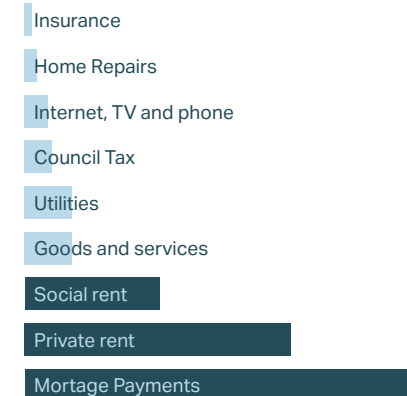
if it's too good to be true, it usually is!

The survey says...

In 2023 the average UK household budget was around £2,700 a month, based on an average of 2.3 people, according to the Office of National Statistics. That's £628 a week. Costs are higher depending on your personal circumstances, some may have higher mortgages, or rent, some may be paying for childcare. But that is the national average.

The average household spends £4,100 a year on groceries, and another £484 on alcohol. Eating and drinking out averages another £1,320. They spend nearly £9,800 a year on utilities, communications and television, council tax and other household goods and services a year. While the average mortgage payment is now a whopping £1,485 a month.

Here's how the 'average' household breaks down their spend:



Breakdown of average UK transport costs per household	Weekly	Monthly	Annual
Vehicle operation expenses	£13.1	£57	£684
Public transport	£14.5	£63	£756
Petrol & diesel	£20.5	£89	£1,064
Insurance	£23.1	£100	£1,203
Purchase of vehicles	£33.3	£144	£1,731
Average annual transportation costs per household	£104.6	£435	£5,438

Source: Office of National Statistics, Nimblefins.co.uk

The question is: do you feel these figures are accurate? How close does your budget come to the 'average'?





Here to help

Little tweaks can go a long way when it comes to your insurance cover.

As we mentioned before, one way to reduce your car insurance premium this year is by increasing your excess. But how would you cover that excess if the worst should happen? This is where Excess Protection comes in, you enjoy the benefit of it reducing your premiums, and being covered if you need to make a claim*.

This can apply across a range of different insurances, from car to home, even horsebox and landlord. This illustrates just one of the tweaks a broker could recommend to ensure you get the right cover, at the best price.

So for example, you could increase your car excess to £1,000 to reduce the overall premium, and then cover your excess for £56. This ensures that the money remains in your pocket when you need it the most.

Car, motorcycle, van		Premium
  	£2,000 cover	£92
	£1,000 cover	£56
	£300 cover	£38
	£500 cover	£47
HGV		Premium
	£1,000 cover	£80
	£300 cover	£58
	£500 cover	£69
Home		Premium
	£1,000 cover	£53
	£300 cover	£32
	£500 cover	£42
Landlord		Premium
	£1,000 cover	£63
	£300 cover	£42
	£500 cover	£53

The best part about using a local broker is that they get to know you, and your business if applicable, and can recommend the right cover to ensure that you're not under - or even over - insured.

*Terms & conditions: Excludes windscreen cover. In case of non-fault claims, excess will be recovered from the 'at-fault' insurers. Other exclusions apply.

HOWDEN

Tweak your policy

Let our experts review your policy to see if we can help save you money.

Speak to us today.



Howden is a trading name of A-Plan Holdings which is authorised and regulated by the Financial Conduct Authority No. 310164. Registered in England and Wales under company registration number 750484. Registered Office: 2 Des Roches Square, Witney, OX28 4LE. Calls may be monitored and recorded for quality assurance purposes.

HOWDEN

the new name for **A-plan**

" Friendly, informative staff. It is wonderful to be able to speak with a human being and given the information you require succinctly. Howden Insurance staff are a delight to deal with and give you precise information with no waffle at a very good price."

- Jean Hunt



" Everything relating to my contact with Howden Insurance to renew my buildings and contents insurance was handled really smoothly. From my phone call with a very pleasant and helpful gentleman , to receiving my paperwork in the post, it made what can be a chore into an easy task. Thank you."

- Mrs Mckeown



" Excellent service at a great price. Howden are always considerably cheaper than other providers. Tay was excellent and explained all the costs and benefits exactly. Excellent."

- Dave Hayles



Search "Howden Insurance"

★ Trustpilot  4.8 of 5

Trustpilot rating correct as of 18/01/23. Howden is a trading name of A-Plan Holdings which is authorised and regulated by the Financial Conduct Authority No. 310164. Registered in England and Wales under company registration number 750484. Registered Office: 2 Des Roches Square, Witney, OX28 4LE. Calls may be monitored and recorded for quality assurance purposes. HOW240109.

