



MANAGING YOUR MONEY ONLINE

Simple ways to save - comparing services and utilities

Lots of people are paying more for goods and services than they need to. Our research shows that saving money is easier with digital skills. Having the right digital skills can save you up to 12% more on utility bills. ([Lloyds Bank Consumer Digital Index 2020](#))

There are great benefits to be had from using the internet and comparison sites to save money. For example:

- You can save money by switching utility providers and suppliers of household services
- You can ensure you're getting exactly what you need
- You can take advantage of offers and introductory periods

Contents:

1. Review your current spending habits
2. Manage your current service providers
3. Understand if you have the right deal for you
4. Other things you should consider

1. Review your current spending habits

The best way to begin is to understand what you're currently spending:

- **Review your regular payments, Direct Debits and Standing Orders** - Check that you know exactly what's going out of your bank account every month
- **Review your account activity over a few months** - Some payments are taken quarterly so it's worth checking a few months' worth of account information
- **Make a detailed list of everything you think you should be paying for** - This should be the things that are vital to your life, e.g. rent/mortgage, utilities, loan/debt repayments, tax payments, insurance. It will also include any payments for things that you've signed up for, such as mobile phone contracts, television packages and other subscriptions
- **Go through your list of payments and confirm what you do and don't use** - Be realistic and honest about which payments could potentially stop - There's no use paying for something you don't need or use



- **Review your non-essential direct debits and standing orders to sense check whether you actually need them or not** - For example: If you're paying £15 a month for a movies package as part of your TV service but you also have a Netflix account, do you really need the movie package?

2. Manage your current service providers

Most contracts with utilities and household services will offer you a deal with an initial offer period that restricts what changes you can make and when, for example:

- **Landline telephone and internet** - no line rental for 12 months
- **Utilities** - fixed price for 12 months
- **TV** - free movies package for six months
- **Mobile** - a package including minutes, texts and data – perhaps the phone itself – for 18 months

After this initial offer period you can expect your price to increase. If you do nothing this will usually happen automatically, there are a few things you can do:

- Once the offer period is up, you're often free to **renegotiate or leave** for another provider
- You will likely receive a communication from the provider telling you that it's time to renegotiate, perhaps even with a new offer, but it's **worth shopping around to try to get a better deal**
- **You may still be tied into a contract even after your offer has expired**, for example you could be in a 12 month contract for landline telephone but line rental is only free for the first 6 months
- **When you sign up for any contract, your contract period should be clearly stated**. If you leave during this period you will most likely have to pay a cancellation or withdrawal fee

3. Understand how to find the right deal for you

You can easily search for a better deal on lots of your costs by using comparisons sites. These sites will search dozens of providers for the best rate or fee, based on the information you have provided. Whilst they will present you with lots of options it's worth bearing in mind that not all options will be like-for-like.

Some well-known providers include†:

- [Confused.com](https://www.confused.com)
- [MoneySuperMarket](https://www.moneysupermarket.com)
- [Compare the Market](https://www.comparethemarket.com)
- [GoCompare](https://www.gocompare.co.uk)
- [uSwitch](https://www.uswitch.com)

What do you need before you start searching for a new deal?

Firstly, before you use a comparison site, speak to your current provider and ask them what's the best deal they can offer you – there's no use comparing your current contract if your existing provider is able to offer you a new deal that is better.

You should have all of your details ready before searching for a better deal, for example:

- Current or best price from your current provider
- The details you want to compare, e.g. internet speed, amount of data, unit rates – in the case of



utilities you need your annual usage or estimated usage, which you can get from your current provider

- The date you're able to leave without incurring any charges or cancellation fees

What to consider once you've started comparing:

You will be presented with options from big name providers that you will recognise, but also some that you won't – do some research if you don't recognise a provider to see what other people have said about them. Remember:

- **Always try and compare like-for-like with your current provider**
- **You can complete your switch or sign up through the comparison site**, or it may send you directly to the provider's site – if it does, double check that all information has copied over and is correct
- **If you are asked to select a switch or start date**, make sure that this aligns with your contract end date for your current provider
- **Read any communications carefully** as this will usually tell you what you need to do, e.g. take meter readings on a specific date
- **Sometimes the switch will be taken care of by your new provider**, but you may be required to contact your current provider yourself to initiate cancellation

6. Other things you should consider

- **Some contracts extend beyond the initial offer period**, e.g. an 18 month contract that has an offer for the first 12 months – in these cases you may have to wait until the end of the contract
- **Some providers may want to complete a credit check**. They have to tell you they are going to do this
- **When you set up with a new provider there may be a period of time where you're required to make two payments** – one to your current provider and one to your new provider. It's important to factor this into your finances
- **If you have an outstanding balance/debit with your current provider they may request that this be paid in full when you leave**. Some providers may try and stop you from leaving before this balance is paid. If you find yourself in this situation, contact them and request that they set up a payment plan
- **When comparing/switching don't underestimate your usage** in order to reduce your initial monthly payments, this may result in a debt accruing on your account

If you need any more support or you're concerned about saving money, you should reach out to your bank or an independent financial adviser.

Related learning links:

[Money Advice Service](#)



[Citizens Advice Bureau](#)

