

Managing your mortgage and income

This information is for homeowners in Northern Ireland.

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Having a mortgage is a big responsibility. It means that you have a debt to repay to your lender. You should make mortgage payments every month. It's important to stay on top of your payments, and if things get difficult, to [get support and contact your lender](#).

Making a budget, getting your benefits, and understanding debt can help you stay on top of paying your mortgage.

Budgeting to help afford your mortgage

If you're having trouble paying your mortgage, a budget can help you plan your payments. It can also show your lender that you're able to manage your debt and work to pay your mortgage, even if you're behind on payments.

A household budget is a list of how much money you have coming in and going out every week or month. The goal of a budget is to help you figure out how much money you need to spend and if you have money left over once you pay for everything you need.

Making a budget can be hard. It's important to be honest so you make a budget that works for you and that you can stick to. There are many organisations with debt advisers who can help you such as:

- [Advice NI](#)
- [Stepchange](#)
- [Christians Against Poverty](#)

A debt adviser is there to support you without judgement. They can help you figure out ways to increase your income, make offers to your creditors, and talk to your lender.

Before you talk to a debt or Housing Rights adviser, make sure you have all the information the adviser needs to help you.

Know how much money you make

Start with listing your usual salary. For a monthly budget, make sure to divide your salary correctly. If you:

- get paid weekly – multiply what you make every week (your net income) by 52 and then divide by 12, this gives you the average amount you make each month
- have a yearly salary – divide your salary (after taxes) by 12

List who you owe money to

Make a list of all the people and companies you owe money to. These are your creditors. Include who they are and how much you owe them. For example:

- mortgage
- utility bills (such as electricity, gas, internet)
- banks and credit union loans
- online or payday loan companies and doorstep lenders
- credit cards and store cards
- buy now, pay later companies
- loan sharks

List how much you spend

Make a list of all the money you usually spend each week or month.

Be realistic about how much you spend. For example, if you usually spend £100 a week on groceries, that's the amount to write down even if you wish you spent less. Your budget works better when you're honest about how much you spend.

You can [use a template](#) or download a budgeting app to your phone.

Track how much you spend

After you list how much you spend, it's helpful to do a little research and check if your amount is correct. You can do this by tracking how much you spend. You can:

- use your mobile banking app to review your spending
- start a spending diary and write down every time you spend money
- take a photo every time you get a receipt

At the end of a month, review your spending and check how it matches up against your budget.

Find ways to cut back or increase your income

Go through the list of how you spend money and check if there are ways you can cut back. For example, is there a cheaper utility company you can use?

Check if there are ways you can increase your income. For example, can you get more hours at work? Are there any other benefits you can get?

Figure out your disposable income

Once you list all your debts and spending, and find any ways to increase your income, you can check how much extra money you'll have each month. This extra money is sometimes called your 'surplus' or 'disposable income.'

If you do not have any money left over after all the things you need to pay for, you'll need to keep looking for ways to reduce your spending and add to your income. [An adviser can help](#) you with this.

Make offers to your priority creditors and lenders

An adviser can also help you figure out how much to pay each creditor and in what order to pay them back. Start paying back priority debts first to make sure you do not lose your home.

A debt adviser can also help you negotiate with other creditors or put you in touch with other organisations. For example, you can ask your other creditors to:

- stop interest and charges
- stop collection agencies recovering debt
- accept token payments
- write off the debts

Talk to your lender

Tell your mortgage lender if you're getting help from a debt adviser. The adviser can also help [talk to your lender and negotiate](#) on your behalf. When you get help, you show your lender that you're taking real steps to catch up on payments.

More advice

- [Sorting out mortgage problems](#)
- [Taken to court by your mortgage lender](#)
- [Losing the home you own](#)

Footnotes