The credit crunch has turned the financial world upside down. We all know that Halifax Howard has been rescued by the black horse and part of the Bradford & Bingley has been nationalised. But is the future as gloomy as the press would like you to believe? Although good news doesn’t sell newspapers, however the markets always work in cycles – what goes up must come down and go up again. Here are some tips as credit crunches:

- Limit your cash savings to £50,000 with each organisation, as you are protected under the Financial Service Compensation Scheme, and beware of groups: organisations such as HBOS, Bank of Scotland, Birmingham Midshires, Halifax & Intelligent Finance are one organisation, so save a maximum £50,000 within the group as a whole.
- If your mortgage rate is expiring with your current lender over the next eight months, look at securing a new rate now as rates may get worse. If you have savings and tax-bill funds, you may benefit from an offset mortgage.
- Any outstanding balances on credit cards? Secure 0 per cent balance transfers for up to 15 months (set up charges vary between 2.5 per cent to 3 per cent). Reduce the balance by setting up a standing order as there are no guarantees these schemes will be available in the future.
- Consider setting up an offset mortgage.
- Consider a stocks and shares ISA. The people who have made the largest stock-market gains in the past are those who hold their nerve when the markets fall.
- Review your utility charges – websites such as uswitch.com will compare your current provider with the market. Consider fixing your gas and electricity charges. British Gas has a fixed-price plan until 2012.
- Have you started any life insurance policies prior to 2006? Several life-insurance companies have reduced their rates, so contact your financial adviser to see if they can re-broker your plan(s).

Good times ahead?

Stock markets and property prices are falling, there will be great opportunities ahead. Start planning today so you can maximise your future gains. These cycles on average only happen every 15 to 20 years, don’t miss out.

If you want to start or increase a buy-to-let portfolio, there are some factors you will need to bear in mind. Lenders need a minimum deposit of 15 per cent and the rental income must at least cover mortgage payments on an interest-only basis.

Sarah Gwilt of Essential Money offers some tips to beat the credit crunch.

The only probiotic lozenge specifically formulated for oral health. Changes in oral microflora balance can lead to periodontal disease and caries.

GUM PerioBalance is an advanced oral health probiotic that contains Lactobacillus reuteri Prodentis - the only probiotic currently known to produce a beneficial, natural anti-microbial agent that helps prevent the growth of harmful bacteria without affecting the other ‘friendly’ health promoting micro-organisms of the mouth. GUM PerioBalance is formulated to help maintain a balanced natural micro flora for oral health, decrease bacterial plaque build-up, significantly reduce gum bleeding and inflammation, and fight the harmful bacteria in the mouth that are responsible for gum and tooth decay. Used together with tooth brushing and flossing, GUM PerioBalance is an innovation intended to enhance the natural defences of the mouth for improved oral health. Suitable for adults and children of all ages, it is available as a dissolvable lozenge.

Sarah Gwilt

Sarah Gwilt is a Mortgage Associate at Essential Money Limited, and won Mortgage IFA of the Year 2005. She is recognised as one of the most experienced advisers in the dental market and advises lenders on structuring mortgage products to attract dental clients. For more information please call 0121 685 5060 or email thomas@essentialmoney.co.uk or visit www.essentialmoney.co.uk.