

Pay yourself on payday

A short book about saving whatever is left at the end of the month, which is usually nothing

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First edition

Written by AI with human guidance. It can contain mistakes, which later editions correct.

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Before you start

This is a short book and you can read it in two or three sittings. It's about one habit. You mean to save. Each month you plan to see how things go and put aside whatever's left at the end. And each month, when the end comes, there's little or nothing left. You earn a reasonable wage. You aren't reckless. The savings account has had roughly the same amount in it for a year or more, and you can't quite say where the money goes.

I'm going to argue three things. The first is that saving what's left makes sense from the inside. Paying the bills first and saving afterwards sounds like prudence. The second is that the plan can't work, and that its failure has very little to do with your character. Money that's sitting in your current account counts, in your own mind, as money for spending. A month contains dozens of small decisions, and the money gets used up in them. There's also nearly always something unusual to pay for. The people who save successfully are mostly not more disciplined than you. They've arranged things so that the saving happens first and needs no decision. The third is practical. On payday, before anything else, a fixed amount goes to a separate account by standing order, and you live on the rest. Chapters 12 to 14 cover how. It takes about twenty minutes to set up.

This book is not financial advice. It won't tell you where to put your savings, how to invest, or what to do about a pension. It's about the order in which things happen to your pay, which has to be settled before any of those questions matters.

Four cautions.

If your income doesn't cover your essentials, this book isn't the help you need, and nothing in it should make you feel you ought to be saving. Chapter 6 says more, including a government scheme that adds to the savings of some people on Universal Credit.

If you have debts you can't keep up with, deal with those first, and get free help doing it. The NHS points people to Citizens Advice, StepChange and National Debtline. Chapter 11 looks at debts and saving together.

If the reason you can't save is that someone else controls your money and won't let you see it or keep any of it, that isn't the habit this book is about. The NHS lists controlling your money among the signs of domestic abuse. The freephone National Domestic Abuse Helpline is open day and night on 0808 2000 247.

And the schemes and rules I mention are those for the UK in September 2026. They change, so check the current position before relying on any of them.

The notes at the back give my sources and their limits. Where I'm giving my own reasoning and not a finding, I'll say so.

The twenty-seventh

It's the twenty-seventh of October. You're paid on the last working day of the month, so there are four days to go. You open your banking app on the bus home, and the balance is sixty-one pounds forty.

You're not alarmed. It'll do until Friday. There's food in the house, and the travel card is paid for. But you feel a familiar small drop of disappointment, because at the start of the month you'd made a plan. Your take-home pay is two thousand three hundred and fifty pounds. The rent, the bills and the rest of the fixed costs come to about fifteen hundred. That leaves eight hundred and fifty. You'd thought that if you were a bit careful you could easily move two hundred into savings at the end of the month. You thought the same at the start of September, and of August.

You tap across to the savings account. It holds three hundred and forty pounds. It held three hundred and forty pounds in January. In March you put a hundred in, after a quiet month, and in April you took it out again for the car's MOT.

You try to work out where October went. Nothing stands out. There was your nephew's birthday, and a leaving do. There were new tyres, which really couldn't wait. You had a takeaway most Fridays, and bought a coat, which you did need. Nothing on the list is foolish. You can't point to a single purchase and say that's where the two hundred went. It went at six or twelve or thirty pounds a time.

Two weeks later the washing machine stops mid-cycle with a smell of burning. A new one, delivered and fitted, is three hundred and eighty-nine pounds. There's three hundred and forty in savings. You put it on the credit card, meaning to clear it at the end of the month out of whatever's left.

I'll use a few terms throughout. **The leftover plan** is the intention to save whatever remains at the end of the month. **The transfer** is a standing order that moves a fixed sum out of your current account on payday. **The pot** is the separate account it goes to. **The cushion** is the money in the pot that's there for things like washing machines. And I'll use **what's left** in two senses, the old one and a new one, and I'll say which when it matters.

The leftover plan has some regular features. This list is my own observation and not a research finding.

The plan is sincere. You really do intend to save, and at the start of each month it looks entirely possible, because the arithmetic says it is.

No decision is ever made to abandon it. At no point in October did you decide not to save. The two hundred pounds wasn't spent on anything in particular. It simply wasn't there at the end.

The month always contains something. There's a birthday, a repair or a trip, and it seems like a one-off. A different one turns up every month.

Good months don't help much. When there is money left, some of it does get moved across, and within a month or two it tends to come back.

And your savings don't grow. Whatever the figure is, it's roughly what it was a year ago.

Try one thing before reading on. Look up what you moved into savings in each of the last six months, and what you took back out. Write down the six net figures. You're looking for the real amounts, as opposed to what you intended. If they're healthy, you may not need this book. If most of them are nought, read on. And if you'd like to set up the transfer today and read the argument afterwards, turn to chapter 12. It will do you no harm to have the transfer running while you read.

Why leftovers seem sensible

If you've failed to save for years, you may have decided that you're hopeless with money. I don't think you are. The leftover plan is what almost everybody does by default, and it rests on reasoning that sounds sound.

It puts obligations first. Rent, bills and food are necessities, and savings are optional. Paying for the necessary things first and the optional one last seems like the responsible order. It's how most of us were taught to think about money.

It keeps you flexible. You don't know at the start of the month what the month will bring. Committing two hundred pounds on day one, when you might need it on day twenty, feels rash. It seems wiser to wait and see.

It feels honest. Saving what's left means saving what you can truly spare. Moving money at the start feels like pretending to have it.

It avoids a small unpleasantness. Moving money out of your account on payday means seeing a smaller balance straight away. Nobody enjoys that, and the leftover plan postpones it for a month.

And it involves no effort. There's nothing to set up and nothing to decide. You carry on as you are and hope.

Economists have a name for the pull behind the last two of these. Ted O'Donoghue and Matthew Rabin call it present bias. In their account, people give extra weight to whatever is happening now, compared with how they'd weigh the same thing if it were in the

future. One consequence is that tasks with an immediate cost and a delayed reward get put off. Saving is exactly such a task. It costs you something today and the benefit comes later. People who are, in the authors' word, naive about their own tendency keep expecting to do the costly thing tomorrow, and tomorrow they expect it again. Their paper is a piece of economic theory and not a survey of savers. But it describes the leftover plan closely. The plan is a standing arrangement to do the saving later.

There's a second idea from economics that I'll lean on throughout this book. Hersh Shefrin and Richard Thaler proposed that households don't treat all their money as one interchangeable sum, though textbook economics says they should. People divide it into mental accounts. In their scheme there are three, which are current income, current assets and future income. The temptation to spend is greatest for current income and least for future income. Your pay, sitting in your current account, is current income. In your own mind it's already marked as money for spending. The three hundred and forty pounds in the savings account is marked differently, and that's why it's survived at all.

Underneath the leftover plan are needs nobody should be ashamed of. You want to meet your obligations. You want room to cope with a month that goes badly. You don't want to feel squeezed. And you do want to save. The question for the next several chapters is whether the leftover plan serves any of these. I'll argue that it fails the last one completely. I'll also argue that it serves the second, the wish for room to cope, much worse than the alternative does.

"I'll save what's left"

The arithmetic on the first of the month was correct. Your income less your fixed costs left eight hundred and fifty pounds, and eight hundred and fifty less two hundred is six hundred and fifty. It's perfectly possible to live for a month on six hundred and fifty pounds of spending money, and you've done it on less. So it's worth understanding why a plan that works on paper fails every month in practice.

The first reason is that the two hundred pounds was never separated from the rest. It sat in the same account, in the same balance, as the money for food and tyres. Nothing marked it out. When you looked at your balance on the tenth and saw six hundred and twenty pounds, the screen didn't show that two hundred of it was already spoken for. It showed six hundred and twenty pounds, and that was the figure you spent against. Shefrin and Thaler's point from the last chapter applies exactly. Everything in a current account is current income, and your mind treats current income as money for spending.

The second reason is the number of decisions. The leftover plan doesn't require one decision to save. It requires a decision not to spend, taken again at every purchase from the first of the month to the last. There may be forty or sixty such moments in a month, in the supermarket, online and in the pub. For the plan to succeed, saving has to win nearly all of them. It's also at a disadvantage in each. The thing you might buy is present and specific, a coat that's in front of you in the right size. The saving is abstract and lies a month off, and the only thing that represents it is a vague

intention. Present bias tilts every one of these contests a little towards the purchase. The tilt is small each time, but it operates on every purchase, and over a month it's enough to decide the result.

The third reason is that spending adjusts to what's available. I can't cite a study for this, and I offer it as an observation you can check against your own records. People don't generally spend a fixed amount and leave the rest. They spend in rough proportion to what they can see. When the balance looks healthy you say yes to the takeaway and choose the slightly better coat. When it looks thin you economise. The balance is your guide to what you can afford. Under the leftover plan the savings are still in the account, so the guide is always two hundred pounds too high.

Put these together and the outcome is close to certain. The money meant for saving isn't marked, it has to win dozens of separate contests, and its presence in the balance makes you spend more freely. On the twenty-seventh it's gone. You never spent it on anything in particular. It was absorbed into a slightly more comfortable version of the month.

You can see the third reason in your own statements. Take the last three months and look at two stretches in each, the first week after payday and the last week before it. Add up what you spent in each on things that weren't fixed costs. For most people the first week is a good deal more expensive than the last. You didn't need more in the first week. You had more, and the balance told you so. By the last week you were being careful, because the balance told you that too. If that's the pattern in your records, then what you spend is

already following your balance. The transfer in chapter 12 makes the balance lower at the start of the month, and your spending follows it down.

This has nothing to do with extravagance. Look back at your October list, with the birthday, the tyres and the coat. Nobody could call it reckless. The leftover plan doesn't fail because people waste money. It fails because ordinary, reasonable spending expands to fill the balance, and at the end of an ordinary month nothing remains.

If that's right, it has an encouraging side. The same process runs in reverse. Suppose the two hundred pounds had left the account on the first of the month. Your balance on the tenth would have read four hundred and twenty, and you'd have spent against that. You'd have said no to one or two things, or chosen the cheaper coat, and you wouldn't have felt especially deprived. The month would have adjusted to fit the smaller figure, as it did to the larger one. The balance would still have been sixty-odd pounds on the twenty-seventh. The savings account would have had five hundred and forty pounds in it.

"This month was unusual"

Ask anyone on the leftover plan why they didn't save this month and they'll have a good answer. There were the tyres. Last month it was the MOT, and the month before that a wedding, with a hotel and a present. None of these is an excuse. Each was a real expense that couldn't sensibly have been avoided. And each time the conclusion is the same. This month was an exception, and next month will be normal.

Abigail Sussman and Adam Alter studied this pattern across seven experiments. They distinguish ordinary expenses, which recur, from exceptional ones, which are unusual or infrequent, such as a celebration, a repair or a piece of electronics. People, they found, are fairly good at predicting what they'll spend on ordinary things. They consistently underestimate what they'll spend on exceptional ones. The researchers' explanation is that people file each exceptional expense in a category of its own. A wedding is a one-off, and so are new tyres, and so is a vet's bill. Because each is unique, none of them gets counted as part of normal life, and so none gets budgeted for. The paper's title states its conclusion, which is that the exception is the rule. The particular exceptional expense is unpredictable, but it's entirely predictable that there will be one.

You can check this against your own year, and I'd encourage you to. Go through your last twelve months of statements and pick out everything you'd have called a one-off when it happened. The list will include car repairs, the dentist, Christmas, birthdays, a broken phone, school trips, a friend's hen weekend, the boiler service and

insurance paid annually. Add them up and divide by twelve. Most people who do this find a monthly figure somewhere between surprising and shocking. I won't suggest what yours will be, because I don't know. I do expect it won't be small, and it'll look much the same next year, though it'll be made up of different items.

This matters for the leftover plan in two ways.

The first is that a normal month doesn't exist. The plan is always waiting for one, a month with no surprises in which the arithmetic from the first can finally come true. But a month with an unexpected expense in it is a normal month. If you can only save in months without one, you'll save in perhaps two months of the year.

The second is that these expenses are exactly what savings are for. There's an irony here. Under the leftover plan, the tyres are the reason you couldn't save. If the order were reversed, the tyres would be what the savings were there to pay for. At the moment the unusual expense comes out of the month's spending money and wipes out the month's saving. With a cushion in place, it would come out of the cushion, and the month's spending would go on as usual. Next month's transfer would begin to refill the cushion. Your money would stop lurching from one surprise to the next.

So the honest reply to "this month was unusual" is that it wasn't. It was a month much like the others, and it contained a surprise, as nearly all of them do. If a plan only works in months that have no surprise in them, it will hardly ever work.

"I'll start when I earn more"

If the money runs out every month, the natural conclusion is that there isn't enough of it. With a bit more coming in, there'd be slack, and saving would be easy. So the sensible course seems to be to wait for the pay rise, the promotion, or the end of the car loan in eighteen months.

This belief deserves respect, because for some people it's simply true. If every pound of your income goes on essentials, more income is what you need, and the next chapter is about that. Many people who hold the belief, though, have already had the pay rise, often several of them, and found that nothing changed.

Think back to what you earned five years ago. For most people in steady work it was noticeably less than now. If you'd been told then that you'd be earning today's salary, you'd have assumed that your future self would be saving comfortably. You aren't. The balance on the twenty-seventh looks much as it did then. Each rise was absorbed within a few months. You moved to a slightly better flat and bought a newer phone. You took a nicer holiday and did more of the shopping at the better supermarket. None of these felt like extravagance. They were what someone on your income would normally spend.

This is chapter 3 over a longer span. Spending adjusts to what's available, and under the leftover plan everything you earn is available. A rise produces a slightly more comfortable month, and it doesn't produce any slack.

There's research on why we keep expecting it to. Gal Zauberman and John Lynch ran a series of experiments on how people forecast their future resources. People consistently expected to have more slack in the future than they had now. The effect was stronger for time than for money, but it was there for money too. The future looks roomy from a distance because its particular demands aren't yet visible. You can see today's tyres. The expenses of two years from now can't be seen yet, so that year looks as if it'll have money to spare. When you get there it's as crowded as the present.

The most useful research I know on this problem accepts the bias and works with it. Richard Thaler and Shlomo Benartzi designed a workplace scheme they called Save More Tomorrow. Employees weren't asked to save more now, which they'd have resisted. They were asked to commit in advance to putting part of each future pay rise into their retirement savings. Nothing changed until the next rise arrived. When it did, a share of it went to savings before it ever reached their pay packet. At the first company to try it, 78 per cent of those offered the plan joined. Four fifths of them were still in it four pay rises later. Over forty months their average saving rate went from 3.5 per cent of pay to 13.6 per cent.

That was one company's retirement plan in the United States, and the people who joined had chosen to. I wouldn't promise you the same numbers. The principle carries over, though. Nobody in that scheme ever saw their take-home pay fall, because the extra saving came out of each rise at the moment it was given. It never became part of what they were used to living on, so they didn't miss it.

This gives you two things to take from the chapter. The first is that waiting for a higher income won't solve the problem, because the leftover plan absorbs rises as it absorbs everything else. If you can't save on what you earn now, I'd expect you to be unable to save on ten per cent more, for the same reasons. The second is a technique for later. Once your transfer is running, the easiest time to increase it is when a rise comes in. Put up the standing order by half the increase in the same week. You'll still feel better off, and you won't have to give up anything you've got used to.

"I can't afford to save"

This is sometimes true, and I'll begin with the people for whom it is.

If your income doesn't cover rent, energy, food, travel to work and the other essentials, or covers them with nothing over, then you can't afford to save. No rearrangement of the order will create money that isn't there. Advice to pay yourself first is useless to someone who can't pay the electricity bill, and a book that pretended otherwise would deserve to be thrown across the room. If that's your position, what you need is a check of what you may be entitled to, help with any debts, and, if things are tight enough, emergency support. Citizens Advice can help with all three, and it's free.

One scheme is worth knowing about. If you receive Universal Credit and had some take-home pay in your last assessment period, you may be eligible for Help to Save. It's a government-backed savings account. You can pay in between one pound and fifty pounds each calendar month, and you don't have to pay in every month. After two years you get a tax-free bonus of 50 per cent of the highest balance you've reached, and there's a second bonus after four years. You get any bonus you've earned even if you've withdrawn money. No ordinary savings account comes close to that rate of return. The details are on GOV.UK, and they're as I found them in September 2026.

Now for everyone else. Many people who say they can't afford to save are in a different position. Their essentials are covered.

Beyond the essentials there's a fair amount of spending that they've chosen, even though it no longer feels like a choice. "I can't afford to save" is said sincerely, on the evidence of the twenty-seventh, when there's visibly nothing left. But chapter 3 explained why there's nothing left on the twenty-seventh whatever the income. The same thing happens to people on twice your salary. So an empty account at the end of the month doesn't tell you whether you can afford to save.

There's a quick way to tell which group you're in. Look at last month's spending and ask whether there was fifty pounds of it that you could have done without, with no real hardship. Fifty pounds needn't have been wasted for the answer to be yes. It only has to be money whose absence you'd have adapted to. If the honest answer is no, the first part of this chapter applies to you. If it's yes, then you can afford to save fifty pounds a month. What's been missing is a way of getting that fifty pounds out of the account before the month absorbs it.

This leads to the point I most want to make in this chapter. The amount matters much less than the order. Someone who moves twenty-five pounds on payday, every payday, is a saver. Their pot grows every month, and their month has adapted to the smaller balance. Someone who intends to save three hundred at the end of the month, and manages it twice a year, isn't. So when you set up your transfer, don't start from what you feel you ought to be saving.

Start with an amount so small that you're sure you won't have to claw it back. You can raise it later. What matters at the start is that it goes out first and that you leave it where it is.

"It's hardly worth it for that amount"

I've just suggested a transfer of twenty-five or fifty pounds a month, and you may have winced. Articles about money talk about saving a fifth of your income, or building a pot of many thousands. Against that, twenty-five pounds looks like a gesture. It seems hardly worth setting up a standing order for.

I'd like to defend the small amount on three grounds.

The first is arithmetic, and it's modest. Twenty-five pounds a month is three hundred pounds a year. Fifty is six hundred. Those won't change your life. Now look at what goes wrong in an ordinary year. The washing machine in chapter 1 cost three hundred and eighty-nine pounds. Tyres, a vet's bill, a broken phone screen and an excess on an insurance claim are all in the low hundreds. These are the shocks that push people on the leftover plan onto a credit card or into an overdraft. Six hundred pounds covers most of them. A small cushion won't see you through a redundancy. What it does is stop an ordinary breakdown from becoming a debt, and if you have no cushion at all, that's most of what goes wrong with your money in a normal year.

The second ground is what accessible money does for your state of mind. Peter Ruberton, Joe Gladstone and Sonja Lyubomirsky worked with a UK bank and 585 of its customers. They had the customers' real account balances, and they asked each person how satisfied they were with their life. People with more money readily to hand, in current and savings accounts, felt better about their finances, and that in turn went with greater life satisfaction. The

link held after allowing for income, investments, spending and debts. It's a correlation from one bank's customers, and it can't show that building a balance would make any given person happier. But it suggests that the cash you can get at matters to how you feel, separately from how much you earn. Most people who've had both will tell you the same. Life feels different with five hundred pounds available than it does with nothing available, even though five hundred pounds isn't much.

The third ground is the one I think matters most, and it's my own reasoning. A small transfer establishes the order. For the first time, saving happens before spending, and the month shapes itself around what remains. Once that's in place, the amount is just a number on a standing order, and changing it takes half a minute. You'll raise it when you get a pay rise, or when you see you're not missing the money, or when a loan ends. The leftover plan never gave you an amount to adjust. It didn't produce any saving.

There's a trap here that's worth naming. Refusing to save a small amount because it isn't a large amount is a way of doing nothing while feeling that you have high standards. The person who won't bother with twenty-five pounds because it ought to be two hundred ends up saving nought. After a year there's a real difference between twenty-five pounds a month and nothing. One of those people has three hundred pounds, and a habit that needs no effort to keep up.

You may also be thinking that savings accounts pay so little that it's hardly worth the bother. Sometimes they do pay little, and rates move around. But interest isn't what a cushion is for. Its return is the borrowing it saves you. If six hundred pounds in a pot means

that a repair doesn't sit on a credit card for six months, the pot has earned you whatever that card would have charged. That's likely to be several times what any savings account pays. How much interest a cushion earns matters far less than whether you have one.

So start with an amount that doesn't hurt, and don't wait until you can manage one that would impress anybody.

"I'd only dip into it"

Perhaps you've tried something like this before. One January you moved a decent sum into savings, feeling virtuous, and by March you'd moved most of it back. The three hundred and forty pounds in chapter 1 has that history. So a reasonable objection to everything so far is that you know yourself. Money you can reach is money you'll spend. There seems no point sending it across on payday only to fetch it back on the twentieth.

The objection is a fair one, and the answer lies in how the pot is set up. Two pieces of research are useful here.

Dilip Soman and Amar Cheema studied earmarking among low-income households. Earmarking means setting money aside for a named purpose. They tested two additions to it. One was a visual reminder of what the savings were for. The other was partitioning, which meant dividing the earmarked money into two parts where it would otherwise have been held as one. Both increased saving. People saved more when the money was split into separate parts, and more when the goal was kept in front of them. The authors connect this to earlier research suggesting that every partition is a small barrier. To get at the money you have to open something, and doing that makes you stop and decide.

Ashraf, Karlan and Yin went further, in an experiment with a bank in the Philippines. They offered some customers a commitment account, which restricted the customer's own access to the money they paid in. More than a quarter of those offered it took it up. After twelve months, the savings balances of the customers who'd

been offered the account had grown by 81 percentage points more than those of a comparison group who hadn't. These were bank customers in a very different economy from yours, and I wouldn't transfer the number. It does show that many people know they'll be tempted to raid their savings, and that they do better when they can put obstacles in their own way.

You can build the same obstacles at home. None of what follows recommends any particular provider or product. These are ways of setting up a pot so that you stop and think before you take money out.

Keep the pot somewhere other than your main bank. If it sits beside your current account in the same app, moving money back takes two taps and no thought. If it's with a different provider, moving it back takes a login, a transfer and a wait. That's usually enough to make an impulse pass.

Don't have a card on it. A pot should be able to send money to your current account and do nothing else.

Give it a name. Most accounts let you. "Emergencies" or "Washing machine fund" works better than "Saver 2". It's a small version of Soman and Cheema's visual reminder. It's harder to take money out of an account called Emergencies to pay for a weekend away.

Consider two pots when you've got going. One is the cushion, which has to be reachable within a day or so, because emergencies don't wait. A second, for anything longer term, can be harder to

reach. Some accounts require notice before a withdrawal, or limit the number of withdrawals a year. I'm describing what exists and not recommending a product, and you'd need to check the terms.

Decide in advance what counts. Chapter 13 will come back to this. Write down, in a sentence, what the cushion is for. A broken boiler qualifies and a sale doesn't. It's far easier to stick to a rule you wrote down calmly beforehand than to one you make up while you're looking at something you want.

And I should be clear that dipping in for the right reason isn't failure. The cushion exists to be used. When the washing machine dies and you pay for it from the pot, the system has done what it was set up to do. Then the next transfers refill it. The three hundred and forty pounds kept coming back because it sat in an unnamed account one tap away, with no rule about what it was for.

"I just need more discipline"

Most people explain their failure to save as a failure of character. They think savers are disciplined people who feel the same pull towards the coat and the takeaway and resist it, month after month, by strength of will. On this view you'll start saving when you become a more disciplined person.

The most thoroughly studied fact about saving behaviour contradicts this. It concerns workplace pensions, and it's been found repeatedly.

Brigitte Madrian and Dennis Shea studied a large American company that changed one detail of its retirement plan. Under the old arrangement, new employees were outside the plan unless they filled in a form to join. Under the new one, they were in the plan unless they filled in a form to leave. Nothing else differed. The plan was the same, and so were the contribution rates on offer and the freedom to choose. Participation among new employees was substantially higher under automatic enrolment. A large share of those enrolled automatically simply stayed at the default contribution rate and in the default fund, though few people hired under the old arrangement had chosen that combination. The authors attribute this largely to inertia. People tended to stay wherever they'd been put.

The United Kingdom later ran the same experiment on a national scale. Since 2012 employers have had to enrol eligible staff in a workplace pension automatically. Jonathan Cribb and Carl Emmerson used the fact that this was phased in by size of

employer to measure its effect. They found substantial increases in the number of private sector employees in a pension, and a rise in the amount being saved.

Think about what these studies show. The employees under the two arrangements were the same kinds of people, with the same temperaments and the same takeaways on Fridays. Those hired after the change didn't have more self-control than those hired before. Far more of them ended up saving, and what had changed was the arrangement they'd been put in. Under one arrangement, saving required a decision and an action. Under the other, saving happened unless you acted to stop it.

If you're employed and over twenty-two, and you earn at least ten thousand pounds a year, you're very probably an example yourself. Your employer must enrol you in a pension automatically. A minimum of 5 per cent of your qualifying earnings goes in from your pay, and your employer adds at least 3 per cent, which makes 8 per cent in total. Those are the government's minimums as I found them in September 2026. That money leaves before your pay reaches you. You've probably been saving into a pension every month for years without any discipline at all, and without missing the money. You're already a successful saver in the one part of your finances where the saving happens first. In the part that depends on what's left over, you've saved almost nothing.

So I'd put the idea of discipline aside. It's the wrong explanation of the problem and it makes you feel bad without helping. People who save are, for the most part, people whose saving has been taken out of their own hands. It was done by an employer, or by a

bank, or by a standing order they set up once on a good day. They don't win forty contests a month. They arranged things so that the contests don't take place.

This means that the solution isn't to become someone else. It's to spend twenty minutes, once, setting up an arrangement under which saving is what happens when you do nothing. After that, inertia will work in your favour.

What the leftover plan costs

The costs have come up one at a time. Here they are together. Most of this chapter is my own reckoning, and the sums in it are illustrations.

Every shock becomes a debt. Without a cushion, the washing machine goes on the credit card. If it's cleared at the end of the month, no harm is done, but the end of the month is when there's nothing left. So it's cleared over four months, or six, with interest. Before it's gone, something else arrives. Many people on a decent wage carry a permanent balance of a thousand or two on a card. No extravagance put it there. It's made up of a string of ordinary breakdowns with nothing to absorb them. They pay interest on it all year round. It's the price of having no savings, and a cushion of a similar size would have cost nothing to hold.

You pay more for things. Without money in hand you pay monthly for insurance when paying annually would have been cheaper. You buy the cheaper appliance that fails sooner. You can't take the offer that needs payment up front. None of these is large. They recur, and they all push your costs the same way.

The background unease. If you've nothing behind you, every odd noise from the car causes a little anxiety. The same happens when the boiler is slow to fire, or when there's a rumour about restructuring at work. Once you've a cushion these become nuisances where before they'd have been threats. The study of bank customers in chapter 7 suggests that this shows up in how people feel about their lives.

Fewer choices. Money in hand buys options. You can leave a job that's making you ill, because you have two months' rent. You can take the course or move for the better post. You can help a relative, or turn down overtime during a bad week. Someone on the leftover plan faces each of those decisions with no slack at all, and as a result they often don't really get to decide. They stay in the job because they have to.

Strain at home. If you share finances, the twenty-seventh is a shared experience, and so is the washing machine. Couples with nothing in reserve argue about money more sharply, because every unexpected cost has to come from somewhere that hurts. There's often a quieter unfairness too, which is that one partner does the worrying for both.

A verdict on yourself. Year after year of intending to save and failing turns into a belief about who you are. You decide you're bad with money, and that you're not the saving kind. It's drawn from real evidence, but the evidence came from a plan that fails for nearly everyone who tries it. The belief then does harm of its own. You stop looking at your accounts, and you avoid the subject. It feels pointless to try anything new.

Time. This is the cost that's hardest to see and largest in the end. Savings begun at twenty-eight and savings begun at thirty-eight differ by ten years of contributions, and by whatever those contributions would have earned. This book isn't about investing and I won't put figures on it. But the leftover plan rarely lasts for a month or two. People stay on it for a decade, always meaning to start properly soon.

Against all this, what does the leftover plan offer? It spares you the small sting of a lower balance on payday. It keeps every pound available all month, and chapter 3 showed that this is the reason every pound gets spent. It also takes no setting up.

If a bank offered you these terms as a product, you'd turn it down. You've ended up on the leftover plan only because it's what happens when you don't arrange anything else.

"But I've got debts"

Many readers will be holding a credit card balance, an overdraft or a loan while reading a book about saving. It's reasonable to ask whether saving makes any sense in that position. I'll give you the general reasoning as I understand it, and then I'll tell you where to get proper advice, because your own figures matter and I don't know them.

The general reasoning is about interest. A credit card or an overdraft usually charges a much higher rate than any savings account pays. If you hold a thousand pounds in savings and owe a thousand on a card, you're receiving a little on one and paying a lot on the other. On the arithmetic alone you'd be better off using the savings to clear the card. So the usual guidance is to clear expensive debts before building up savings beyond a small reserve. I'm giving that from general knowledge. I tried to check it against the MoneyHelper website for this book and couldn't get access to the pages, so please confirm it there yourself.

There are two common qualifications.

The first is the small reserve. Many advisers suggest keeping a modest cushion even while you pay down debt, and the reason is behavioural. If every spare pound goes to the card and then the washing machine breaks, it goes straight back on the card. You're in the same place, and discouraged as well. A few hundred pounds in a pot means that the next shock doesn't undo your progress. How much to keep is a matter of judgment. A figure you'll often see quoted for a full emergency fund is three months of essential

outgoings. I haven't been able to source that for this book, and it's a long-term target, not a starting point. With expensive debts, something far smaller is what people usually mean.

The second is debts that don't behave like a credit card. A mortgage, a student loan in the UK system, and an interest-free deal each work differently, and the reasoning above doesn't apply to them in a simple way. Most people with a mortgage save at the same time, sensibly.

The method in this book works for debt just as it does for saving, and that matters more than any of these details. The leftover plan fails for debt repayment for exactly the reasons it fails for saving. If you've been paying the minimum on a card and intending to pay more out of what's left, you know this already. So pay the debt on payday. Set up a standing order for a fixed extra payment on the card, to go out the day your pay arrives, with a small transfer to the cushion alongside it. When the card is cleared, don't cancel the standing order. Redirect it to the pot. You've been living without that money for months, so you won't notice the difference.

I want to add three things to that.

Don't stop your workplace pension to free up money for savings or debts without taking advice. When you opt out, you usually give up your employer's contribution, which is money you'd get no other way. There can be situations where it's the right thing to do. It's not a decision to make from a self-help book.

If your debts are more than you can keep up with, the priority is advice and not a savings pot. That's the case if you're missing payments, or borrowing to pay for essentials, or getting letters that mention court. The NHS page on financial worries points to Citizens Advice, StepChange and National Debtline. They're free and they deal with this every day. Contact one of them this week.

And if your savings might affect benefits you receive, check the rules before you build them up. The government's Help to Save guidance notes, for example, that savings of six thousand pounds or less don't affect Universal Credit. Other benefits have their own rules, and an adviser can tell you where you stand.

Setting up the transfer

This chapter is the practical centre of the book. It describes a single piece of administration that takes about twenty minutes. You do it once, and after that it needs no effort from you.

Open the pot. If you don't already have a separate savings account, open one. For the cushion, it needs to let you withdraw without notice or penalty, because emergencies don't book ahead. Following chapter 8, it's better if it's with a different provider from your current account, or at least not visible on the same screen as your spending money. It shouldn't have a card. I'm not going to recommend a provider or a type of account. Whatever you choose, check that your money is protected by the Financial Services Compensation Scheme and what the current limit is. The FSCS website explains both.

Name it. Call it "Emergencies", "Cushion" or something similar.

Choose the amount. Be unambitious, as chapter 6 advised. Choose a figure that you're confident you won't need to fetch back. For some people that's twenty-five pounds and for others it's two hundred. If you're unsure, take the figure you first thought of and halve it. The commonest way this method fails is a transfer set too high. The money has to be clawed back in week three, and the person concludes that it doesn't work.

Choose the day. The transfer should leave on payday, or the day after if you'd like to be sure that your pay has landed. Don't pick the fifth because it's a round number, or "early in the month". It should

leave before you've begun to think of the money as yours to spend. If your payday moves, as it does for people paid on the last working day, set the standing order for the day after the latest date it could fall.

Set up the standing order. Do it in your banking app or online, from your current account to the pot, for a fixed amount, monthly, with no end date. It takes a few minutes. A standing order is an instruction you give your bank, and you can change or cancel it whenever you like. Some employers will split your pay between two accounts if you ask, which is better still, since the money never appears in your current account at all.

If you're paid weekly or fortnightly. Do the same on that rhythm. You'd set up a smaller transfer on each payday.

If there's a backlog of good intentions. You may feel you ought to begin with a lump sum to make up for lost time. There's no need. If you have spare money now, by all means move it across. What matters is the monthly transfer, though, and you don't need to have atoned for anything before you set it up.

Then line up your other fixed payments. This is optional and it's useful. If your rent, bills and subscriptions leave the account at various points in the month, your balance doesn't tell you much until the last of them has gone. Many suppliers will let you move a direct debit date. If most of your fixed costs leave within a few days of payday, then from about the fifth the balance you see is what you really have to live on. That helps with the next chapter.

That's the whole of the setting up. I suggest doing it today, or on your next payday at the latest. It's a small job, and small jobs that can be done at any time tend not to get done. If it would help to have company while you do it, ask someone to sit with you.

Here's what to expect on the first payday. Your pay arrives and the transfer leaves. You look at the balance and it's lower than you're used to, and you feel a small pang. That's the unpleasantness the leftover plan was sparing you, and you'll find it's minor. It passes in about a day. It gets fainter each month, and after three or four months you'll have stopped noticing the transfer at all, as you stopped noticing your pension contribution.

Living on what's left

The phrase "what's left" now means something new. Under the old plan it was whatever remained on the twenty-seventh, and that was nothing. Now it's what remains on payday after the transfer has gone. This is the money you live on, and the change takes a little getting used to.

The balance tells the truth. Once the transfer and your fixed costs have gone out, what you see in your current account is what you have for the month. You no longer have to remember that some of it is meant for savings. That's the practical pay-off of doing it this way. You could never have done the mental subtraction forty times a month, and now you don't need to. If the balance says four hundred and ten pounds on the tenth, you have four hundred and ten pounds. Spend it however you like, and do it with a clear conscience. It's an under-appreciated benefit of paying yourself first that the spending money is cleanly yours. The saving is already done, so you needn't feel guilty about a takeaway.

The month adapts. I said in chapter 3 that spending adjusts to what's available. That now works for you. You'll make a few slightly different choices without much noticing, and the month will close at about the same near-empty point as before. If you chose a modest amount, as I advised, you're unlikely to feel deprived. Most people say the first month feels a little tight and that they're used to it by the third.

If you run short. Some months you will, particularly early on. Try to get through without touching the pot. Trim something, or put off a purchase by a week. If you really can't, take back only what you need. Then don't give up. Lower the standing order to a figure you can sustain. A transfer of thirty pounds that stays put does you more good than one of a hundred that you keep reversing. If the transfer proves too high, you've learned what the right figure is, and you should treat it that way. It doesn't mean you've failed.

Write down what the cushion is for. Do this once, and before you need it. Keep it to one or two sentences, in the notes on your phone or on paper. "This money is for things that are necessary, unexpected and can't wait. Repairs, urgent travel, vet, dentist, loss of income." When you're tempted to dip in, check the sentence. A sale doesn't qualify. A holiday is lovely but it isn't unexpected, and it can have its own pot later. The boiler qualifies, and when it goes, pay from the cushion without any guilt. This is what the money was saved for.

Refill after use. When the cushion's been used, the transfers refill it. If the withdrawal was large and you can manage it, raise the standing order for a few months. Don't try to restore the money in one go out of a single month's spending money. That's the leftover plan again.

Raise it when your pay rises. Following chapter 5, when you get a rise, increase the standing order by about half of the monthly increase, in the same week, before the new money has been absorbed into your way of living. Do the same when a loan or a finance agreement ends. Redirect some or all of that payment to the pot on the day it stops.

A second pot for the costs you can see coming. Chapter 4 asked you to list a year of so-called one-offs. Some of them weren't surprises at all. Christmas comes every December. The car insurance, the MOT, the TV licence and the school uniform all come round on known dates. If you add up the ones you can name and divide by twelve, you have a monthly figure. Once the cushion is under way, a second standing order for that figure, into a second pot with a name like "Annual bills", takes most of the lumps out of your year. December stops being a financial event. This pot is meant to be emptied, and it'll go up and down all year. Keep it apart from the cushion, so that paying for Christmas never looks like raiding your emergency money.

Look at it sometimes, but not often. Check the pot every month or two. It's pleasant to watch it grow, and that reinforces the habit. Checking it daily serves no purpose, and keeping it out of your daily sight is part of what protects it.

When the cushion is full. At some point the pot will reach a level that you judge to be enough for emergencies. I mentioned the commonly quoted figure of three months' essential costs. Your own figure depends on how secure your income is and who depends on you. Don't cancel the transfer when you get there. Point it at the next thing, in a second pot. That might be a holiday, a car, a deposit or the longer term. What to do with longer-term money is beyond this book, and it's worth getting proper guidance for it. Whatever you decide, the transfer should keep going out on payday.

The decision

This chapter asks you to decide something. It comes late because at the start it would have sounded like "you should save more", which you've known for years. By now you've seen why the leftover plan fails for almost everyone. You've seen that a surprise in the month is normal, and that a higher income gets absorbed like everything else. You've seen that small amounts are worth having, and that savers mostly rely on arrangements and not on discipline. You also know the setting up takes twenty minutes. So here's the decision.

On payday, before anything else, a fixed amount goes to savings. I live on the rest.

Here's what it involves.

A separate pot. It's named, it has no card, and it's preferably with a different provider.

A standing order on payday. It's for a fixed amount with no end date, and it's set low enough to stay put.

The balance as the month's money. You spend what's left after the transfer freely and without guilt.

A written sentence about what the cushion is for. Check it before any withdrawal.

Half of every rise. When your pay goes up or a regular payment ends, raise the standing order the same week.

Never cancel, only redirect. When a pot is full or a debt is cleared, the payment goes to the next purpose.

Plans of the "when this, then that" kind make a decision like this more likely to hold. Peter Gollwitzer and Paschal Sheeran pooled 94 tests of such plans and found that they made people a good deal more likely to follow through. Most of this method doesn't need them, because the standing order doesn't depend on your remembering anything. The plans are for the few moments when you could undo it.

When I'm tempted to move money back from the pot, then I'll read my sentence first and wait a day.

When I get a pay rise, then I'll raise the standing order by half of it before the end of that week.

When the month runs short, then I'll lower next month's transfer and leave the pot alone.

The first of these matters most. A day's delay is usually enough. Real emergencies are still emergencies tomorrow, and most impulses aren't.

Here's what to expect, and I'll be careful, because I can't promise you an outcome. The first payday brings a small pang, and the first month may feel a little tight. By the third month you'll probably have stopped noticing. The pot will grow by exactly the amount you chose, every month, and it won't depend on how careful you've been. At some point in the first year something will break, and you'll pay for it from the pot and not from a card. When that happens you'll feel the difference, and I expect it'll convince you

more than anything in this book has. After a year you'll have twelve transfers' worth, less whatever the cushion has absorbed, and you'll have raised the amount once or twice.

I can't promise you'll become wealthy, or that a small cushion will protect you from a large misfortune. It won't. What I'd expect to change is that your savings figure starts moving for the first time in years, and that ordinary breakdowns stop turning into debts. The twenty-seventh will look much the same as it always has, except that the saving for that month will already have been done.

Irregular pay, partners and months it goes wrong

The method is simple. Some situations aren't, and I should be plain about them.

If your income is irregular. Freelancers, people on commission, people on zero-hours contracts and the self-employed can't set a fixed monthly transfer against a payday that moves and varies. Use a percentage in place of a fixed sum, and apply it each time money arrives. Every time a payment lands, move your chosen share to the pot the same day, before you do anything else with it. It can't be automated in quite the same way, so it needs a rule that you don't reopen each time. "Ten per cent of everything, the day it arrives." Irregular earners need a cushion more than anyone, because they have thin months as well as broken washing machines. If you're self-employed, you'll also need to set aside money for tax, in a separate pot from your savings. How much depends on your circumstances, and HMRC's guidance or an accountant can tell you. Don't count the tax pot as savings, because that money belongs to HMRC.

If you share finances. The method works for a couple, but both of you need to know about it. Agree the amount together and decide whose account the transfer leaves from. Write the sentence about what the cushion is for together, since you may have different ideas about what counts as an emergency. If one of you is the natural spender and the other the natural saver, the transfer is good for the peace, because it settles the saving question once a month and leaves the rest free. If you keep your finances separate, each of you can run your own. The caution in the preface applies

here as well. If you're prevented from having money of your own, or from knowing what comes in and goes out, that's a different problem from the one in this book. The National Domestic Abuse Helpline can help.

If you receive benefits. Check how savings affect what you get before you build them up, as chapter 11 said. If you're eligible for Help to Save, look at it first, since the bonus is better than anything else you could do with up to fifty pounds a month.

Apps that save for you. Some banks and apps offer automatic saving features. They round up each purchase and put the pennies aside, or move small sums when they judge that you can spare them. I'm not recommending any of them, and I haven't studied how well they work. They do follow the principle of this book, since the saving happens without a decision from you. Their weakness is that the amounts are small and vary with your spending, so you can't say in advance what you'll have saved by the end of the year. I'd treat them as an extra on top of the standing order. They don't replace it.

If you're starting late. Reading this at fifty, you may feel that the time for this has gone. It hasn't, as far as a cushion is concerned. A cushion takes a year or two to build at any age, and it does the same job at fifty-five as at twenty-five. Retirement saving is a different matter, and the years do count there. That's a reason to get guidance soon, and it's no reason to give up. The government offers free pension guidance to people over fifty through a service called Pension Wise. I know of it from general knowledge and haven't checked its current terms.

Windfalls. A tax rebate, a bonus, a gift or an inheritance doesn't arrive on payday, and nothing about it is automatic. The leftover plan treats windfalls the way it treats everything, and they vanish into a slightly better few months. Decide your rule in advance, before the money comes. Many people like a split, with part to the pot and part to enjoy, so that the windfall still feels like one. The exact proportions are up to you. The day the money lands, move the saved share before you do anything else with it.

If prices rise faster than your pay. There are periods when your essentials cost more each month and your income doesn't keep up. If the transfer becomes unaffordable, lower it. Keep it going at some level if you can, even a token one, because the habit is easier to keep than to restart. If even a token is too much, stop it and restart when you can. You won't have failed if that happens. The method will still be there when things ease.

When you've had to use it all. A run of bad luck can empty the pot, and the experience is disheartening. It's worth seeing it for what it is, though. The cushion has done its job, several times in a row, and you've come through without borrowing, or with less borrowing than you'd otherwise have needed. The transfer is still running, and the pot will fill again.

Months it goes wrong. Sooner or later there'll be a month when you raid the pot for something that didn't qualify, or cancel the standing order in a panic. It happens to everyone who tries to change a long habit, and it doesn't undo what you've learned. When you notice, reinstate the standing order, at a lower figure if that's

what it takes. Don't try to pay back what you took in one go. The standing order is what makes the method work. While it's running you're saving, whatever happened last month.

When you want to do more. Once the cushion is in place you'll start to have questions this book doesn't answer. You might ask where longer-term money should go, whether to pay more into a pension, or what to do about a mortgage. Those depend on your circumstances, and some of them call for regulated financial advice. The government-backed MoneyHelper service is a sensible place to start reading. The habit in this book comes before all of those questions. Whatever you decide to do with your savings, you'll only have any if they leave your account before you've had the chance to spend them.

The twenty-seventh again

Here's a scene from about a year later. It's an example of how things might go, and I'm not promising it.

It's the twenty-seventh of October, and you're on the bus home. You open your banking app. The balance is fifty-four pounds. That'll do until Friday.

You feel none of the old disappointment, and it takes you a moment to notice that it's missing. The month's saving was done on the first. It happened while you were asleep, as it has every month for a year. Whatever you did with the rest of October, you saved. You had a takeaway most Fridays. You went to a leaving do, and you bought a coat.

You tap across to the other bank's app, which you open perhaps once a month. The account is called Cushion. You opened it last November with the old three hundred and forty pounds, and started the transfer at seventy-five pounds a month. In April you got a rise of ninety pounds a month after tax, and that week you put the standing order up by half of it, to a hundred and twenty. In July the alternator went on the car, and you paid the garage three hundred and ten pounds from the pot. It was irritating but it didn't frighten you, and you didn't have to borrow.

The credit card balance from the washing machine is gone, too. You set up a fixed payment of forty pounds for it on payday, as chapter 11 suggested, and cleared it in March. Since April that forty pounds has gone to the pot as well.

The balance today is one thousand five hundred and twenty-five pounds. It isn't a fortune. It's more than you've had available at any point in your adult life, and the old three hundred and forty is still in there, which hasn't happened before. It's rising by a hundred and sixty pounds every month.

Your month doesn't feel any tighter than it did a year ago. If anything it feels looser. When you spend, you're spending money that's yours to spend, and you no longer carry a sense that you ought to be holding some of it back.

Things won't always be this tidy. There'll be a year when the car, the roof and the dentist come all at once and the pot goes to nothing, and you'll start again from the first transfer. There may be a stretch when you have to cut the amount to almost nothing. But you've stopped relying on the end of the month, which never had anything left in it. You save at the start, and you don't have to remember to do it.

You didn't become a more disciplined person in the past year. You spent twenty minutes setting up a standing order, and after that you left it to run.

If you do one thing after closing this book, open a separate account, name it, and set up a standing order for a small fixed amount to leave on your next payday. Make the amount half of what you first think of. After that, leave it to run.

Notes

This book gives general information. It isn't financial advice, and it's no substitute for a regulated adviser or a debt adviser who knows your situation. It recommends no product or provider. Schemes and rules are those for the UK as I found them in September 2026. They change, so check the current position.

I've kept sources out of the chapters where I could so they read easily. Here they are by chapter, with the limits I'm aware of. Unless I say otherwise, I read the published summary of each paper and not the full text. I checked each paper for a retraction or correction notice in September 2026 and found none. Where a chapter isn't listed, it rests on my own reasoning. That includes chapters 1, 3 apart from one reference, 10, 12, 13 and 16. The comparison of the first and last weeks of the month in chapter 3 is a prediction you can test, and I've no study behind it. All sums of money in the examples are invented for illustration, including the salary, the fixed costs, the price of the washing machine and the balances.

Before you start. Citizens Advice, StepChange and National Debtline are named on the NHS page "Coping with financial worries". Control of money as a sign of domestic abuse, and the helpline number, are from the NHS page "Getting help for domestic violence and abuse".

Chapter 2. O'Donoghue and Rabin, "Doing it now or later", American Economic Review 89, 1999, pages 103 to 124. It's a theoretical paper. Shefrin and Thaler, "The behavioral life-cycle

hypothesis", *Economic Inquiry* 26, 1988, pages 609 to 643. The authors drew their support mainly from published econometric studies of the time. The list of five reasons is mine.

Chapter 3. Shefrin and Thaler as above. That spending adjusts to the visible balance is my observation, and the chapter says so.

Chapter 4. Sussman and Alter, "The exception is the rule: underestimating and overspending on exceptional expenses", *Journal of Consumer Research* 39, 2012, pages 800 to 814. There were seven studies. The paper also found that people overspend on each exceptional purchase, which I haven't used. The exercise with twelve months of statements is mine.

Chapter 5. Zauberman and Lynch, "Resource slack and propensity to discount delayed investments of time versus money", *Journal of Experimental Psychology: General* 134, 2005, pages 23 to 37. Thaler and Benartzi, "Save More Tomorrow: using behavioral economics to increase employee saving", *Journal of Political Economy* 112, 2004, pages S164 to S187. The figures are from the first of three implementations the paper reports. That pay rises get absorbed into spending is my observation and is often called lifestyle creep. I haven't sourced it.

Chapter 6. Help to Save is described on the GOV.UK pages under "Get help with savings if you're on a low income". That page gives the eligibility rule, the monthly limits and the two bonuses. The test of whether fifty pounds could be done without is mine.

Chapter 7. The paragraph on interest is my own reasoning, and I haven't quoted any rate because they change. Ruberton, Gladstone and Lyubomirsky, "How your bank balance buys happiness: the importance of 'cash on hand' to life satisfaction", *Emotion* 16, 2016, pages 575 to 580. The costs of common household shocks are my own rough figures.

Chapter 8. Soman and Cheema, "Earmarking and partitioning: increasing saving by low-income households", *Journal of Marketing Research* 48, 2011, pages S14 to S22. I haven't read the full paper, so I can't tell you where the households were or how the money was divided. Ashraf, Karlan and Yin, "Tying Odysseus to the mast: evidence from a commitment savings product in the Philippines", *Quarterly Journal of Economics* 121, 2006, pages 635 to 672. Of 710 clients offered the account, 202 opened one. The 81 percentage point figure compares everyone offered the account with the comparison group, whether or not they took it up. The suggestions for setting up a pot are mine, and nobody has tested them as a set.

Chapter 9. Madrian and Shea, "The power of suggestion: inertia in 401(k) participation and savings behavior", *Quarterly Journal of Economics* 116, 2001, pages 1149 to 1187. Cribb and Emmerson, "What happens to workplace pension saving when employers are obliged to enrol employees automatically?", *International Tax and Public Finance* 27, 2020, pages 664 to 693. The age and earnings conditions for automatic enrolment and the minimum contributions are from the GOV.UK pages on workplace pensions.

That automatic enrolment began in 2012 is general knowledge. The minimums apply to qualifying earnings, which is a band of your pay and not all of it, and some schemes work differently.

Chapter 11. The reasoning about interest and the suggestion of a small reserve are general guidance that I've met in many places. I tried to confirm them on the MoneyHelper website and the pages wouldn't load for me, so I haven't verified the wording. The figure of three months' essential outgoings is widely quoted and I haven't sourced it. The Universal Credit savings figure is from the GOV.UK Help to Save guidance. The debt advice services are from the NHS page named above.

Chapter 12. I haven't quoted the Financial Services Compensation Scheme limit because I couldn't confirm the current figure from its website. That employers will sometimes split pay between accounts, and that suppliers will often move a direct debit date, are general knowledge and vary.

Chapter 14. Gollwitzer and Sheeran, "Implementation intentions and goal achievement: a meta-analysis of effects and processes", *Advances in Experimental Social Psychology* 38, 2006, pages 69 to 119. The rule and its parts haven't been tested together, and what I say to expect is my expectation and not a finding.

Chapter 13. The second pot for annual costs is a common household practice and I haven't sourced it.

Chapter 15. I haven't studied saving apps and the chapter says so. Pension Wise is described from general knowledge, and I couldn't confirm its current terms. The percentage rule for irregular

income and the windfall rule are mine. That the self-employed need to set money aside for tax is general knowledge, and HMRC's guidance gives the detail. MoneyHelper is a government-backed service, which I state from general knowledge.