

Money Management & Financial Capability for Seafarers



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Financial Resilience

Problems

- Unemployment
- Relationships
- Health problems
- Pensions
- Tax & National Insurance
- Money management and debt
- Lack of savings / reserves for rainy day

Solutions

- Improve financial capability
- Website of free resources
- Financial Champions Webinar

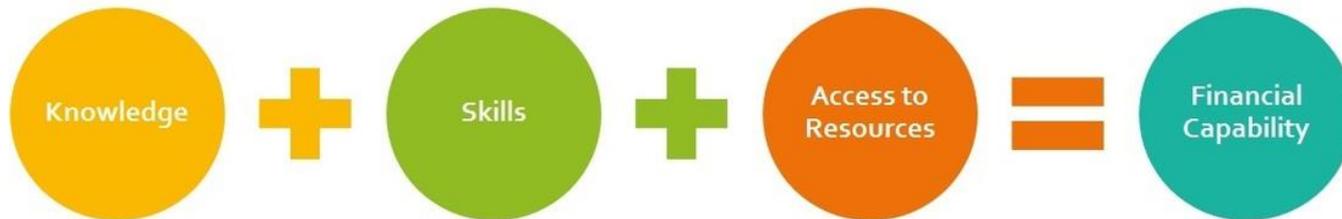


Financial Capability

Longer-term support for:

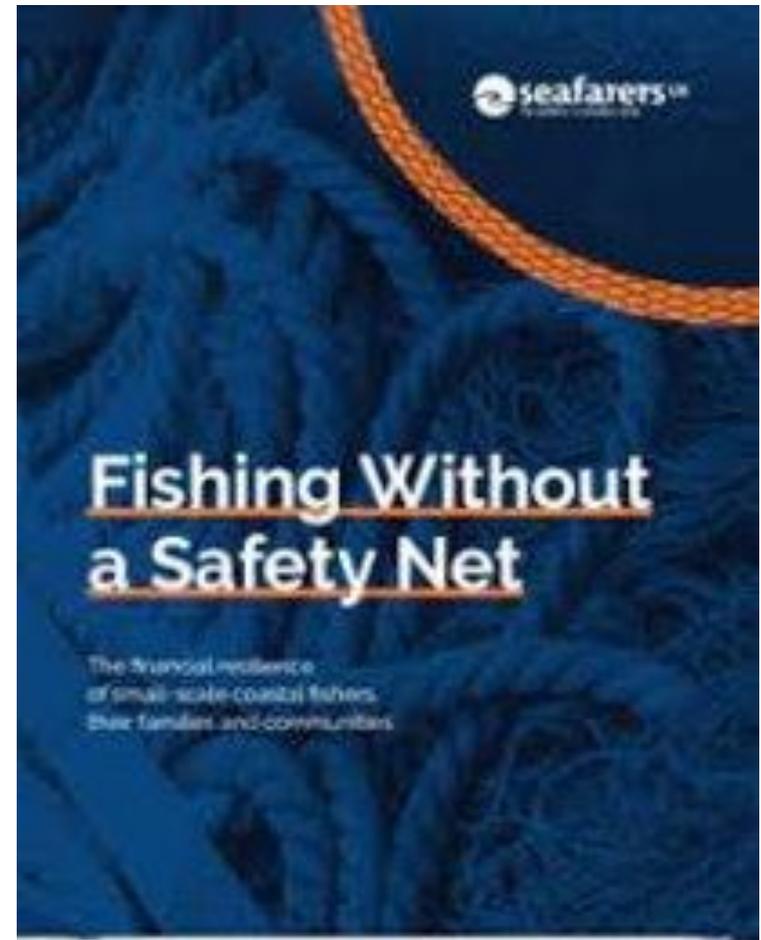
- improved understanding of financial choices
- better money management
- awareness of where and how to access FREE support
- financial resilience instead of returning for another hardship grant

Supporting seafarers to be informed and aware of free and trusted sources of support to help their financial decisions



The start

- SAIL: share fishers + tax
- Research in 2019
- 431 fishers & families who sought help
- Explored root causes of financial problems
- Aimed to find preventative solutions



REPORT FINDINGS

Fishers support the share fisher model but there are challenges.

- Insecurity and irregularity of income
- Lack of income at certain times of the year
- Managing their financial affairs which include:
 - Completing a Self Assessment Tax Form and paying Income Tax and National Insurance on earnings from the previous year
 - Lack of holiday pay and of access to financial products providing protection for sickness, critical injury and life insurance
 - Difficulties establishing and contributing to a personal pension plan, hence missing out on the tax efficiency and tax relief attached to this type of long-term savings



Protections & benefits of PAYE employees



- Regularity of income payment & amount £££
- National minimum wage
- Auto enrollment into pension scheme (tax efficient)
- Income Tax & National Insurance deducted at source
- National Insurance & pension contributions paid by employer
- Paid holiday & sickness leave (maternity/paternity/adoption etc.)

Share fishing = none of the above

We recognise there can be big reward for labour and effort.
However - is it fair that share fishers should risk their lives & provide their labour without basic benefits & protections that others take for granted?

A woman wearing a blue glove is working on a metal surface, possibly a boat's hull, using a tool. The background is slightly blurred, showing the woman's face and an orange safety vest. The overall scene is set on a boat.

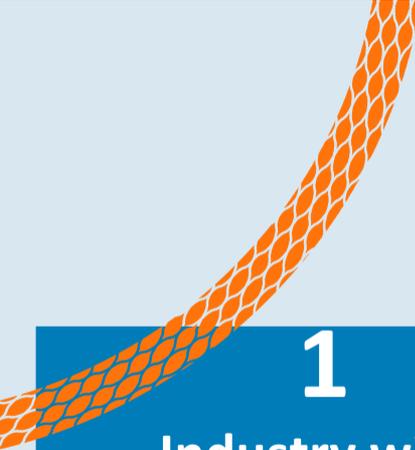
THE SAFETY NET

FINANCIAL RESILIENCE FOR FISHING FAMILIES

the
seafarers'
charity

The logo for 'The Safety Net' features the text 'The Safety Net' in a bold, sans-serif font. The word 'The' is in a smaller size above 'Safety'. The word 'Net' is positioned below 'Safety'. A thick, orange rope with a white mesh pattern curves around the text from the bottom right, forming a partial circle.

The
Safety
Net



Financial Capability 3 strand approach

1

Industry wide

Campaign to encourage behavioural change

- Shift from short-term to long-term financial planning & resilience
- 5 top tips – visual: short films, Instagram, posters in ports, etc.
- Promote credit union & SAIL
- Important to link with women

2

Informal 1-2-1 learning in local fishing ports

Deliver a 1 hour training course to key trusted front-line workers (COVID safe)

- Know how to spot signs of financial stress
- Aware how to signpost individuals to access help & advice
- Not classroom based learning for fishers but informal peer support

3

Getting it right at the start

1 hour module in formal classroom learning

- Seafish training for new entrants
- Seafish training providers
- Fishing Into The Future
- Apprenticeship programmes
- Free resource – online & digital app



WITH
COMMSAVE
**CREDIT
UNION,**

The
Safet
Net

DEDICATED WEBSITE

Signposting and guidance on a one-stop-shop website.

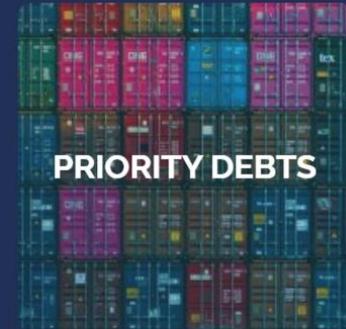
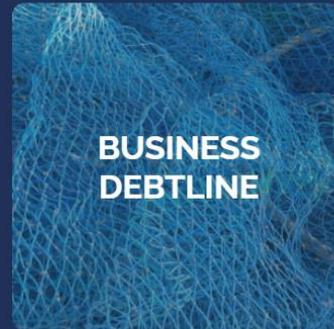


seafarerssafetynet.org

I have over £20,000 debt with a high APR. I am unable to manage the payments as well as pay my household bills and buy food .

What would your guidance be?

MANAGING DEBT





Breathing Space scheme

You could get up to 60 days' respite from interest, fees, and court action to reduce stress and give you time to deal with your debts.

[Get debt help now](#)



i The Breathing Space scheme is available in **England and Wales**. In Scotland, the [moratorium period](#) is similar, but has different benefits and considerations.

Breathing Space, officially called the Debt Respite Scheme, is a government scheme which could help relieve some of the pressure and stress caused by being in debt. Here, you can find everything you need to know about this scheme, including:

Is this a scam?

Mail ▾

← [Add] [Info] [Trash] [Folder] [Tag] More ▾ 2 of 21,393 < > [Keyboard] [Settings]

COMPOSE

Inbox
Starred
Important
Sent Mail
Drafts
Adobe
More ▾

New sign in Inbox x [Print] [Image]

 **Your email provider** 11:02 (47 minutes ago) [Reply] [More]

to Nigel ▾

Your e-mail.com account was just used to sign in from Safari on Mac.

If this seems right you don't need to do anything. If you don't recognise this, view your [recent activity](#) now.

Your email provider

Your email provider
email.provider@e-ma...
[Reply] [More]
[Show details](#)

SCAMS

A photograph showing a long, narrow hallway on a ship, with a red lifeboat visible at the end of the corridor.

**SCAMS AND
FRAUDS**

A photograph of a ship's deck with a railing, looking out at the ocean under a sunset sky.

**REPORTING
SCAMS**

A photograph of a ship's deck with a railing, looking out at the ocean under a sunset sky, with a bird flying in the distance.

**FRIENDS AGAINST
SCAMS**



One Million Friends Against Scams

1 0 0 3 6 2 8

NATIONAL
TRADING
STANDARDS

Scams Team

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Become A Friend Against Scams

Start Here

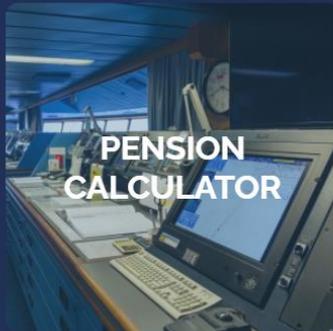
20 Minutes

Empowering People To Take A Stand Against Scams

How much do you know about pensions?

- **What is the earliest age you can usually access your pension through drawdown?**
- **What are the two types of pension scheme in the UK?**
- **What would you do if you wanted to know how much you need in retirement and how much you are going to have?**
- **Help!! I'm not sure what type of pension I have – what shall I do?**
- **I think I took out a pension many years ago with an old employer but I'm not sure – what do I do?**

PENSIONS



TAX AND NATIONAL INSURANCE

TAX AND NATIONAL INSURANCE FACTSHEET

SEAFARERS EARNING DEDUCTION: TAX RELIEF

Tax & National Insurance

Tax: Seafarers Earnings Deduction

Seafarers may be able to get **100% tax-relief** on their on-board earnings from working on a ship. The rules around this are very specific and include:

- They must be employed on a ship (not e.g. a flotel or oil rig).
- They must have been resident in the UK or resident for tax purposes in a European Economic Area (EEA) State (other than the UK).
- They must establish a 'qualifying period' by spending at least 183 days outside of the UK in the 365 days after departing from the UK.
- They must complete a voyage or part voyage that begins or ends at a foreign port or oil rig drilling outside UK territorial limits/outside a designated area.

Once they have qualified, and if they meet some other conditions, they can request to use tax code NT to be paid without tax taken off.

Records to keep in case HMRC Checks a claim for a Seafarers Earnings Deduction (SED).

- A completed working sheet HS205
- Air tickets or other travel vouchers
- Hotel bills or other receipts
- Seafarer's discharge book
- Passports and visas
- Freeboard logs of the ships where they carried out duties

NB HMRC may contact their employer to confirm details of their ship's voyage and crew.

Overseas bank accounts

- The Automatic Exchange of Information (AEOI), introduced in 2017, changed how financial organisations communicate with tax authorities. Offshore bank accounts are receiving increased attention and investigations
- HMRC expects to be informed about seafarers' worldwide income whether they pay tax or not.
- Not submitting a return on time and paying any tax that is due could result in **fines** and further investigations

HMRC Seafarer's Helpline

Income Tax enquiries for people who work on a ship.

Telephone: 0300 200 3300
Textphone: 0300 200 3319
Outside UK: +44 135 535 9022

Opening times:
Monday to Friday: 8am to 6pm
Closed on Saturdays, Sundays and bank holidays.

Tax & National Insurance

National Insurance

It is important to have enough National Insurance (NI) contributions in order to qualify for a full state pension.

Seafarers must complete the Offshore Worker's questionnaire in order to be sure their NI is correct. This form should be sent to:

ISBC, Campaigns and Projects
HM Revenue and Customs
BX9 10Z

If sailing on a foreign flagged ship, seafarers must also make arrangements to make NI contribution payments as these will not usually be paid by the overseas employer.

It is important to pay any NI bills promptly as these are a **priority debt** like income tax bills.

HMRC Mariners Unit

Seafarers can phone HMRC Mariners Unit to:

- Check if they're liable to pay NI
- Check they're paying the correct amount of NI
- Get advice on making voluntary NI contributions
- Check the status of their employer
- Claim a refund of NI

Useful links:

[Income Tax rates & Personal Allowances - GOV.UK \(www.gov.uk\)](#)

[Register for Self Assessment - GOV.UK \(www.gov.uk\)](#)

[Self Assessment tax return help sheets - GOV.UK](#)

[YouTube self assessment help](#)

[Rules for Making Tax Digital](#)

Contact the HMRC Mariner's Unit

Income Tax enquiries for people who work on a ship.

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Textphone: 0300 200 3319
Outside UK: +44 135 535 9022

Opening times:
Monday to Friday: 8am to 4pm
Closed on Saturdays, Sundays and bank holidays.

Reach out via email:
Groupmailbox.marinerics@hmrc.gov.uk

Seafarers can email HMRC Mariners Unit to ask a question about NI and working offshore, or to send information for a Mariner's National Insurance questionnaire they have already completed.

Tax & NI for Seafarers

- If seafarers are paid **gross**, i.e. **without** income tax and NI taken off they need to be aware and make provision to pay any tax or NI that is due
- Every time they are paid, seafarers must work out how much of this pay they need to put aside for tax and NI **before** they start spending
- It is important to put the tax and NI money into a **separate account/space**, so that they don't spend it
- There are long term consequences of not paying tax or NI

Seafarers will need to:

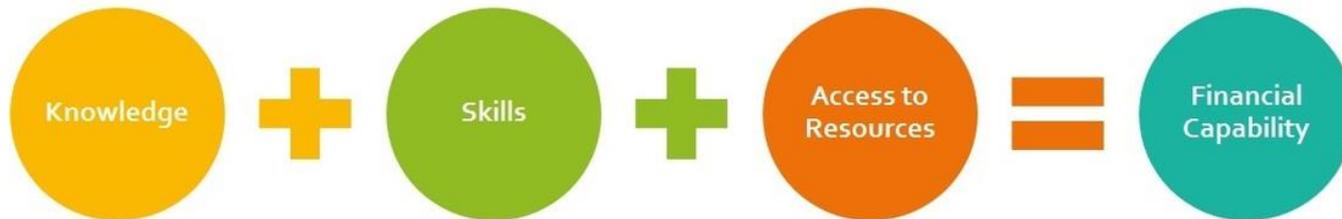
- Register to submit a self-assessment tax return
- **Pay national insurance on time**
- **Use an accountant** to submit their tax return if needs be, there are specialist firms
- Keep simple **records** for the accountant

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Questions

