



# How to survive the cost-of-living crisis

The last two years have been incredibly tough for many people, with multiple lockdowns leading to job losses and furloughs. But now, we are experiencing a cost-of-living crisis due to prices going up more than wages and additional taxes reducing our income.

Pressures on household finances have come from significant increases in energy prices, water bills and council tax. The average household is set to see their annual energy bills increase by around £693, according to data from our debt relief partners at Payplan. On top of this, there are price surges on essentials such as food and petrol.

It's no surprise that most people are worried about money right now. Although escalating costs may be beyond your control, there are things you can do to manage the situation and your stress levels. Here are some ideas that don't cost a penny.



## Get free expert advice

Get expert advice if you're feeling overwhelmed by your situation and don't know where to start.

Citizens Advice has trained volunteers all over the country who can offer information and advice on issues including debt, legal disputes, consumer rights and housing problems.

Many law firms also offer free legal advice as part of their pro bono work, which might be helpful if you're concerned about a dispute. And, of course, there are debt charities like Step Change that can help you with things like budgeting so you can keep on top of your finances.

If the stress affects your health, talk to your GP. After all, you're much more likely to be able to manage your financial situation if you're not worrying about your health as well. Your GP will be able to provide resources and refer you to specialists if necessary.

## Look for support groups

Sometimes all you need is to talk to someone going through a similar situation. As well as a kind and supportive ear, they may be able to share their tips for coping, too.

For in-person support, places such as your local library or community centre might be an excellent place to start, as are places of worship. If there isn't a support group already, you could ask about starting your own.

You can also use online forums like UK Personal Finance on Reddit and Money Saving Advice on Facebook. If you do, just make sure you stay vigilant and do not share any identifying details that could open you up to scams.

## Take a break

A change of pace or a change of scene can sometimes make all the difference to your stress levels as it gives your mind and body a break. That might be as simple as getting up from your desk to walk around the office or going out for a lunchtime stroll.

Research has shown that just a 10-minute brisk walk can boost your mood. Make sure you also give yourself a break from following the news cycle and social media, as these can add to the stress of the situation.

Take a few moments to breathe in deeply if you're short on time. We take faster, shallower breaths in response to stress. Still, taking longer, deeper breaths changes our body chemistry by introducing more oxygen into the bloodstream.

Usually, five deep breaths are all it takes for you to feel more relaxed, although if you have more time, you can try meditating to prolong the sense of calm. YouTube videos such as those from Calm and meditation apps like the Healthy Minds Program can guide you through the process.

## Keep a diary

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And it affects a lot of us - one survey from the Money and Pension service suggested that one in three adults experience worry when thinking about their financial situation. This is where keeping a diary can help. Writing your thoughts down can change your focus and make it easier to break down more significant tasks into smaller chunks and tackle them individually.

The Bullet Journal method is one example of this. It's a series of to-do lists that you spread out over days, weeks and months with a simple index to track your progress. As you complete the tasks, you tick them off. If not, you move them to the next day or month. The fact that the process is very action-led should give you a greater sense of achievement.

An alternative is the gratitude journal, where you write down what you're grateful for. Studies have shown that you'll feel happier overall by recognising the good things in your life, however small. The process doesn't take long. Just three bulleted items each day or week is acceptable, but make sure you mix it up and include specifics such as who, what, and where.

## Apply for additional financial support

Universal Credit isn't the only form of financial support available to you - the government and local charities have all made additional funding available to those who need it.

The government's Household Support Fund was specifically launched to help vulnerable people with household bills, and the money available was recently doubled. You can apply for it directly with your local council, which decides who is eligible, and it's paid on top of any existing benefits.

You can also approach local charities for help with specific requests. The charity Turn2us has a grant search on its website where you can find financial assistance close to you, and this money doesn't need to be paid back. Live in Wales, Scotland or Northern Ireland? There may be separate funding available through the devolved governments, such as the £150 cost of living support payment available to council taxpayers.

## The takeaway

There's no doubt that the cost-of-living crisis is making life more stressful, but there is help out there.



## Contact us

Speak with the team at Validium for more information and support on money and debt issues.