

Coping with the rising cost of living

Across the UK, millions of people are finding it tougher than ever to pay their bills due to the current cost of living crisis. Rising energy, food, fuel and housing costs are putting a strain on our finances, and many households are struggling to make ends meet.

If you're finding that your wages or benefits are no longer enough to cover all your outgoings, you're not alone. While the current crisis is affecting almost everyone, some are suffering more than others. Recent reports show that for the poorest fifth of the UK's population, essentials including food, energy and housing now take up over half of their disposable income .

What's causing the squeeze on your finances?

High inflation

- Inflation is the rate at which prices rise. In July 2022, UK inflation hit 10.1%, five times the Bank of England's target. Analysts predict it could reach 18% next year, which would be the highest rate in nearly 50 years. High inflation means the purchasing power of your money falls, as the costs of goods and services increase while wages and benefits remain the same.

Rising energy bills

- In April 2022, Ofgem increased the energy price cap to £1,971, resulting in an almost £700 annual rise in bills for those who pay by direct debit. People on pre-payment meters also saw their bills rise by an average of £708. The price cap is set to rise again in October 2022, to an average of £2,500 per year – that's a bill of £209 per month.

Increasing food costs

- You may have noticed that the cost of your supermarket shop is getting higher every week. In fact, the average UK food bill has risen by almost £40 per month , with essentials such as butter, milk and pet food rising sharply.
- On top of this, other factors such as rising petrol costs and hikes to rents and mortgages mean that millions of household budgets are being squeezed.

How we can help

During a period of financial hardship, it can be easy to lose control of debt and miss payment deadlines. Not only can this cause a lot of stress at an already difficult time, but it may also affect your credit rating, impacting your ability to get access to credit in the future.

The most important thing to remember is that you are not alone – if you think you may not be able to make your agreed repayment, get in touch with us as soon as you can, either by calling on 01373 852 381 or by dropping us an email on collections@georgebanco.com.

Rest assured that our advisers will be sympathetic, supportive and understanding. We know how difficult it is for many hardworking families right now and our staff will work with you to come up with the best possible solution for your circumstances.

Further support

The following free debt advice charities provide a range of budgeting tools, help, support and guidance for those struggling to make ends meet.

[National Debtline](#)

[Step Change](#)

[Money Helper](#)

[Ofgem energy advice for households](#)