



In Warwickshire

Get your finances back on track in 2023

You may have debts to repay or need to begin saving spare cash each month, we have provided some tips to help you combat the cost-of-living crisis and get you on the road to your financial goal in 2023.

It can be difficult maintaining a New Year's resolution, and after a few weeks you may begin to lose motivation, but we can help.

When it comes to fixing your finances or making a savings goal, creating a budget/plan (or a New Year's resolution in this case) is exactly what you need.

It is much better to put your financial plan in place at the beginning of the year, the longer you wait the more difficult it will be to start, and you will have lost one month's payday. Below are different ways to help you stick to your target once 2023 comes around.

Choose your goal and set a budget

So, if your resolution this year is to be debt-free or save a certain amount per month, you're going to need to set a budget – A great way of doing this is via

<https://www.moneyhelper.org.uk/en/everyday-money/budgeting/budget-planner>

A recent Cost-of-Living Impact Survey found that just over one in three (36%) are dipping into their overdraft more often, while over half (57%) are missing payments. Creating a budget with all your income and expenses is the easiest way to get in control of your finances. If you can form a habit and make this something you do every time you get paid, you'll be able to stay in control of your finances all year round. The more you do it, the more motivated you will be to continue with your plan.

Assess your outgoings

Setting a budget helps identify exactly where your money is going. This is a great opportunity to assess your outgoings and identify if certain areas of spending can be made cheaper.

From switching utility providers to cancelling unused subscriptions, you can save more than you'd think per month, which will add up over a year. Have you stopped watching shows on Disney+, Netflix or Amazon Prime? Do you still use Spotify, YouTube Premium or Apple Music? Are you still signed up for any monthly clothing, magazine, news or gift sets that you no longer use or need? If so, these all act as potential ways of saving money each month. You could also look at sharing subscriptions with your partner or friends with many deals offering multiple device rates which, when split, can work out to be cheaper.

Form good habits

Creating new habits will help you stick to your goal and, in the long term, will become second nature to you. There are a number of good habits when it comes to saving money. This could be as simple as cutting back on luxury items each month, planning your shopping before you hit the supermarkets, so you don't overspend, or putting money into a pot or account as soon as you get paid so it's out of sight and out of mind.

Cutting out your daily latte from a barista could save you up to £1260 per year. If you can't do without your latte then change to a cheaper supplier the you would still save up to £532 per year.

New habits that are often kick-started in the new year include monthly campaigns like Dry January, and Veganuary, but this can continue throughout the year and can lead to cutting down things such as smoking, drinking and meat consumption, which can help keep your shopping costs down and have a positive impact on your health too!

Plan ahead

You're already in the mindset of planning ahead after assessing your budget, so why stop there? This year, if you attend any birthdays, social events or have a holiday lined up, make sure you get the most out of your money by planning ahead and taking advantage of cheaper travel, accommodation and deals.

We all know when Christmas comes around, so start planning at the beginning of the year. planning for events that you know are going to cost you money is time well spent. By having money put aside for presents, you're less likely to need to use credit to cover the cost and you'll have a better handle on your spending limits – and therefore, reduce your spending! You may wish to open a separate bank account to save for specific events such as holidays and Christmas. This means that you will know exactly how you are doing.

Aside from putting money into a savings pot, other ways to save for occasions are:

- Set spending limits on gifts for people
- Don't spend for the sake of it
- Buy Christmas cards and wrapping in January – it's when they're the cheapest!
- If someone has asked for an expensive gift, ask friends or family if they'd like to club together and purchase it as a joint gift

Maximise your income

You can also explore ways of maximising your income this year – whether that be through selling your old clothes, CDs, DVDs, phones/tablets or even furniture. If you're thinking of replacing your items, see if you can make your decisions cost-efficient by looking at the value of your old items and seeing if you could even make money. There are a number of free ways to sell your items, such as Facebook Marketplace, CEX, Music Magpie and WeBuyBooks.

You could also explore mobile apps that help you save money, provide you with cashback or offer rewards like reduced airtime costs or money for walking/taking photos. Websites such as TopCashBack, Airtime Rewards, Foap and SweatCoin are ways of potentially supporting your income/cutting your outgoings.

It's also crucial to ensure you're taking advantage of all of the schemes and benefits available to you, and you can check you are receiving all of your entitlement here

<https://benefits-calculator.turn2us.org.uk/>

The calculator is free to use, and the details you provide are anonymous. Before you start, make sure you have information about your savings, income, pensions and existing benefits (for you and your partner).

If you're worried about your finances or struggling to keep up with debt repayments, remember we are here to help, just contact your nearest bureau

<https://www.citizensadvice.org.uk/about-us/contact-us/contact-us/search-for-your-local-citizens-advice/>