

# What is financial hardship?

**Financial hardship** is a situation where a person or household struggles to meet basic financial obligations and essential living costs due to limited income or unexpected expenses.

Not having enough money to cover:

- Rent or mortgage
- Utilities (gas and electricity, council tax)
- Food and groceries
- Transport costs
- Debt repayments

Common causes:

- Loss of income (job loss, reduced hours)
- Unexpected expenses (medical bills, car repairs)
- High debt levels (0% interest deals ending)
- Economic downturns or rising cost of living

Signs of financial hardship:

- Missing payments
- Relying on credit to supplement income for essentials
- Using savings just to get by
- Facing risk of eviction, repossession, or service disconnection

Routes to solutions:

- Benefit check to determine full entitlement
- Disclosing all debts to enable exploration of all solutions
- Determine number in household (may lead to entitlement for council tax reduction and or single persons discount).