

Press Release – The Money Charity – For Immediate Release

(BEGINS)

**Living Costs Continue to Squeeze Household Budgets,
Pressuring Working Families**
The Money Statistics April 2024

Working families remain under significant financial pressure as they struggle to cover their most essential living costs, with family members of all ages increasingly aware of these challenges, according to the April 2024 Money Statistics, produced by The Money Charity.

UK families continue to grapple with balancing the books as living costs increase. These increases ever more frequently offset any rises in regular pay, rates for which were **6%**¹ higher in December 2023-February 2024 than in the same period in 2022/23. One recent report cited that, in order to cope with these difficulties, **38%** of parents and carers had used credit cards to alleviate their household's financial situations. Meanwhile **48%**² of UK households say they have no savings, or savings less than £1,500, to help them in these situations.

Just affording a place to live stretches many people's budgets, with rental prices in the UK having gone up by **9.2%**³ in the year to March 2024, with the median rent in England **£1,246**, rising to **£2,055** in London. In March 2023, Citizens Advice Bureaux reported supporting **1,716** private renters with homelessness issues, a **77%**⁴ increase overall since March 2019.

For those owning their home, despite mortgage lending falling overall in Q4 2023 (13% lower than Q4 2022), mortgages remain a considerable item of household expenditure, with **60%**⁵ of lending for three or more times the borrower's income. First-time buyers particularly face strain in this housing market, with the average deposit, as of December 2023, now **£45,154**, **19%** of the typical purchase cost and equivalent to **130.6%**⁶ of the average UK salary. First-time buyers report that they are increasingly reliant on gifts from friends, family or inheritances to fund deposits, with **39%**⁷ reporting having done this, **16%** higher than in March 2003.

Housing costs aside, integral spending such as childcare remains high and rising, with the average cost for a nursery place for an under-two **£157.86 per week**⁸, a **7.4%** increase on 2023 and a considerable burden for working parents. Children themselves are also keenly aware of these family issues, with **52%** surveyed reporting that they 'sometimes' worry about how much money their family has, with a further **20%**⁹ 'often' or 'always' worrying. The latest edition of CPAG's "The Cost of a Child in 2023" report notes that a couple family spends a total of **£166,218** on raising a child to the age of 18, rising to **£220,354**¹⁰ for a single parent.

¹ (The Money Statistics April 2024 Full Report, P19)

² (The Money Statistics April 2024 Full Report, P12)

³ (The Money Statistics April 2024 Full Report, P12)

⁴ (The Money Statistics April 2024 Full Report, P4.1)

⁵ (The Money Statistics April 2024 Full Report, P9)

⁶ (The Money Statistics April 2024 Full Report, P10)

⁷ (The Money Statistics April 2024 Full Report, P4.1)

⁸ (The Money Statistics April 2024 Full Report, P16)

⁹ (The Money Statistics April 2024 Full Report, P4.1)

¹⁰ (The Money Statistics April 2024 Full Report, P14)

Michelle Highman, Chief Executive of The Money Charity says:

“Recent months and even years have been incredibly tough on the budgets of countless UK households and even with some signs of positivity, what has come before is quickly negating these improvements, for now. We will need to see many more lasting and sustained areas of encouragement across the board before we start to see the UK’s financial picture evening out.

“With prices still increasing and pay rates not yet strong enough to regain lost ground, it’s really hard to hear of the struggle for so many, especially the youngest members of our families. But that’s why we remain completely committed to our mission of seeing the UK increase its Financial Wellbeing, working everyday with people of all ages through our Financial Wellbeing and Financial Education sessions to engage them with how to better face life’s financial challenges.”

Other Striking Numbers from the April Money Statistics:

- **£350 per person** was the average amount lost to fraud in the UK in 2023. (P4.1.)
- On average, a UK household spends **£3.43** a day on water, electricity and gas. (P14.)
- Debit card transactions decreased in value by **-0.8%** in January 2024 compared to the year previous. (P4.1.)

Get the full picture and many more fascinating facts about money in the UK in our monthly Money Statistics.

Notes to Editors

- For 30 years, The Money Charity has been the UK’s Financial Capability charity. We proactively provide education, information, advice and guidance to people of all ages, to reach our vision of seeing everyone achieving Financial Wellbeing by managing their money well. We empower people across the UK to develop the skills, knowledge, attitudes and behaviours to make the most of their money throughout their lives. Find out more at <https://themoneycharity.org.uk/>
- All statistics are from the latest available data at the time of writing/release.
- You may use any of the statistics quoted in this release, or within The Money Statistics, as long as:
 - You don’t make any commercial or financial gain from their use;
 - You clearly acknowledge The Money Charity as the providers of the information and point your audience towards signing up themselves for the monthly report; and
 - You do not make substantive adjustments to the presentation of the statistics, such as amending the statistic phrasing, or for example, repurposing the statistics into a format they are not appropriate for, such as an editorial/’opinion piece’ from the charity.
- If you’d like The Money Statistics emailed to you every month as soon as they’re published, please sign up at: <https://themoneycharity.org.uk/money-statistics/>
- If you’ve any questions, comments, or want any information about the source of these statistics, please contact us through hello@themoneycharity.org.uk
- Any media or press enquiries should be directed to our Communications & Marketing Manager, James Yelland, on james@themoneycharity.org.uk

(ENDS)