**Press Release – The Money Charity – For Immediate Release**

(BEGINS)

**Difficult Financial Outlook for Winter Fails to Ease**

**The Money Statistics January 2022**

**The challenging direction of travel for the UK’s finances continued in the closing months of the year, with few indications of potential positives and some previously hopeful signs easing off, according to the January 2022 Money Statistics, produced by The Money Charity.**

Evidence of the challenging winter ahead for household budgets continued to be seen as the UK came towards the end of 2021. With price rises and inflation continuing upwards, borrowing and lending increased accordingly, while other previously positive indications from earlier in the pandemic began to reverse or slow. In November 2021, total net lending to individuals and housing associations grew by **£4.7 billion**, or **£156 million**[[1]](#footnote-1) a day, over October’s revised figures and an even larger increase to September.

One positive sign over recent months had been the decrease in outstanding levels of credit card borrowing. However, this has recently slowed significantly with a fall of just **0.53%**[[2]](#footnote-2) in the year to November 2021, compared to a previous fall of **3.7%** in the year to October 2021. Taken alongside the lending figures, this suggests an overall increase in people needing to borrow in order to make ends meet.

Fuel prices have been a major recent driver of the overall price increases being felt by UK consumers and, while prices have now finally fallen, the average amount was nominal. In December 2021, the average price of unleaded petrol fell by **0.8ppl to 146.9ppl**[[3]](#footnote-3) with diesel falling by **0.9ppl to 149.6ppl**[[4]](#footnote-4).

Agencies supporting those facing financial difficulties are also beginning to report increases in enquiries as many of these circumstances are felt. Across England and Wales in December 2021, Citizens Advice Bureaux report answering **291,136** enquiries[[5]](#footnote-5), **4%** up from December 2020 with Debt the second largest advice category (**46,914**) behind Benefit and Tax Credits (**62,990**.) These totals mean that Debt calls are **8%** up from December 2020, while Benefit and Tax Credits calls are up **15%**[[6]](#footnote-6).

**Michelle Highman, Chief Executive of The Money Charity says:**

“One of the very unexpected, but more positive, results of the pandemic was the higher number of UK households managing to save while reducing overall credit and debt, albeit these benefits were largely seen amongst those already better off. However, as the UK continues to struggle with rising costs across the board, it is concerning to see those tides turn with more people forced to borrow to manage their day-to-day finances. It’s further disheartening to see that, where costs have stabilised and should have lessened, or available saving rates increased, these more hopeful signs are simply not being passed on in kind to hard-pressed consumers.

“The coming months will no doubt be incredibly challenging for many, but there is still real scope for decision makers to take innovative and decisive actions to safeguard households’ Financial Wellbeing. If these actions can be taken, then we may soon be able to look back on this period as one final point of pain before an improving outlook for 2022.”

**Other Striking Numbers from the January Money Statistics:**

* It costs an average of **£24.44** per day for a couple to raise a child from birth to the age of 18. For a lone parent family, the cost of raising a child comes to **£29.50** per day. *(P14.)*
* The number of people unemployed in the UK fell by **3,923** per day in the twelve months to November 2021. *(P20.)*
* Consumers lost **£355.3 million** toAuthorised Push Payment (APP) scams during January to July 2021, according to Which? *(P4.1.)*

**Get the full picture and many more fascinating facts about money in the UK in our monthly** [**Money Statistics**](https://themoneycharity.org.uk/money-statistics/)**.**

Notes to Editors

* For over 25 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/>
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  + 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.
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* Any media or press enquiries should be directed to our Communications & Marketing Manager, James Yelland, on [james@themoneycharity.org.uk](mailto:james@themoneycharity.org.uk)

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1. (The Money Statistics January 2022 Full Report, P6) [↑](#footnote-ref-1)
2. (The Money Statistics January 2022 Full Report, P5) [↑](#footnote-ref-2)
3. (The Money Statistics January 2022 Full Report, P14) [↑](#footnote-ref-3)
4. (The Money Statistics January 2022 Full Report, P14) [↑](#footnote-ref-4)
5. (The Money Statistics January 2022 Full Report, P7) [↑](#footnote-ref-5)
6. (The Money Statistics January 2022 Full Report, P7) [↑](#footnote-ref-6)