

Press Release – The Money Charity – For Immediate Release

(BEGINS)

Cost of Living's Highest Impact Seen On The Disadvantaged
The Money Statistics June 2023

With the cost of living crisis relentlessly continuing, signs are emerging of many of its most inequitable effects on disadvantaged groups and households across the UK, according to the June 2023 Money Statistics, produced by The Money Charity.

The dominant narrative over recent months has been the heavy impact the cost of living crisis has been having on people in all kinds of situations throughout the UK. However, as so often, the greatest impacts are being seen most clearly on the more disadvantaged groups within society.

Financial Resilience for the average UK household, one of the indicators for which can be the number of days a household stands away from the breadline in the event they lost their income, is calculated at **19 days**¹. But on average, working women are only **14 days** away, significantly less than the average working man, who would be able to meet their household costs for **28 days**.

There are many reasons for this state of play, such as the difficulty for households to build up savings. In 2021-22, according to the Family Resources Survey, **39%**² of UK households had either no, or less than £1,500, in savings. For single parent households with children, this figure stood at **79%**. With almost **90%** of single parents being women, the disproportionately negative knock-on effect for women's Financial Resilience is clear.

Additionally, research further highlights the ongoing persistence of the gender pay gap. For those aged 16-17, female full-time pay as a percentage of male full-time pay was **96.3%**³. This increased to **97.9%** for those aged 22-29 and then widens by age bracket to reach **88.3%** for the 50-59 age grouping. As a result, women are considerably more likely to view the cost of living crisis as a "constant source of worry" (**78%** vs **68%** of men)⁴ and therefore take action to address it. Women are more likely to be cutting back on luxuries (**86%** vs **76%** of men) and reducing essential spending where possible (**72%** vs **65%** of men.)

Other groups are similarly reporting difficulties, with **80%**⁵ of disabled people receiving the £150 cost of living payment saying it would not be enough to cover the increased costs of just their essentials. Similarly, **52%**⁶ of workers from Black, Asian, mixed race and ethnic minority backgrounds have reported that government support would not see them through the next six months, a rate **7%** higher than their White counterparts.

Michelle Highman, Chief Executive of The Money Charity says:

"Clearly the cost of living crisis is affecting everyone in one way or another, but it is both unsurprising and disheartening to see figures emerging showing the highest impacts experienced

¹ (The Money Statistics June 2023 Full Report, P4.1)

² (The Money Statistics June 2023 Full Report, P16)

³ (The Money Statistics June 2023 Full Report, P18)

⁴ (The Money Statistics June 2023 Full Report, P4.1)

⁵ (The Money Statistics June 2023 Full Report, P4.1)

⁶ (The Money Statistics June 2023 Full Report, P4.1)

by disadvantaged groups across the UK. Sadly, the truth is that inequity is everywhere and the crises of recent years have only served to severely exacerbate existing issues.

“What seems abundantly clear is that the scale of this crisis continues to outstrip each additional support measure that gets implemented. While the intent of these is right, in the main they are only serving as inadequate sticking plasters. Our call remains that, as well as such emergency measures, the UK must commit itself to a comprehensive strategic roadmap towards UK-wide Financial Wellbeing, with a fully backed and costed plan, bought into by all relevant stakeholders.”

Other Striking Numbers from the June Money Statistics:

- **52%** of disabled bank customers say bank branch closures have had a negative impact on their ability to access vital banking services (*P4.1.*)
- **1,033** people a day reported they had become redundant in February to April 2023. (*P20.*)
- **19%** of households are putting off dental treatments due to worries about costs. (*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 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/>
- 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)