

Press Release – The Money Charity – For Immediate Release

(BEGINS)

**Improving Signs Not Yet Enough to
Lessen Household Squeeze
The Money Statistics March 2024**

While some indicators have shown small positive signs of improvements, these are not yet at the point where they can decrease the financial pressures on many UK households, according to the March 2024 Money Statistics, produced by The Money Charity.

Increasing wages and falling inflation bring some welcome indications of improvement for the UK's economic outlook this month, but neither are yet significant, or long-lasting, enough to be fully impacting upon UK households yet. In November 2023 to January 2024, regular pay increased by **6.1%**¹ compared to the year previous, while the rate of inflation reduced by **0.6%**² in the year to February 2024 on a downward trend.

However, signs of pressure on all sorts of households are not hard to find. In January 2024, the charity StepChange reported that **43%**³ of their clients, those being supported by the charity within their situation of debt, were in full-time employment. Situations of people struggling to make ends meet, even when working as much as they can, are often exacerbated by surrounding cost factors. For example, for those with children, the average cost of sending a child under 2 to nursery full-time (50 hours per week) equates to **£14,030** a year, **£269.86**⁴ a week.

Housing costs are also problematic across the board, with high rents averaging **26%** of the median monthly income in England, rising to **35%**⁵ in London. While the increasing burden of mortgages, with the proportion of mortgages in arrears over 1.5% increasing by **21%**⁶ at the end of Q4 2023 from a year prior, is placing heavy strain on those households. The average first-time buyer deposit in December 2023 was around **130.6%** of the average UK annual salary of **£45,154**⁷.

These challenges are affecting people of all ages too, with the percentage of pensioners classed as "in material deprivation" during 2022-23 at **8%**⁸, its first increase since 2014. With pension-age people increasingly opting to remain in the workforce, an increase of **49,000**⁹ in Q4 2023 compared to one year before, the cost of living squeezes are being felt across all generations.

Michelle Highman, Chief Executive of The Money Charity says:

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

² (The Money Statistics March 2024 Full Report, P19)

³ (The Money Statistics March 2024 Full Report, P4.1)

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

⁵ (The Money Statistics March 2024 Full Report, P13)

⁶ (The Money Statistics March 2024 Full Report, P13)

⁷ (The Money Statistics March 2024 Full Report, P10)

⁸ (The Money Statistics March 2024 Full Report, P4.1)

⁹ (The Money Statistics March 2024 Full Report, P20)

“Signs of positive improvements for the UK’s money are always incredibly welcome, particularly in our recent challenging times where for so long, the indicators have usually painted a troubling cycle of financial problems. But what is urgently needed is for any positive movements to now continue, month-on-month, for a significant period, such that they start to have their fullest effect on struggling UK households.

“Core to the Financial Wellbeing work we do across all sorts of UK communities every day is the principle of practical, robust and honest budgeting; people assessing and appraising their income and expenditure columns and looking to balance those as best they can. Recent times have generally seen that expenditure column being the one constantly adjusted ever upwards. A sustained period of that income side seeing the increases should play an important part in a marked improvement for the UK’s Financial Wellbeing.”

Other Striking Numbers from the March Money Statistics:

- By 2029, there are projected to be **7.3 million** higher-rate taxpayers. In 2010, there were only 3 million. (P4.1.)
- The population of the UK grew by an estimated **1,584** people a day between mid-year 2021 and mid-year 2022. (P20.)
- Mortgage commitments decreased by **21.2%** between October-December 2022 and the same period in 2023. (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/>
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 - 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.
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- 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

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