

Press Release – The Money Charity – For Immediate Release

(BEGINS)

Bills Pile Up For Struggling UK Households
The Money Statistics September 2023

UK household debts continue to mount up from every direction, with concerns that the reportable figures may only be the tip of the iceberg, according to the September 2023 Money Statistics, produced by The Money Charity.

Nationally, bill debt for the UK's households has reached **£22 billion**¹, although due to limited data availability on key figures such as water bills and rent arrears, this total is only an estimate. The most accurate total is therefore broadly expected to be much higher, with **1 in 4 (27%)**² people stating they are behind on at least one bill. Looking overall, the average total debt per UK household, including mortgages, stands at **£65,661** and per adult at **£34,666**, the equivalent of around **100.3%**³ of average earnings.

Debts feature heavily in reported support line figures with a total of **46,431** people with energy debts contacting Citizens Advice in the first six months of 2023, a **17%**⁴ increase on the same period last year. Those contacting them for advice and help in this area were reported to have average debts of **£1,711**⁵.

In the first quarter of 2023, UK households spent **£115.98 million** a day on water, electricity and gas, or **£4.13**⁶ per household per day. On a seasonally adjusted basis, this was **0.4%** more than the revised figure for Q1 in 2022. With the prices of electricity and gas having risen significantly in this period, this increase would seem unexpectedly small. In March 2023, the inflation rate for housing, water, electricity, gas and other fuels was **26.1%**⁷, dwarfing a 0.4% increase in daily spend, but arguably the likeliest factor here will be people heavily cutting back on their energy usage and pulling back the relative rise overall in proportion.

Not unexpectedly however, comes the impact these rising costs are having on Financial Resilience, which is a person's ability to cope with an unexpected financial shock. Recent reports have found that **17%** of UK adults have £0 or less (meaning they are using an overdraft) in their current account the day before payday⁸. But by the end of August 2023, the inflation rate for housing, water, electricity, gas and other fuels had reduced to **7%**⁹, with prices still increasing but less sharply. A reduction in the amount people pay towards their energy bills will hopefully increase what is left over at the end of each month, in turn improving levels of Financial Resilience.

Michelle Highman, Chief Executive of The Money Charity says:

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

² (The Money Statistics September 2023 Full Report, P4.1)

³ (The Money Statistics September 2023 Full Report, P5)

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

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

⁶ (The Money Statistics September 2023 Full Report, P14)

⁷ (The Money Statistics September 2023 Full Report, P4.1)

⁸ (The Money Statistics September 2023 Full Report, P4.1)

⁹ (The Money Statistics September 2023 Full Report, P4.1)

“The last few months and even years have been incredibly hard on the budgets of countless UK households, so it is hardly surprising to see the evidence of bill debt mounting up, with those figures not even including some of the most common bills and debts. With prices increasing everywhere and pay rates struggling, so many people of all ages are struggling to cover the costs of just their essentials, let alone anything additional. It’s a difficult scene to face up to and a major challenge in our mission to see the UK increase its Financial Wellbeing.

“For that vision to continue to move forward in the big picture, we believe we need to see more; more healthy and sustained growth in the economy, more effective and targeted assistance to those who most need it, as well as more improvements in the financial landscape, focused on improving outcomes for and treatment of UK consumers. But individuals and groups can effect their own change too, whether it’s trying to budget for the first time, starting a savings habit, or just booking one of our Financial Education or Financial Wellbeing Workshops and Webinars for a school, college, workplace or community group. Every step taken truly does make a difference.”

Other Striking Numbers from the September Money Statistics:

- The population of the UK shrunk by an estimated **151** people a day between 2020 and 2021. (P20.)
- **44%** of young people living at home say that haven't moved out because they were needed to help their families pay the household bills. (P4. 1.)
- **1,109** people a day reported they had become redundant in May to July 2023. (P20.)

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/>
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- 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

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