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## PRESS RELEASE

# Almost two thirds concerned with rising day to day costs as UK household spending creeps up

- **Fuel spend up 16%\* in three months as a result of return to offices and increasing prices**
- **Commuting increased 12% and energy spend up 5%**
- **Over 60% of people reported strong concerns about both energy prices and the rising cost of day to day items**

UK households spent 2% more on essentials in the last three months (December, January and February), according to the latest Lloyds Bank Spending Power Report.

Fuel spend has seen the sharpest immediate increase, up 16% in the three months, as a result of both people returning to offices and rising prices. For similar reasons, commuter transport spending increased 12%.

### **Energy spend the biggest financial concern for households**

Energy spend, largely expected to follow suit in the coming months, increased 5% over the same period. With April's price cap increase looming, home energy prices and the rising price of day to day items are the biggest everyday concerns for consumers, with more than 60% of those surveyed saying they had strong concerns about each of these.

Non-essential spending was also up 1% over the three months to February

Even with the majority of Covid-19 restrictions lifted, spending on some of the UK's favourite past times – such as the cinema and sporting pursuits – grew just 3% over the period. Spending on clothes stayed flat, while home store spending dropped 12%.

The lifting of restrictions has provided pubs and restaurants with a boost after another difficult Christmas period, with spending up 5%. Payments to charities also increased 2%, despite the pressure households are beginning to feel.

**Philip Robinson, PCA & Payments Managing Director Lloyds Bank, said:** “Spending has crept up in the last three months and, alongside rising inflation and concerns around the cost of living, households will be starting to notice the impact on finances. While continued spend on things like cinema outings and sports suggests a level of resilience within budgets, the months ahead will likely see spending behaviour change as households take action to manage higher costs.”

END



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## Notes to editors

### **\*Essential & Non-Essential spending**

Essential and Non-essential spending components are made up of identifiable transactions from debit and credit card spending, direct debits and standing orders from current account data, as well as cash and credit card spending. All figures presented represent a three month comparison. The data has been weighted to be representative of the UK population.

\*\*Yonder (formerly Populus) conducted an online sample of 2110 UK adults 18+ between 4th – 6th February 2022. Data is weighted to be representative of the population of the UK. Targets for quotas and weights are taken from the PAMCO survey, a random probability survey conducted annually with 35,000 adults. Yonder is a founding member of the British Polling Council and abides by its rules. For further information see <http://www.britishpollingcouncil.org/>

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