



LLOYDS BANK

PRESS RELEASE

Energy spending up 28% since last April

- **Between March and April alone energy spending grew 7%**
- **3 in 4 are now very or extremely concerned about energy prices**
- **Fuel spend up 30% in a year, and holiday spend 288%**

UK Households spent 7% more on their energy bills in April compared to March, as the increase in the energy price cap first hit household budgets.

According to the latest Spending Power Report, which includes regular standing order and direct debit payments alongside card payments in its analysis, energy spending increased by almost a third (28%) compared to April last year.

Research commissioned on behalf of Lloyds Bank found that 75% of consumers are extremely or very concerned about home energy prices, which has increased from 61% in December 2021. Similarly, 68% are extremely or very concerned about the rising prices of everyday items, up from 52% at the end of last year.

In further signs of more pressure falling onto homes across the UK, total essential spend between April 2021 and April 2022 rose 6%, with fuel spend soaring 30% in a year as a result of post-lockdown demand and rising prices. For similar reasons, spending on the commute rose by three quarters (71%) with workers making their way back to offices.

Non-essential spend up but signs of holding back

Non-essential spend has also increased over the past year with restrictions lifted, up 17%, however there are signs that budgets are being tightened. Home store spending dropped 10% since April 2021, and spend on electrical items fell 21% after surges in the sectors during the pandemic. Spending on other retail, which includes online marketplaces, dropped 3%.

Despite the tightening of purse strings, it's clear that the absence of holidays and restrictions on social lives during the pandemic has meant some people are still keen to get out and away. Holiday spend alone is up 288% this month compared to April 2021, and over two thirds (65%) more was spent in restaurants in the same period. Still, 33% now plan to cut down on their leisure spending.

Philip Robinson, PCA & Payments Managing Director Lloyds Bank, said: *"In the space of a month and as a result of the energy price cap increase, energy spend is now almost a third higher than it was this time last year, and 7% more than just a month ago. With the cost of living, in particular essential items, likely to continue to increase, households will need to consider if and where to cut back to manage these higher costs."*

Ends



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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 twelve month comparison. The data has been weighted to be representative of the UK population.

This report is prepared from information that we believe is collated with care, however, it is only intended to highlight issues and it is not intended to be comprehensive. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report. Any use of this report for an individual's own or third party commercial purposes is done entirely at the risk of the person making such use and solely the responsibility of the person or persons making such reliance. © Lloyds Bank plc all rights reserved 2022.

Source: Yonder (formerly Populus) conducted an online sample of 2077 UK adults 18+ between 6th – 8th May 2022 and an online sample of 2066 UK adults 18+ between 3rd – 5th December 2021. 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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