

Statistical bulletin

Family spending in the UK: April 2022 to March 2023

Average weekly household expenditure on goods and services in the UK, by age, income, economic status, socio-economic class, household composition and region.

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1 . Main points

- Average weekly household expenditure was £567.70 in the financial year ending (FYE) 2023, a nominal increase of £38.90 from the previous year (7%); however, after accounting for inflation this was a real-terms decrease of £21.10 (4%).
- The greatest real-terms reduction in expenditure was in food and non-alcoholic drinks, suggesting that households are either consuming less, or where applicable, switching to lower cost or quality alternatives.
- The richest fifth of households' weekly expenditure was more than twice that of the poorest fifth of households in FYE 2023, at £857.30 and £356.90, respectively.
- The proportions of total expenditure spent on food and non-alcoholic drinks, transport, and recreation and culture have returned to FYE 2020 pre-coronavirus (COVID-19) pandemic levels, while restaurants and hotels remain below FYE 2020 levels.
- Users should be aware that because of a relatively small sample size for FYE 2023, estimates for lower-level expenditure categories in the underlying data are subject to greater uncertainty.

2 . Family spending in the UK

After accounting for inflation, household spending remains below FYE 2020 pre-coronavirus levels

Data in this bulletin cover financial year ending (FYE) 2023, which is April 2022 to March 2023. During this time there was a notable [increase in the cost of living](#) across the UK, while employees' [average total pay](#) fell by approximately 3%.

Changes in spending can result from both changes in the price of goods and services, and changes in consumer behaviour, such as amount and type of goods and services purchased. By adjusting for the rate at which prices of goods and services bought by households rise or fall (consumer price inflation), we can better isolate trends in the amount of goods and services purchased. During FYE 2023, UK inflation rates rose significantly, reaching a 40-year high, as reported by the Consumer Prices Index (CPI) in our [consumer price inflation data time series](#).

Markedly, [food price inflation reached its highest rate in over 40 years](#) during this period, caused by multiple factors such as: the Russian invasion of Ukraine in February 2022 disrupting global supply chains, reduced harvesting because of labour shortages, and higher imported food prices because of inclement weather. Similarly, energy price inflation peaked during this period, because of increased wholesale gas prices in response to the Russian invasion of Ukraine.

There was an increase in effective interest rates during FYE 2023. The [average effective interest rate of all mortgage types rose from 2.04% to 2.73%](#), as reported by the Bank of England.

Unless otherwise stated, both absolute and relative year-on-year changes in spending presented in this bulletin are adjusted for inflation and are presented in real terms.

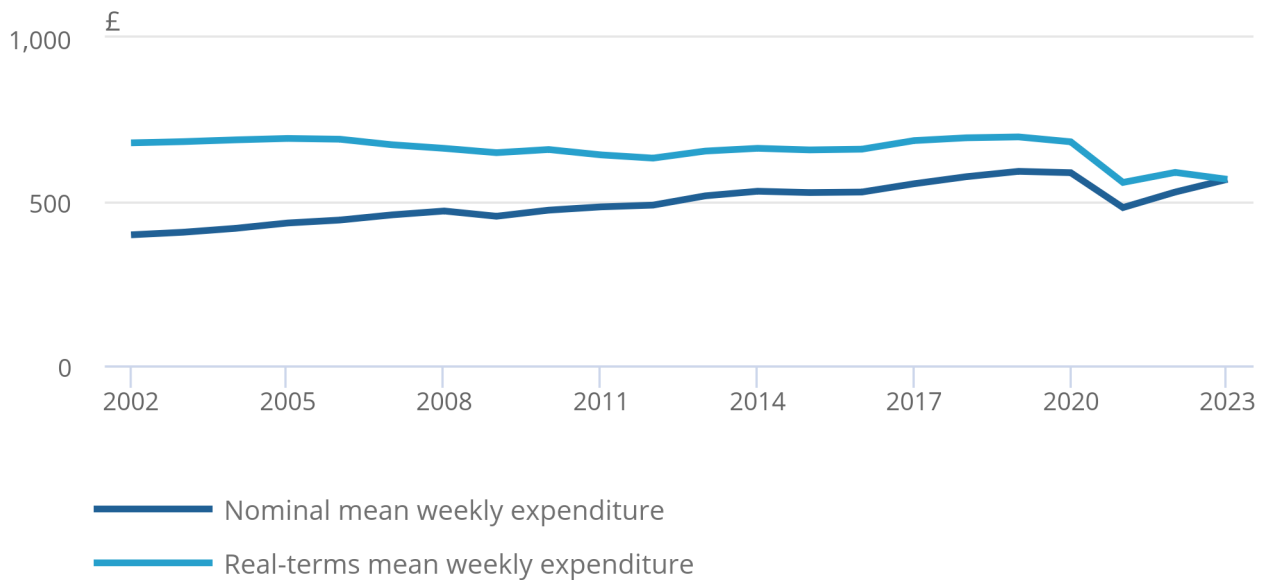
Average weekly household expenditure in FYE 2023 showed a nominal increase of £38.90 (7%) to £567.70. After adjusting for inflation, this was a real-terms decrease of £21.10 (4%) during FYE 2023, £114.50 below FYE 2020.

Figure 1: Average weekly household real-terms expenditure decreased by 4% during FYE 2023

Average weekly household expenditure in nominal and Real-terms, UK, financial year ending (FYE) 2002 to FYE 2023

Figure 1: Average weekly household real-terms expenditure decreased by 4% during FYE 2023

Average weekly household expenditure in nominal and Real-terms, UK, financial year ending (FYE) 2002 to FYE 2023



Source: Living Costs and Food Survey from the Office for National Statistics

Notes:

1. Real-terms expenditure figures are adjusted for inflation using the Consumer Prices Index (CPI) specific to the classification of individual consumption by purpose (COICOP) category. Total real expenditure is generated as a sum of the deflated COICOP categories 1 to 13.
2. Real-terms values are deflated to FYE 2023 prices.
3. Household expenditure figures are on a financial year basis FYE 2002 to FYE 2006, calendar years 2007 to 2013, and financial years FYE 2015 to FYE 2023.
4. The weighting method was updated for FYE 2023 from LCF weights to Household Financial Surveys (HFS) weights.

Looking in more detail, there was a real-terms decrease during FYE 2023 in weekly expenditure across most high-level spending categories. A real-terms decrease in spending reflects that the increase in prices exceeded the increase in household spending during FYE 2023, suggesting households are either consuming less, or where applicable, switching to lower cost or quality alternatives.

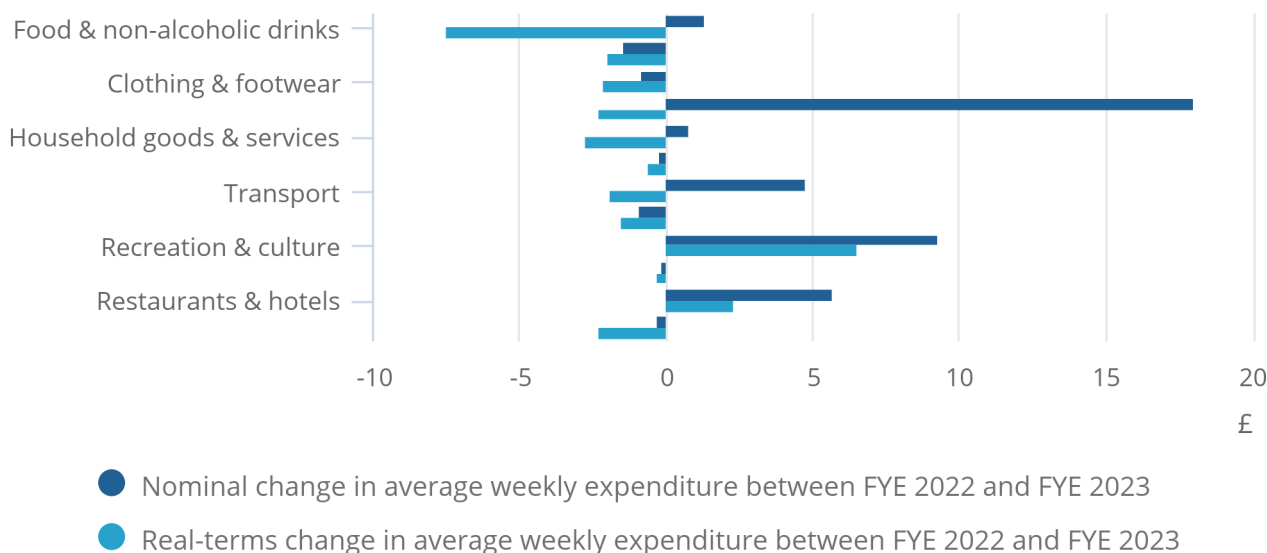
The only real-terms increases in weekly spending during FYE 2023 were in recreation and culture (£6.50, 11%) and restaurants and hotels (£2.30, 6%). However, this remains below pre-coronavirus (COVID-19) pandemic FYE 2020 levels for both, at £17.20 (21%) and £20.60 (34%), respectively.

Figure 2: After adjusting for inflation, average weekly spending decreased across most expenditure categories during FYE 2023.

Change in average weekly household expenditure, by COICOP categories, UK, financial year ending (FYE) 2022 to FYE 2023 in nominal and real-terms

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Change in average weekly household expenditure, by COICOP categories, UK, financial year ending (FYE) 2022 to FYE 2023 in nominal and real-terms



Source: Living Costs and Food Survey from the Office for National Statistics

Notes:

1. Spending is categorised using classification of individual consumption by purpose (COICOP) categories.
2. Real-terms expenditure figures are adjusted for inflation using the Consumer Prices Index (CPI) specific to the COICOP category. Values are deflated to FYE 2023 prices.
3. For clarity, not all family spending categories are presented.

Households continue to spend the highest proportion of their weekly expenditure on housing, fuel and power, and transport

The average UK household continues to spend the largest proportion of its weekly expenditure on housing (net), fuel and power (19%) in FYE 2023, despite a decrease of £2.40 (2%) since FYE 2022. Transport continues to be the second-largest proportion of weekly expenditure at 14%.

Figure 3: Housing, fuel and power, and transport remained the highest expenditure categories for UK households in FYE 2023

Average weekly household expenditure in the UK, financial year ending (FYE) 2023

Notes:

1. Spending is categorised using classification of individual consumption by purpose (COICOP) categories. As such, mortgage interest payments, Council Tax and Northern Ireland rates are categorised as other expenditure items rather than Housing (net) fuel and power. Other expenditure items also include licences, fines and transfers, holiday spending, and money transfers and credit.
2. Components of spending based on fewer than 20 recording households, or where the average rounds to 0, do not appear in the tree map.

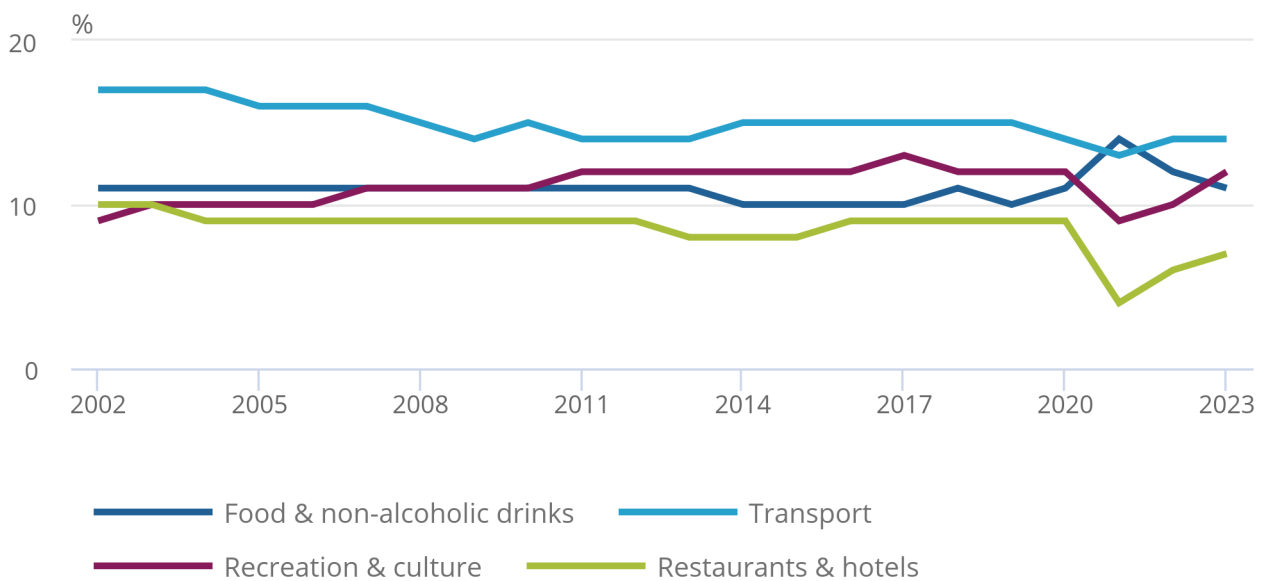
Despite overall reductions in weekly spending, household spending patterns continue to recover from the impact of the coronavirus pandemic, with the proportion of total expenditure spent on food and non-alcoholic drinks in FYE 2023 reducing to 11%, in line with FYE 2020. The proportion of total expenditure spent on recreation and culture (12%) and transport (14%) are at FYE 2020 levels, while spending on restaurants and hotels continues to increase to 7% of total expenditure in FYE 2023, remaining 2 percentage points below FYE 2020 levels.

Figure 4: UK household spending continues to recover from the coronavirus (COVID-19) pandemic

Average weekly household expenditure as a percentage of total expenditure, from financial year ending (FYE) 2002 to FYE 2023 at FYE 2023 prices

Figure 4: UK household spending continues to recover from the coronavirus (COVID-19) pandemic

Average weekly household expenditure as a percentage of total expenditure, from financial year ending (FYE) 2002 to FYE 2023 at FYE 2023 prices



Source: Living Costs and Food Survey from the Office for National Statistics

Notes:

1. Spending is categorised using classification of individual consumption by purpose (COICOP) categories.
2. Real-terms expenditure figures are adjusted for inflation using the Consumer Prices Index (CPI) specific to the COICOP category. Values are deflated to FYE 2023 prices.
3. Household expenditure figures are on a financial year basis FYE 2002 to FYE 2006, calendar years 2007 to 2013, and financial years FYE 2015 to FYE 2023.
4. For clarity, not all family spending categories are presented.

Households are adjusting consumption habits

Overall expenditure is decreasing comparably for both richer and poorer households during FYE 2023. Total weekly expenditure of the richest fifth of households decreased by £44 (5%) from £901.30 to £857.30, while for the poorest fifth it decreased by £13.30 (4%) from £370.20 to £356.90.

The poorest fifth of households continue to spend the greatest proportion of their total expenditure (27%) on housing (net), fuel and power. This is largely caused by spending on actual rentals for housing, which accounts for 22% of their total expenditure. Meanwhile, the richest fifth of households spent the greatest proportion of their total expenditure (16%) on "other expenditure items", largely because of spending on mortgage interest payments, 6% of their total expenditure.

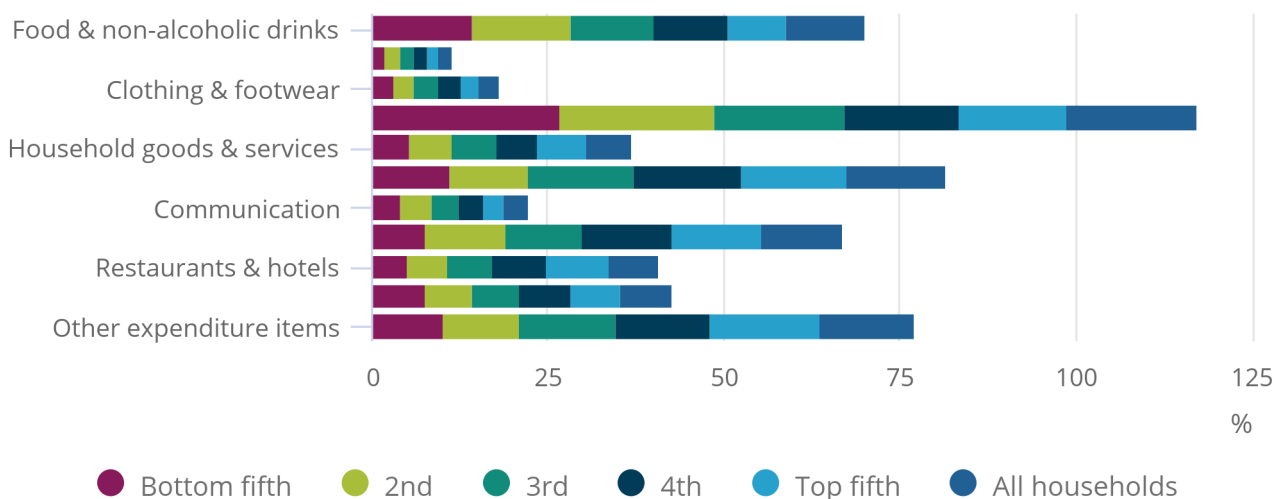
Mortgage interest payments are included under "other expenditure items" according to the classification of individual consumption by purpose ([COICOP](#)). By COICOP definition, capital repayments are not included within owner-occupier expenditure as they are classified as an accrual of wealth. However, expenditure on both interest and capital payments can be found in [Family spending workbook 5: expenditure on housing](#).

Figure 5: Poorer households are spending proportionally more on housing, fuel and power in FYE 2023

Average weekly household expenditure as a percentage of total weekly expenditure, by quintile group, UK, financial year ending (FYE) 2023.

Figure 5: Poorer households are spending proportionally more on housing, fuel and power in FYE 2023

Average weekly household expenditure as a percentage of total weekly expenditure, by quintile group, UK, financial year ending (FYE) 2023.



Source: Living Costs and Food Survey from the Office for National Statistics

Notes:

1. Individuals are ranked by their equivalised household disposable incomes, using the modified OECD scale.
2. Spending is categorised using classification of individual consumption by purpose (COICOP) categories. As such, mortgage interest payments, Council Tax and Northern Ireland rates are categorised as other expenditure items rather than housing (net) fuel and power. Other expenditure items also include licences, fines and transfers, holiday spending, and money transfers and credit.
3. Because of low sample sizes, not all COICOP categories are presented.

As prices rise, all households are reducing spending on food and non-alcoholic drinks

Despite a nominal increase in weekly food and non-alcoholic drink expenditure of £1.30 (2%) across all UK households, this was a real-terms decrease of £7.50 (11%) a week to £63.50, with the largest contributor being a reduction in spending on meat products (£1.80, 13%).

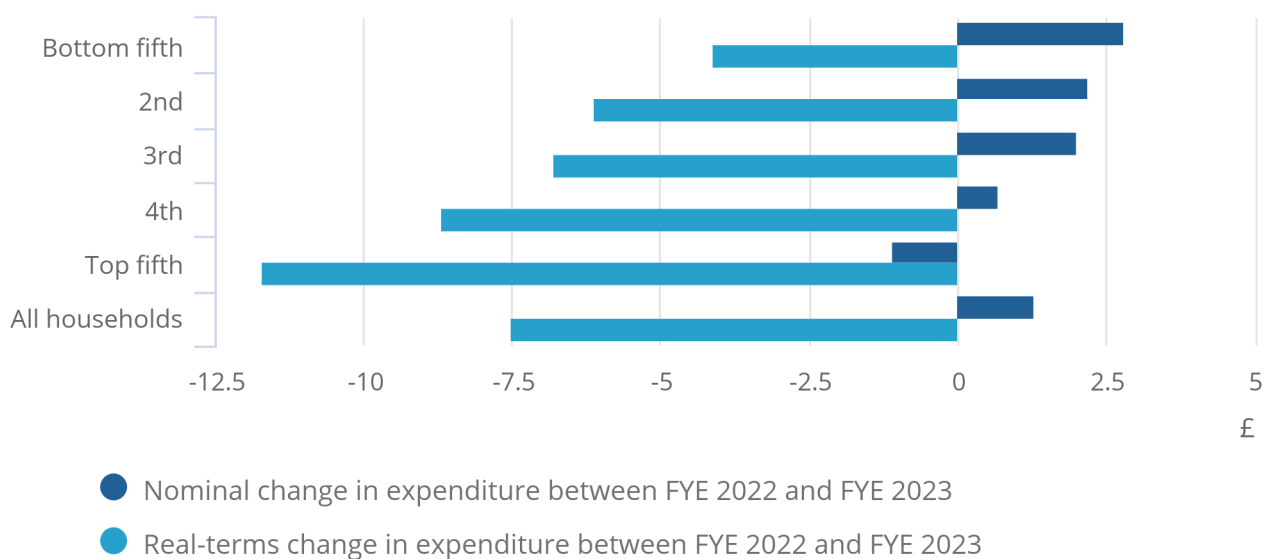
In real terms the poorest fifth of households saw a below-average reduction of £4.10 (7%). The richest fifth of households saw an above-average reduction of £11.70 (14%), but are still spending £21.80 a week more than the poorest fifth of households. Across the income distribution, households are reducing their spending as a proportion of total expenditure in a similar manner, by 1 percentage point or less between FYE 2022 and FYE 2023.

Figure 6: Richer households are reducing their food expenditure more than poorer households

Change in average weekly expenditure on food and non-alcoholic drinks, nominally and in real terms, by quintile group, UK, FYE 2022 to FYE 2023.

Figure 6: Richer households are reducing their food expenditure more than poorer households

Change in average weekly expenditure on food and non-alcoholic drinks, nominally and in real terms, by quintile group, UK, FYE 2022 to FYE 2023.



Source: Living Costs and Food Survey from the Office for National Statistics

Notes:

1. Individuals are ranked by their equivalised household disposable incomes, using the modified OECD scale.
2. Real-terms expenditure figures are adjusted for inflation using the Consumer Prices Index (CPI) specific to the classification of individual consumption by purpose (COICOP) category. Values are deflated to FYE 2023 prices.

The average UK household responded to a rapid rise in energy prices by reducing their usage

Weekly household expenditure on electricity, gas and other fuels increased nominally by £11.40 (44%); however, this was a real-terms decrease of £9.10 (20%). This suggests that households aimed to offset increased energy prices in FYE 2023 by using less energy or, where applicable, switching to lower-cost energy tariffs.

While all households experienced a nominal increase in energy prices, the poorest fifth of households saw the largest percentage increase of 49% (£11.40), compared with a 42% (£12.50) increase for the richest fifth of households. This was a real-terms decrease of 18% (£7.40) for the poorest fifth of households and a 21% (£11.10) decrease for the richest fifth.

This suggests that poorer households have less capacity to offset increased energy prices by either using less or switching tariffs, thus are probably more vulnerable to increased energy prices.

Note that for this analysis, payments received via the government's energy bills support scheme were not classified as a reduction in expenditure in line with the Office for National Statistics [Economics statistics classifications](#), thus are not reflected within weekly spending amounts.

Poorer households are increasing expenditure on personal transport, while richer households increase rail and tube spending

There was a nominal increase in weekly household expenditure of £4.80 (6%) in FYE 2023. However, this also represents a real-terms decrease of £1.90 (2%), caused by a reduction in spending on the purchase of vehicles of £4.20 (13%) and operation of personal transport of £1.40 (4%), despite an increase on transport services of £4.20 (30%).

The poorest fifth of households in real terms, have slightly increased weekly spending on transport in FYE 2023 by £0.90 (2%). The largest contributor was an increase in the purchasing of vehicles by £2.90 (23%), specifically second-hand car expenditure (£2.00, 20%); this follows a reduction in second-hand car expenditure in FYE 2022. These households are also spending less on operating personal transport, with a reduction of £1.60 (12%) in petrol, diesel and other oils.

The richest fifth of households have a real-terms reduction in weekly spending on transport of £9.70 (7%), with reductions in both purchasing of vehicles (£13.00, 22%) and operation of personal transport (£6.30, 12%). Instead, they are spending more on rail and tube fares, with an increase of £3.90 (113%).

3 . Data on family spending

[Family spending workbook 1: detailed expenditure and trends](#)

Dataset | Released 23 August 2024

Detailed breakdown of average weekly household expenditure on goods and services in the UK. Data are shown by place of purchase, income group (deciles) and age of household reference person.

[Family spending workbook 2: expenditure by income](#)

Dataset | Released 23 August 2024

Data are shown by region, age, income (including equivalised) group (deciles and quintiles), economic status, socio-economic class, housing tenure, output area classification, urban and rural areas (Great Britain only), place of purchase and household composition.

[Family spending workbook 3: expenditure by region](#)

Dataset | Released 23 August 2024

Data are shown by region, age, income (including equivalised) group (deciles and quintiles), economic status, socio-economic class, housing tenure, output area classification, urban and rural areas (Great Britain only), place of purchase and household composition.

[Family spending workbook 4: expenditure by household characteristic](#)

Dataset | Released 23 August 2024

Data are shown by region, age, income (including equivalised) group (deciles and quintiles), economic status, socio-economic class, housing tenure, output area classification, urban and rural areas (Great Britain only), place of purchase and household composition.

[Family spending workbook 5: expenditure on housing](#)

Dataset | Released 23 August 2024

Data are shown by region, age, income (including equivalised) group (deciles and quintiles), economic status, socio-economic class, housing tenure, output area classification, urban and rural areas (Great Britain only), place of purchase and household composition.

[Definition of household expenditure](#)

Dataset | Released 19 March 2020

Provides a detailed breakdown on the definition of household expenditure.

4 . Glossary

COICOP categories

Spending is presented using classification of individual consumption by purpose (COICOP) categories, unless otherwise stated. COICOP is an internationally recognised classification system consistent with that used by the UK National Accounts. It does not include all types of payments, for example, capital mortgage repayments are excluded as they are not a consumable item and instead add to personal wealth. More information is available in our [Household total wealth in Great Britain: April 2018 to March 2020](#) bulletin.

Disposable income

Disposable income is the amount of money that households have available for spending and saving after direct taxes (such as Income Tax, National Insurance and Council Tax) have been accounted for. It includes earnings from employment, private pensions and investments, as well as cash benefits provided by the state.

Equivalisation

Equivalisation is the process of accounting for the fact that households with many members are likely to need a higher income to achieve the same standard of living as households with fewer members. Equivalisation considers the number of people living in the household and their ages, acknowledging that while a household with two people in it will need more money to sustain the same living standards as one with a single person, the two-person household is unlikely to need double the income.

This analysis uses the modified [Organisation for Economic Co-operation and Development \(OECD\) scale](#).

Our analysis ranks individuals by their equivalised household disposable incomes, using the modified OECD scale.

Mean expenditure

The mean measure of expenditure divides the total expenditure of households by the number of households. When considering changes in expenditure by COICOP expenditure categories, the mean allows for these changes to be analysed in an additive way.

Nominal change

Estimates of economic activity are typically available in "nominal" or "real" terms.

"Nominal" estimates reflect the cash value of expenditure, such as the amount consumers would have spent in a shop at the time of purchase. These can change over time, reflecting movements in prices and quantities purchased.

Real change

Estimates of economic activity are typically available in "nominal" or "real" terms.

"Real" estimates take into account how the average prices of items change over time and are adjusted to the price-levels captured in the most recent data point -- for example, in this bulletin, the prices of goods and services are adjusted to the average prices in FYE 2023. Real estimates also can change over time, reflecting only the movements in the quantities purchased.

Real-terms changes in Family spending categories 1 to 12 are generated using the [Consumer Prices Index \(CPI\)](#) specific to the Classification of individual consumption by purpose (COICOP) category. Real-terms estimates for category 13 are generated using the Retail Prices Index (RPI) and the CPI for "all expenditure items".

5 . Data sources and quality

Survey description

All the findings in this bulletin are taken from data collected on the Living Costs and Food Survey (LCF). The LCF is a UK household survey designed to provide information on household expenditure patterns and food consumption.

The LCF is a voluntary sample survey of private households. Each individual in a selected household is asked to complete a household interview and then an expenditure diary for two weeks. The survey is continuous, interviews being spread evenly over the year ensuring that seasonal effects are covered.

Great care is taken to ensure complete confidentiality of information and to protect the identity of LCF households. Only anonymised data are supplied to users. The LCF is reviewed every year and changes are made to keep it up to date. Therefore, year-on-year changes should be interpreted with caution.

The LCF sample size for financial year ending (FYE) 2023 is approximately 4,500 households. To ensure quality and align with the [Code of Practice for Statistics](#), all tables have been reviewed for robustness and as such, a small number of tables have been removed, and some additional suppression applied because of data volatility. For more detail around sample size and response rates, please see the LCF technical report.

Values reported in this statistical bulletin

This bulletin uses the mean when referring to averages unless stated otherwise. Therefore, total average weekly household expenditure is equal to the total weekly expenditure of households divided by the number of households. All spending estimates are rounded to the nearest £0.10, therefore the sum of component items does not necessarily add to the totals shown.

This release compares household expenditure across the income distribution. Households have been ranked in ascending order of equivalised household disposable income using the modified Organisation for Economic Co-operation and Development (OECD) scale and then divided into five equal parts; quintiles or fifths. Households with the smallest income lie in the bottom fifth, and those with the largest income lie in the top fifth.

Strengths and limitations

Adjusting for inflation

This bulletin provides deflated expenditure values, allowing year-on-year changes to be presented in both nominal and real terms.

Comparisons between expenditure and income

The annual expenditure statistics published in this bulletin are not directly comparable against our annual national income statistics published in the [Average household income, UK publication](#). One reason for this is the data sources used in our national income statistics are generated by inputting both the Living Costs and Food Survey (LCF) data and Household Finances Survey (HFS) data; while our expenditure statistics are generated using Living Costs and Food Survey data alone.

As part of ongoing work to better align these statistics for comparability, the weighting method was updated for FYE 2023 from LCF weights to HFS weights. The update to HFS-weights reduced average household weekly expenditure on All expenditure items by £5.70 (1%), from £497.70 to £492.00. This reduces the annual change between FYE 2022 and FYE 2023 from £42.00 (9% year on year reduction) to £36.30 (8% year on year reduction). Please see the latest [Living Costs and Food Survey technical report](#) for further details.

More quality and methodology information

Further quality and methodology information on strengths, limitations, response rates, changes to questionnaire and datasets is available in the latest [Living Costs and Food Survey technical report](#) and [Quality and Methodology Information](#).

Accredited official statistics

These accredited official statistics were independently reviewed by the Office for Statistics Regulation in October 2022. They comply with the standards of trustworthiness, quality and value in [the Code of Practice for Statistics](#) ([opens in a new tab](#)) and should be labelled "accredited official statistics".

6 . Related links

[Consumer trends, UK: January to March 2024](#)

Bulletin | Released 28 June 2024

Household final consumption expenditure (HHFCE) for the UK, as a measure of economic growth. Includes all spending on goods and services by members of UK households.

7 . Cite this statistical bulletin

Office for National Statistics (ONS), released 23 August 2024, ONS website, statistical bulletin, [Family spending in the UK: April 2022 to March 2023](#)