MONY GROUP

MoneySuperMarket

HOUSEHOLD MONEY INDEX QUARTERLY UPDATE

FEBRUARY 2026

FOREWORD

We're delighted to share the findings of the latest MoneySuperMarket Household Money Index (HMI), which shows how people across the UK are managing their money day-to-day.

The MoneySuperMarket HMI tracks how much people spend across 31 categories each quarter. As well as over 24 months of tracking and reporting by 8,000 people across the UK, MoneySuperMarket's own data and expertise bolsters the report's findings.

This quarter, the story starts with jobs. In just three months, the average monthly take-home pay in the UK fell from £2,558.58 to £2,170.92 and that squeeze is showing up in household spending.

The cutback comes against a backdrop of rising unemployment and hiring freezes which have contributed to a fall in average household income.

Encouragingly, most families say they have managed to make savings, reducing their daily spending on bills and outgoings to £48.50, down from £55.26 in October. This included savings in utilities such as water, broadband and energy, as well as medical and healthcare expenses, childcare costs and insurance.

But even with those savings, the average person still reported spending 67% of their take-home pay on essentials this quarter - 17% more than the recognised amount families are advised to spend on 'needs' while 30% should go to 'wants' and 20% on savings or paying off debt.

With this rise in outgoings on essentials, MoneySuperMarket is continuing its mission to help people find more ways to save money on the essentials, so they have more financial freedom to spend on things they want, and can save for the future.

Welcome to the MoneySuperMarket HMI.

Lis Barton
Chief Customer Officer of MONY Group

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WINTER HMI BY NUMBERS

£48.50

The average amount Brits spent every day in January 2026.

The latest MoneySuperMarket HMI shows that reported spending on 31 bills and daily spending has fallen to £48.50 - £6.76 less per day than in October 2025.

UK households now spend an average of £1,455 a month on bills and outgoings. Although reported take-home pay has fallen by around 15% over the quarter, people have still found ways to cut back and start rebalancing their finances. In our latest research, people reported spending less in 30 of the 31 categories we track, including water bills, TV licences, broadband and phone, and life insurance.

Grocery spending emerged as the area in which families found it the hardest to make savings, with the average household managing to make cuts of just 1%.

GOING DOWN
Total monthly HMI

– £202.67

January 2026: £1,455.00
October 2025: £1,657.67

GOING UP
Committed spending (of income)

+2.2%

January 2026: 67%
October 2025: 64.8%

GOING DOWN
Disposable income (per month)

–£184.99

January 2026: £715.92
October 2025: £900.91

GOING DOWN
Daily cost

–£6.76

January 2026: £48.50
October 2025: £55.26

THE GREAT BILL DIVIDE

Brighton has long been a favourite of Londoners seeking a different pace of life, but the cost-of-living gap between the two cities continues to widen.

This year's data shows Brighton tops the table for the place where residents spend the most of their income on bills and outgoings for the second consecutive quarter. Meanwhile, London shows the third lowest percentage in the UK, behind Belfast and Manchester.

Residents of Brighton now spend approximately 74% of their income each month on bills compared to 72% three months ago, while Londoners spend 65%.

So, although Londoners still have the highest overall household spend, paying out £55.32 per day on their bills, they also have the most disposable income left at the end of the month - £322.86 more than the average Brighton resident. In short, people in Brighton are spending a bigger slice of their income on bills, even though Londoners still pay more in absolute terms.

AREAS OF THE UK SPENDING THE LOWEST AND HIGHEST PERCENTAGE OF INCOME ON HOUSEHOLD BILLS

LOW SPENDING AREAS IN THE UK	% of INCOME	TOTAL HMI	DISPOSABLE INCOME
1. BELFAST	60%	£1,283.97	£841.28
2. MANCHESTER	64%	£1,414.92	£789.33
3. LONDON	65%	£1,659.72	£872.78
4. BIRMINGHAM	66%	£1,393.55	£729.78
5. NEWCASTLE	66%	£1,270.22	£648.70

HIGH SPENDING AREAS IN THE UK	% of INCOME	TOTAL HMI	DISPOSABLE INCOME
6. PLYMOUTH	70%	£1,223.62	£534.96
7. GLASGOW	70%	£1,485.38	£645.12
8. LIVERPOOL	72%	£1,474.99	£563.51
9. NORWICH	73%	£1,345.13	£488.37
10. BRIGHTON	74%	£1,548.41	£549.92

50-30-20 VISION

The 50-30-20 framework is a popular tool for budgeting. It splits take-home pay into three simple categories.

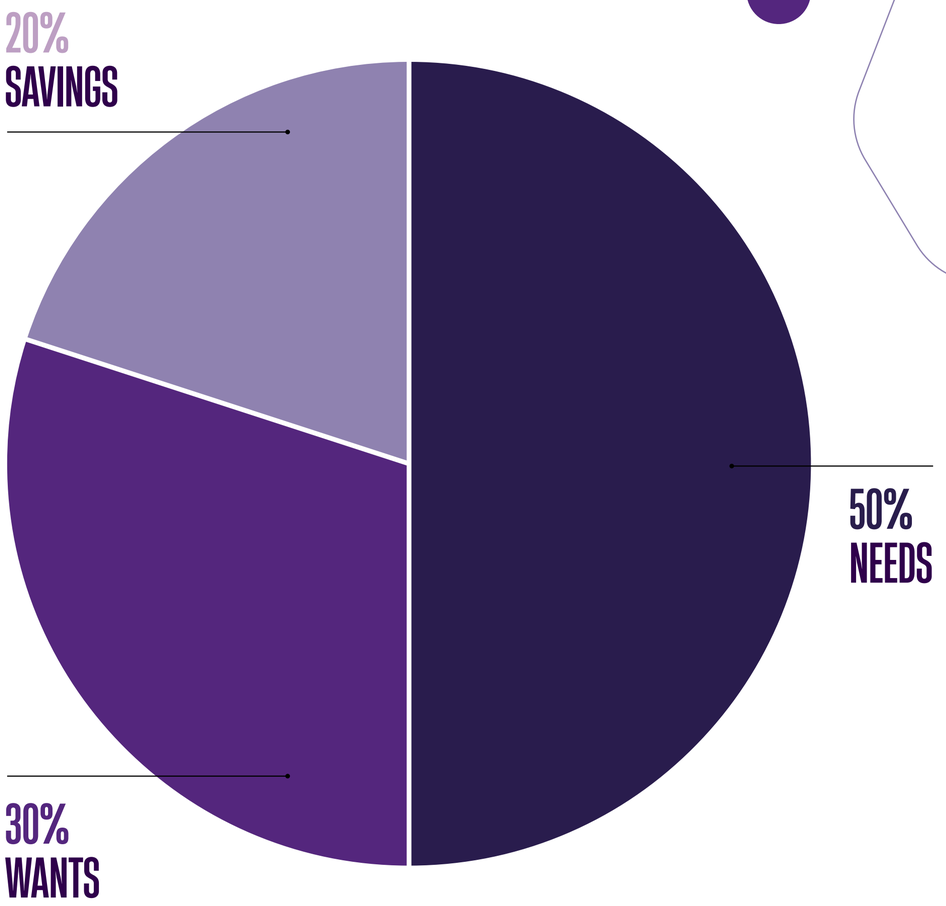
The model recommends families spend 50% of their income on 'needs' - that is everyday essentials like mortgage or rent, bills, food and travel - while 30% should go to 'wants' and 20% on savings or paying off debt.

But MoneySuperMarket data shows that, for many families, this is now out of reach as essential costs rise and incomes fall.

The latest HMI reveals the average family is spending £325 more per month on essential costs than the 50-30-20 framework suggests, leaving little room for discretionary spending or building financial resilience.

Almost two thirds (65%) people surveyed for the report say they are looking for ways to cut back on essentials this year - yet fewer than two in 10 (16%) believe that it is feasible to spend 50% of their income or less on 'needs' in the current financial climate.

This means it has never been more important for families to use simple switches to cut their essential household bills, for example, switching insurance or broadband - freeing up more money for everyday 'wants' and long-term savings and unlocking more financial freedom.



MEET THE 50-30-20 FAMILIES

MoneySuperMarket has teamed up with two families who are spending more than 50% of their household income every month on essentials. Over the course of a year, these families will have access to our team of financial experts to help them rebalance their finances. They'll use MoneySuperMarket to secure the right deals for their needs, while taking advantage of SuperSaveClub rewards to help their money go further.

Charlie and Family

Charlie lives in Stafford with her fiancé Jordan and their two children - Luna, three, and Rex, 10 months. The couple, both 30, spend around 66% of their income on essential bills after struggling to stick to a 50-30-20 budget plan.

Sales manager Charlie said:

> *"We have tried the 50-30-20 budget before, but found our spending on household bills just kept creeping up above 50%.*

As a household we earn more than we ever have, but we don't feel any better off because the extra money always seems to go on our essentials. Recently we received four letters in one week telling us four separate bills were going up.

All of those increases add up. Our story is not unique, as I think a lot of people are struggling to keep their essential spend to 50%. But I would love to have a bit more money left at the end of the month to treat the kids with, and to add to our savings pot."

Kelly, 33, and partner Cameron, 32, live in Portsmouth, with their children Jensen, 11, and Lilah, nine. They currently spend up to 63% of their income on bills after a rent increase and are struggling to put money aside for a house deposit.

Kelly said: *"We would like to buy a house in around 18 months' time, but are definitely feeling squeezed at the moment. Our rent, car insurance, energy and water bills have all increased, and those little percentages are adding up and having a big impact.*

Money that we would have liked to put aside for a house is now having to go on our essential bills because everything has crept up.

At the moment, we spend around 60 to 70% of our income on household bills. I think spending 50% on your needs is achievable, but you have to be quite on top of things to get there, which is difficult with busy family life.

I used to switch my bills more when I worked part-time, but now that I'm full-time it's a lot harder to find the time to sit down and look at payments. I also feel like I've lost a bit of confidence in terms of switching, so I would love to get that back this year."

Kelly and Family

Citizens Advice employee Kelly said:

> *"I'm hoping that, with support from MoneySuperMarket's experts - and by using the MoneySuperMarket platform myself to find better deals - I'll be able to put more into savings each month. That should help us break out of the rental cycle next year and take some of the anxiety out of the process."*

BUDGETING TIPS FROM KARA

Kara Gammell, Personal Finance Expert at MoneySuperMarket, said:

"Few of us would head off on a road trip without planning the route, checking we've got enough fuel, and knowing roughly where we want to end up. Yet when it comes to our money, many of us are effectively driving blind.

Think of your budget, savings and goals as your sat nav – helping you get where you want to go, as efficiently and cheaply as possible.

Small, steady steps can make the biggest difference, and frameworks like the 50-30-20 model give you a simple place to begin. It's not about perfection; it's about progress that feels doable for real people with real commitments.

Give your finances a proper spring clean. It sounds simple, but many of us have small, forgotten expenses that quietly push our budgets off track. A thorough check helps you see where your money is actually going, which makes it far easier to decide what fits into the 'needs', 'wants' and 'savings' buckets of the 50-30-20 approach. Once you know the numbers, everything else becomes clearer.

If you find yourself putting this off, try my favourite trick – the 15-minute rule. Tell yourself you'll just spend a quarter of an hour on it. Anyone can do 15 minutes, and once you start, chances are you'll keep going. It's a simple technique, but it works because it removes that feeling of overwhelm.

Finally, automate what you can. Setting up a standing order to move money into savings on payday means you don't have to rely on willpower alone. Your savings happen first, and you simply learn to live on what's left - which is exactly what the 50-30-20 method is designed to help with.

And if you want a quicker, easier way to make your money work harder, Savings by MoneySuperMarket lets you compare, open and manage savings accounts all in one place. It helps you spot better rates, switch when it makes sense, and stay on top of your savings without the faff - so taking control of your money becomes that little bit simpler.

None of this is about being perfect with money. It's about small, manageable habits that build confidence over time. The moment you feel more in control, everything else becomes easier to tackle."

Visit MoneySuperMarket's Household Money Index to try the 50-30-20 budgeting tool

Kick start your 50-30-20 journey

- Categorise your spending into needs vs. wants
- Note renewal dates for bills such as insurance, utilities, phone contracts
- Check for rollover or out-of-contract rates: compare and switch these first
- Set reminders to compare and switch before renewal dates
- If you can, set up a standing order to pay off debts or to go towards your savings

SOURCES & METHODOLOGY

POLLING

All consumer polling figures for 2026 (unless otherwise stated) are from a poll of 2,000 or 8,000 adults carried out on behalf of MONY Group by Opinium on the following dates: 21 January - 4 February 2026.

Opinium are company partners of the MRS and abide by its code of conduct and guidelines for best practice when carrying out research for clients, ensuring results are accurate, impartial and fair to both clients and participants.

The core MoneySuperMarket Household Money Index (HMI) was calculated from the replies of 8,000 adults self-reporting how much they spend in the average month on 27 different categories. Four categories: car, life, home and pet insurance have been rebased with MoneySuperMarket's data on average premium prices between October 2025 and January 2026.

SOURCES & METHODOLOGY

The categories were determined by MONY Group experts to represent a 'basket' of common household bills and expenditures. Results have been weighted to be nationally representative.

EXPERTISE INTEGRATION

Polling data was subjected to statistical analysis, including cross-tabulations and sentiment analysis. These analyses allowed for the identification of significant trends, preferences, and consumer sentiments pertaining to the HMI. MoneySuperMarket's three decades of experience and expertise in the finance sector played a pivotal role in the analysis process. Subject matter experts with a deep understanding of financial services were actively involved in interpreting the data, providing insights and contextualising findings.

SYNTHESIS OF FINDINGS

The insights derived from website data analysis, consumer polling, and the invaluable input of MONY Group's seasoned experts were meticulously synthesised. This synthesis encompassed identifying key trends, challenges, opportunities, and actionable recommendations to produce the results throughout the Index and accompanying report.

FACT CHECKING

All information in the index and accompanying report has been professionally fact-checked and is correct to the best of MONY Group's knowledge at the time of publication 26 February 2026.

PROPRIETARY DATA

MoneySuperMarket.com is a price comparison site processing millions of quotes per month on over 40 financial products and services. These millions of quotes provide a rich source of data from which MoneySuperMarket has determined historic policy prices for the insights throughout this document.

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