



**For immediate release**

**£4.5 billion a year – the cost of modern life**

- **British households spend on average up to £217 billion a year on running their home\***
- **Four in ten Brits now reliant on outside help to run their homes**
- **Brits spend £4.5 billion per year to get someone else to do their chores**
- **Men think they can do a better job but actually spend more than women!**

***Direct Line's NEW 21<sup>st</sup> Century Living Index reveals the cost of running a home***

The pressures of modern life have turned us into a nation of housework-shy Brits reveals a new index from **Direct Line\*\***. According to the 21<sup>st</sup> Century Living Index, a staggering 16.8 million Brits (38%) are now using some form of third party help such as cleaners and gardeners to run their home, spending a total of £4.5 billion a year.

The research was commissioned to launch Direct Line's Living for Less new mortgage package, which offers a competitive mortgage (eg Base rate tracker at 4.50%), discounted home insurance (at least 20% discount) and free home emergency cover, worth at least £71 per year. This mortgage package is available for those who are either moving their mortgage or buying a property.

The 21<sup>st</sup> Century Living Index tracks the cost of running a home for the average British household and calculates that it's now £742 a month, almost £9,000 a year and 30% of the average household monthly income. For households in London this average goes up by almost £130 to £872 per month (£10,476 a year). The cheapest region for running a home in the UK per year is Yorkshire at £7,692. Surprisingly, the annual cost of running a home in Scotland is £8,892, just behind the average cost of London and the South.



The highest proportion of cost is unsurprisingly, mortgage and rent payments with the average British household spending £358 a month, so over £4,000 a year. Utilities\*\*\* and council tax also take a large proportion of our household income. Utility bills are now costing the average household £1,260 a year with council tax payments just short of this at £1,152 a year– more than an eighth of the total cost of running a home.

According to the 21<sup>st</sup> Century Living Index, our reliance on third party help to run our home pushes the costs even higher. 40% rely on outside help to run our homes. We spend an average of £182 a month on the most common forms of home help (cleaners, gardeners, window cleaners, ironing services and DIY/odd job help). But despite the cost implications, a massive 81% think it saves them a significant amount of time – around 96 hours a year.

David Allan, Commercial Director for Direct Line Living for Less says: “Our index reveals that for many, convenience and time saving are priorities and they are willing to bear the cost for the luxury of third party home help.”

The index finds that window cleaning is the chore we least want to do ourselves with a quarter of those surveyed using this service. Cleaners and gardeners are also relieving the burden of household chores with over two and a half million (6%) of Brits employing cleaners, spending an average of £780 a year to have someone clean their home. Nearly a third of these people (36%) expect to save themselves at least 260 hours a year by using a cleaner. Those in the Midlands spend the most on cleaners, at £1,116. Homeowners in Yorkshire spend the least at £528 a year on cleaners.

Over two million (5%) employ gardeners and spend an average of £468 a year to keep the garden in shape. Homeowners in the South spend most on gardeners (£648 a year), while those in Yorkshire spend least on gardeners (£312 a year).



When asked the reasons why we *wouldn't* employ outside help, men appear to be more confident of their abilities with almost a quarter (22%) of men saying they could do a better job compared to just 15% of women. However, this doesn't stop them being big spenders on third party help, with men spending an average of £816 a year on cleaners and £528 on gardeners, compared to women spending £744 and £408 respectively. Surprisingly men are also big spenders on odd job help, parting with £564 a year compared to women who spend just £360 on this.

Consumers also don't want to burden themselves with the weekly shop, fuelling the growing trend in online shopping. The 21<sup>st</sup> Century Living Index finds that 2.5 million people in Great Britain use this service. It's not just very young people that find the services invaluable, the largest users of online shopping being those aged 30-50 years.

David Allan continued: "From cleaners and gardeners to ironing services we are increasingly searching for convenient services that also save us time. Living for Less, Direct Line's new combined mortgage package, does just this. By combining good value mortgages with discounted home insurance and free home emergency cover into one package, we aim to make the purchasing of these products a lot easier so people can save money as well as their precious time."

**More/**

### Regional variations

- The highest cost for running a home is in London at an average £10,476 per year
- The lowest is Yorkshire with cost for running a home at an average £7,692 per year.
- The table below shows the average cost of running a home for different regions of Great Britain

	London	Midlands	Wales/ West	South	Lancashire	North East	Yorkshire	Scotland
Average annual cost of running a home	£10,476	£8,472	£7,716	£9,396	£8,640	£8,484	£7,692	£8,892
Average mortgage or rent per year	£6,012	£3,936	£3,816	£4,728	£3,624	£3,588	£3,336	£3,396
Average Utilities Bill per year	£1,272	£1,224	£1,152	£1,320	£1,260	£1,248	£1,320	£1,272
Average spend on cleaners per year by those that use this type of help	£816	£1,116	£984	£816	£588	£888	£528	£540
Average spend on gardeners per year by those that use this type of help	£624	£396	£396	£648	£348	£468	£312	£492

### Further findings

- 2 million people use cleaners. Londoners are the highest users of cleaners, with more than one in eight using a cleaner (13%).
- Those in the Lancashire use cleaners least, with just 2% of people saying they use this service.
- 11 million people use window cleaners and those in the North of England are most likely to use this service. One in three homeowners in this area use a window cleaner.
- Ironing help is most popular in London.
- Odd job help is most popular in Scotland.

**Homeowners who would like further information on Direct Line's Living for Less mortgage package should call 0845 309 1932**

**Or visit [www.directline.com/mortgagepackage/welcome.htm](http://www.directline.com/mortgagepackage/welcome.htm)**



**ENDS**

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**Notes to editors**

\* Cost of running a home is based on mortgage/ rent payments, council tax, utilities (gas, water, phone, electricity), cable/sky TV and broadband, home Insurance (Life, car) and service charge/maintenance costs. The average cost of running a home per year £742 x 12 months = £8904. The number of British households (24,350,000) x £8904 = £216,812,400,000. The data only suggests that the total Great British household expenditure may be up to £217bn.

\*\*Direct Line's 21<sup>st</sup> Century Living Index has been compiled from a YouGov poll which researched 2021 people between 16<sup>th</sup> and 19<sup>th</sup> December 2005.

\*\*\*Utilities are based on the cost of gas, water, phone and electricity

\*\*\*\* A 20% discount on the best available Direct Line Home Insurance quote in both year one and year two

\*\*\*\*\* Direct Line Home Response 24's Total Response package covers electrics and wiring, plumbing and drainage, external locks, windows and doors. This will cover emergency call out, labour and parts up to £1,000 per emergency. No excess is applied and there is no limit to the number of claims you can make. All permanent repairs are guaranteed for 12 months.

- Mortgage rates are shown below

<b>Mortgage</b>	<b>Rate &amp; duration</b>	<b>APR</b>	<b>Long term rate</b>
2 year tracker	4.50% for 2 years	5.5%	5.60%
2 year fixed	4.74% for 2 years	6.0%	6.0%
3 year fixed	4.74% for 3 years	5.8%	6.0%
5 year fixed	4.84% for 5 years	5.6%	6.0%