

ON THE BRINK.



The Deadline to the Breadline is the number of days the average UK household could survive financially – if the main breadwinner's income is lost through long-term sickness, critical illness or death – before being totally reliant on state benefits, friends or family.

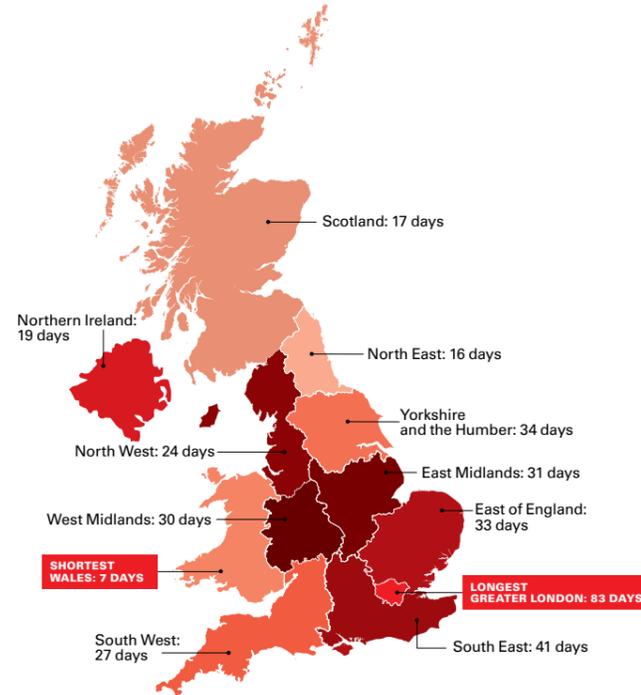
Our research, which has been supported by analysis from the Centre for Economics and Business Research (Cebr), draws on a survey of 4,886 people weighted to represent the UK adult population in July 2014.

DEADLINE TO THE BREADLINE FOR THE AVERAGE UK HOUSEHOLD.



UK

WORKING AGE FAMILIES



Average **WEEKLY** household expenditure is **£381**.

36% The proportion of households with no financial back up plans to deal with an unforeseen shock to their income.



Households with younger primary income earners (18-24 years) have seen their deadlines increase by

90%



3/4 of households worry about the rising cost of living.

REALITY vs PERCEPTION.

However households are more optimistic. Their expectations are more than double the deadline figure.



SACRIFICES SHOULD THE WORST HAPPEN.

- 44% holidays
- 19% downsizing
- 17% cut back on food
- 14% reduce heating or lighting
- 26% didn't know what could be cut back!

IMPACT OF RISING MORTGAGE INTEREST RATES.

▲ **2% rise** would move the typical household with a mortgage one day closer to the breadline.

▲ **1% rise** would mean households would no longer be able to save each month and would have to change their spending habits, or rely on existing savings, to make ends meet.



12 YEARS 9 MONTHS.

Households are saving £177 each month on average but it would take almost 12 years 9 months to save one year's average UK, gross salary of £27,000*.

*Office National Statistics Annual Hours and Earnings Survey 2013

DEADLINE TO THE BREADLINE BY HOUSEHOLD TYPE:

Outright homeowner



Homeowner with mortgage



Privately rented



Local Authority/Housing Association



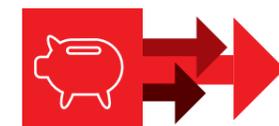
60% of people said they don't expect anything or have no idea what state support their loved ones could receive if they fell ill. In the event of death it was 79%.

IT WON'T HAPPEN TO ME!

Yet **50%** of people know someone who has suffered a serious illness or injury.



35% of households have no savings so they could be on the breadline tomorrow!



Average UK savings **£1,205**

Legal & General Partnership Services Limited
Registered in England No. 5045000. Authorised and regulated by the Financial Conduct Authority.

Legal & General Assurance Society Limited
Registered in England No. 166055
Authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Registered office for both firms: One Coleman Street, London EC2R 5AA

Q40994 11/14

EVERY DAY MATTERS.®

