

The UK's savings are being eaten away by the cost of li...

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I have already this morning noted reasons why Labour might well be facing a recession whenever it comes into office.

Here is another one. Investment advisers Hargreaves Lansdown sent me some polling they have had done by Opinium this month that shows:

- * One in four people (26%) say rising prices have forced them to eat into savings - and one in 20 (5%) say it has forced them to empty their accounts.
- * Higher-rate taxpayers are much more likely to have spent some at 38% and slightly more likely to have spent it all (7%).
- * However, this is partly because they're less likely to say they didn't have any savings when prices started rising (4% compared to 15% overall).
- * One in seven (15%) have stopped paying in, and one in ten (10%) said they needed to pay more in - because the cost of the emergencies they needed to cover got more expensive too.

The stats are approximations, of course, and subject to the usual sampling errors. They are also likely to indicate trends. That trend is apparent. Savings that exist or existed are being depleted. When they have gone, and they will go in a great many cases, the real impact of the downturn will become much more significant - and harsh.

What is Labour going to do then?