



Lloyds TSB

**NOT FOR BROADCAST OR PUBLICATION BEFORE 00.01 HRS Monday 7th May 2012**

This is the annual **Lloyds TSB home maintenance survey**. Data on home maintenance has been drawn from the ONS publications Consumer Trends and the Family Spending Survey. Households in the Family Spending Survey are a mixture of owner-occupiers and renters in the public and private housing sectors – the majority (65%) are owner-occupiers. **UK household expenditure figures are expressed in real terms** to account for increases in inflation.

## DIY spending falls to record low

Spending on DIY has declined to its lowest level in over 15 years amid the continued squeeze on household finances and a subdued housing market, according to research by Lloyds TSB<sup>1</sup>. Households spent a total of £7.8 billion on DIY in 2011 – equivalent to around £300 per household; the lowest total since records began in 1996 and almost half of the £15.5 billion spent at the peak in 2004. There was a fall of 17% in real terms (i.e. after allowing for inflation) from the total of £9.4 billion spent in 2010.

### Significant declines in spending on both DIY tools and materials in 2011

Between 2010 and 2011, real expenditure on tools and equipment for home improvements - ranging from plumbing tools to the garden trimmer - declined by almost a fifth (-19%) from £3.8 billion in 2010 to £3.1 billion in 2011. This is slightly more negative than the 16% (£5.6 billion to £4.7 billion) drop in spending on DIY materials such as paint and plaster.

### Overall home maintenance spending down a tenth

Total spending on home maintenance (i.e. DIY and tradesmen's services) fell by 10% to £14.8bn in 2011 from £16.4bn in 2010. In contrast to the significant fall in DIY spending, expenditure on tradesmen's services rose by 1% in real terms over the past year from £6.97bn to £7.04bn.

### Home maintenance spending has fallen sharply since 2001

Despite the small rise last year, there has been a steady decline in spending on tradesmen's services in the past 10 years, which have fallen 40% overall since 2001. Over the same period, real household spending on DIY fell by just over a third (-34%).

The past ten years has been very much a period of two highly differing halves. Between 2001 and 2007, spending on DIY increased by almost a fifth (18%) as the housing market boomed. This was particularly reflected in an 82% rise in spending on tools. Since the peak of the housing market in 2007, the decline in real DIY spending has been dramatic, falling by 44% in real terms.

Households spent 10% more on DIY than on tradesmen in 2011. This is in contrast to a decade ago when homeowners were spending slightly more (1%) on hiring tradesmen than on DIY.

### Suren Thiru, Lloyds TSB Housing Economist, commented:

*"Consumers have been experiencing the biggest squeeze on their discretionary income for over a year. Couple that with a very subdued housing market, and it is unsurprising that so many are cutting back on home improvements. With economic conditions expected to remain challenging, the current squeeze on spending on both DIY and tradesmen is likely to continue for some time yet."*

**Table 1: Real Household Spending on Home Maintenance\*, 2001-2011**

	Materials - £bn	Tools - £bn	Total DIY Spending - £bn	Spending on Trades Services - £bn	Total Spending on Home Maintenance (DIY plus Trade Services) £bn	Ratio of DIY Spending to Spending on Trades Services
2001	8.8	2.9	11.7	11.8	23.5	0.99
2002	9.3	3.5	12.8	11.1	23.8	1.15
2003	9.8	4.2	14.0	10.2	24.2	1.37
2004	11.2	4.2	15.5	9.5	25.0	1.63
2005	10.5	4.5	15.0	9.1	24.2	1.65
2006	9.3	4.9	14.2	9.4	23.6	1.52
2007	8.5	5.3	13.8	8.6	22.4	1.61
2008	8.1	4.7	12.8	7.7	20.5	1.66
2009	6.7	3.8	10.5	7.3	17.8	1.43
2010	5.6	3.8	9.4	6.97	16.4	1.35
2011	4.7	3.1	7.8	7.04	14.8	1.10
<b>% Change 2010- 2011</b>	<b>-16%</b>	<b>-19%</b>	<b>-17%</b>	<b>1%</b>	<b>-10%</b>	<b>-</b>
<b>% Change 2001- 2011</b>	<b>-47%</b>	<b>6%</b>	<b>-34%</b>	<b>-40%</b>	<b>-37%</b>	<b>-</b>

Sources: Lloyds TSB calculations, ONS

\*Household spending figures have been adjusted to allow for inflation by applying the relevant consumer price index.

## Notes to Editors:

<sup>1</sup>Findings are based on data from the Office for National Statistics (ONS). All UK household expenditure figures are expressed in real terms, i.e. after allowing for inflation.

Data on home maintenance has been drawn from the ONS publications Consumer Trends and the Family Spending Survey. Household spending figures have been adjusted to allow for inflation by applying the relevant Consumer Price Index (CPI).

Spending on home maintenance includes both the expenditure on DIY products and tradesmen's services.

The following ONS spending categories are included within DIY spending:

- Materials for maintenance and repair of the dwelling – includes paints, wallpaper, plaster, tiles and small plumbing items.
- Major tools and equipment – electric drills, power saws, hedge cutters, lawn mowers, chain saws and repairs of such.

Trade services includes:

- Services for maintenance and repair of the dwelling – includes fees to plumbers, electricians, carpenters, glaziers, decorators etc.

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## Press Office Contacts:

Claire Barratt, Lloyds TSB:

020 7661 4668 / [claire.barratt@lloydstsb.co.uk](mailto:claire.barratt@lloydstsb.co.uk)

Eve Speight, Lloyds TSB  
020 7356 2162 / [eve.speight@lloydstsb.co.uk](mailto:eve.speight@lloydstsb.co.uk)

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**Tel: 0207 356 2374**  
**Website :<http://www.lloydsbankinggroup.com/media.asp>**