



action

# Breaking the Bank:

## A Cut Price Christmas for Low-Income Families

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*"My partner usually gets a real Christmas tree free every year from work, but this year that offer is no more... I would love to have a real tree but as I can't afford it, I've bought a £5 table top Christmas tree instead."*

*"I don't enjoy Christmas at all, not one bit...It's just another day to spend money. That's how I've always seen Christmas. [Spend] money that you don't have. Because you don't want it to be like when you was at school and you're going to school lying and telling them [friends] that you've had loads of stuff, when you've had nothing."*

*"I've already told the kids Christmas may have to be cancelled this year to make way for the fuel bills coming in January."*

*"A child doesn't want a card do they? They want something else, they want your love, they want presents, they want things like that."*

Low-income parents who use Family Action services

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## **Introduction**

This year, many families have had to deal with the increasing pressures on their finances from falling wages, and benefit cuts, increases in energy bills and food inflation. Family Action wanted to know how money worries were affecting family life, in the run-up to Christmas, which has traditionally exacerbated pressure on the vulnerable families we work with. We wanted to give a voice to these families: people who because of income are excluded from the mainstream at Christmas and in spite of their difficulties are often stigmatised as workless. We wanted to hear from them what they considered acceptable spending on Christmas and how they coped with satisfying their children's expectations.

## **About Family Action**

Family Action has been a leading provider of services for vulnerable and disadvantaged families since 1869. We work with over 45,000 families and children a year providing practical, emotional and financial support through over 100 community based services across England. Additionally we distributed grants totalling around £600,000 to families and individuals in financial hardship throughout the UK in 2010/11. Find out more at [www.family-action.org.uk](http://www.family-action.org.uk).

Previous research by Family Action has highlighted the injustice that the poorest families in the UK suffer in paying more for basic necessities such as gas, electricity and banking as well as a range of goods at pressure points like Christmas. This is because their very low incomes exclude them from bank accounts and direct debits; and mainstream credit which enable those on better incomes to spread the cost.

## **Christmas Poverty Premium 2011**

Our updated Christmas Poverty Premium research indicates that this predicament still very much exists and is no less of a problem as Christmas 2011 nears. Pre-payment plans or door step loans that enable consumers to spread the cost of their purchases, sometimes for periods of 24 and 36 months, but with excessively higher costs, contribute to the extra financial demands of an already expensive time of the year.

This can result in feelings of isolation and depression in disadvantaged parents, thereby putting increasing pressure on relationships in already fragile families. Family Action runs services that attempt to alleviate these problems year-round, but particularly at Christmas make families feel included in the celebration and give them alternative coping strategies and perspectives. The type of activities organised around the country include budgeting advice, cooking classes, children's parties, and support groups that boost parents' self-worth in the face of the fewer material goods they can offer their children.

## Other research

For many years it has been suggested that UK consumers spend more on Christmas than any other European country. Despite the financial pressures on household budgets, this year appears to be no different. Research conducted by a shopping comparison site has indicated that UK families will spend an average of £682 including gifts, decoration, food and drink<sup>1</sup>, in comparison to £453 in France and £548 in Germany. A more moderate calculation by HSBC found that UK families will spend about £560 - £380 on gifts and £180 on food, drink and entertainment<sup>2</sup>.

However, new research conducted by American Express found that UK consumers were intending to employ new strategies this Christmas in order to keep costs low<sup>3</sup>. Tactics include 'Secret Santa' systems, agreeing a limit to spend on gifts and requesting specific gifts. Despite that consumers are still predicted to spend more on gifts this Christmas compared to previous years.

The research 'A Minimum Income Standard in the United Kingdom' funded by Joseph Rowntree Foundation estimates the 'minimum income standard' based on what society believes is needed to achieve an acceptable standard of living<sup>4</sup>. To achieve a socially acceptable Christmas the Foundation calculated that a couple with two children would need to spend £505: £200 on parents presents and general household items, £260 on presents to children, £35 on food and £10 on gifts or cards to the older child's friend<sup>5</sup>.

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<sup>1</sup>Source: [http://www.google.com/hostednews/ukpress/article/ALeqM5gDy4bY54ZSIiWwy0vMIFFFRS\\_c2Og?docId=N0527051320750470493A](http://www.google.com/hostednews/ukpress/article/ALeqM5gDy4bY54ZSIiWwy0vMIFFFRS_c2Og?docId=N0527051320750470493A)

<sup>2</sup> Source: <http://www.telegraph.co.uk/finance/newsbysector/retailandconsumer/8838744/One-in-seven-will-avoid-shops-this-Christmas.html>

<sup>3</sup> Source: <http://www.mirror.co.uk/advice/money/2011/11/20/pound-notes-with-melanie-wright-115875-23574282/>

<sup>4</sup> Source: <http://www.jrf.org.uk/work/workarea/minimum-income-standards>

<sup>5</sup> Source: [http://www.minimumincomestandard.org/full\\_budget\\_sheets.htm](http://www.minimumincomestandard.org/full_budget_sheets.htm)

## **Method**

The findings in this paper are based on three methods: (1) focus groups, (2) questionnaires, and (3) telephone interviews. The focus groups were an opportunity to talk openly with parents about Christmas and what they believed was the minimum standard for families with children at Christmas. Our minimum standard is inspired by the work of the Joseph Rowntree Foundation, but the focus groups differed to the Joseph Rowntree Foundation's research in that they were composed only of parents and those from the lowest income groups only.

The format of the focus group was such that the discussions were general and not specific to any one family's situation. However the questionnaires, which followed the discussions, enabled us to collect information about the personal situation facing some of our service users and their plans for Christmas. Following this, some service users were contacted directly to gather more detailed information about their individual situations, as we acknowledged that some people are less willing to talk in public about the financial difficulties they are facing.

The final calculation is based on items the parents in their focus group discussions deemed as 'essential' for an acceptable Christmas for a family of four.

### **Definition of Minimum Standard**

The following definition as used by the Minimum Income Standard (MIS) groups provides a good description of our viewpoint for the focus group discussions:

"One that affords full opportunity to participate in contemporary society and the basic options it offers. It is moderate in the sense of laying both above the requirements of survival and decency and well below levels of luxury as generally understood."<sup>6</sup>

### **Structure of discussions**

In the focus groups, service users discussed and came up with what they believed constitutes a minimum acceptable standard of Christmas. Discussions were based on a hypothetical family of four, a couple with two children, one of primary-school age and one of secondary school age. The focus groups were conducted in groups of four to five people at Family Action service locations around England (West Mansfield, Swaffham, Manchester and London). Participants also discussed retailers they deemed acceptable for purchasing each type of item.

The final calculation is based on what participants said they thought every family ought to have at Christmas during the discussions. The prices of the specific items were then sourced from cheap, locally accessible outlets, although the cheapest item was not always sourced. The final calculation is not necessarily what the families themselves or the other 13.5 million low-income people in the UK will

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<sup>6</sup> Source: <http://www.jrf.org.uk/sites/files/jrf/2226-income-poverty-standards.pdf>

actually spend, but rather consists of what Family Action service users believe every family in the UK should be able to afford if they wish, based on their perspective as low-income households.

### **Structure of questionnaire and telephone interviews**

The questionnaires, which consisted of questions such as "How much are you planning to spend in total this year for Christmas?" and "How will this Christmas compare to previous years?", had a range of answers: yes/no, tick boxes and word responses. However, the standardized answers limited us to collecting very simple data about families' preferences and behaviours. The follow-up telephone calls were less structured and personal, enabling us to ask more complex questions and obtain more detailed answers. This was far more effective in gaining more revealing and consistent responses about individual's personal situations.

## **Analysis**

### **Characteristics of participants**

The research findings are based on the views and experiences of 22 service users who use one of Family Action's nationwide services. There are 50 children between the participants.

Participants came from a variety of family backgrounds and there were a mix of different ages and family situations:

- Just over half were from two parent families, with the reminder being lone parents.
- Nearly three-quarters were not working or looking after their family. A few were working or studying.

Age and family status of participants

<b>Age</b>					<b>Family status</b>	
16-24	25-34	35-44	45-54	Not stated	Lone parent	Couple family
5	8	7	1	1	9	13

Ethnicity and work status of participants

<b>Ethnicity</b>					<b>Work status</b>		
White	Mixed	Asian	Black	Other	Not working	Employed	Studying
12	1	2	6	1	16	3	3

Participants were in receipt of a range of benefits - most commonly, Income Support, Child Benefit and Child Tax Credit. Forty-one per cent said they had less than £100 a week left to live on after paying housing costs, council tax and bills.

An analysis of questionnaires was also undertaken, and reveals:

- 1 Almost all the parents will buy their children essential clothing that they would need anyway as Christmas gifts
- 2 The majority of the parents intend to spend less than £200 in total with some parents intending to spend less than £100
- 3 More than half of the parents plan to spend less on Christmas than last year

A slim majority of parents agreed with the statement: "It is good to budget for Christmas all year round" (55 per cent). However about a third thought that "It is important to have a good time at Christmas and think about the cost later".

## **Findings**

The following sections set out the main findings from the research in the order that they were discussed in the focus groups. Findings from all methods are described under the headings. However specific findings from the questionnaires and telephone interviews are presented at the end.

Based on findings from the focus groups, we have compiled a list of items that families believe is essential for Christmas and sourced the cost of items for each focus group. The total costs arrived at by the groups ranged from £180.46 to £298.00, with the highest amount representing a more sociable Christmas day spent with family and friends, with higher spending on gifts and food.

From looking at the general consensus across the focus groups, we have estimated that the minimum acceptable Christmas costs £182.00. Far from luxury, this cost represents a Christmas with a few trimmings and traditional elements. For a detailed breakdown of the costs, please see Appendix 2 (pages 19-20).

It is important to note that the £182 is based on aspirations to a minimum standard as for some parents this represents nearly double their weekly income after housing costs. Some amongst this group indicated they will be looking to limit their extra spending on Christmas to £100.

After estimating disadvantaged families' weekly income and how much they have left over after basic spending food, bills and transport costs, saving up for a Cut Price Christmas would mean they have to save *all* their remaining income for two-and-a-half weeks (see Appendix 3). This means they face hard choices such as their children missing out on trips and activities in the meantime, or struggling without a warm winter coat.

All the parents are faced with the task of responding to children's expectations that have been raised by intense commercialisation. The pressures this puts on parents increases as children get older and express hopes of receiving electronic items such as mobile phones as gifts.

Many low income parents we spoke to have attempted to budget for Christmas in advance but will be paying a poverty premium because they have chosen income lock-down options – Christmas clubs, loyalty points and pre-paid vouchers – which people pay into throughout the year but offer no interest on monies, give no protection from inflation and limit shopping options.

## Families views on the minimum standard for Christmas

### **Cards**

There was a consensus amongst the parents about the importance of sending Christmas cards, particularly to families and friends who do not live close by, or those they had not communicated with in a while.

*“Some friends that I send [cards] to, I send because I know that they’re not going to get many and that’s part of decorating their room with the Christmas cards like on their mantelpiece or something. And some people I am not in touch with day-to-day that’s my way of saying [hello]. There’s some people I’ve kept in touch with all my life by giving them some news at Christmas... and even though we don’t phone each other or we don’t meet up, Christmas we have a bit of a catch up.”*

It was also agreed that there was no need to spend vast amounts of money to purchase Christmas cards and therefore a box of cards from a “pound shop” would be sufficient.

*“I know there are ways and means of making your own, but to be quite honest, it’s actually cheaper in some instance to go out and buy them. So, you know, to be able to buy a pack of ten from a cheap pound shop or something.”*

Two of the groups emphasized what they felt was the importance of the children being able to give Christmas cards to classmates and school teachers and small gifts to close friends. Nowadays many families do not celebrate Christmas in the religious sense, but this exchange of cards at school is seen as an important aspect of the child’s participation in society. It was suggested that it teaches them valuable moral and life lessons about the importance of giving gifts over simply receiving them.

### **Decoration**

*Facilitator: “Do you think it’s important to have your home decorated for Christmas?”*

*Participants: “YES!”*

*Facilitator: “That’s a BIG yes!”*

All groups believed that decorations were an essential part of making Christmas an extra special time. One mother believed that this aspect of Christmas was even more important than the gifts themselves as it would provide a lasting and happy memory of that time beyond the lifetime of any toy.

***"If I could have a choice in what tree I would have, I would have the biggest one because I know my kids' eyes would light up seeing it. When I flip that switch [of Christmas lights] and that thing explodes in the room. That's going to be the best thing they've ever seen and if I haven't got a massive load of presents to put under that tree, that thing there what they've helped create as well, it's going to fill a lot of gaps."***

Common items for decoration included a Christmas tree, lights, tinsel, baubles and garland. However, one group placed greater emphasis on the embellishment and decoration of the home for Christmas. Other items suggested were candles, ornaments, table centrepiece, special napkins and other tableware, although it is important to note that many of these items are things likely to be accumulated over time and stored away for subsequent Christmases. Thus they were unlikely to be expenses borne by the family every year.

***"My centrepiece I pack it away ready for next year. You get canny as to what things you can save for next time. Making sure that tinsel goes back into the box and not having to buy it after every year."***

In terms of costing, the greatest amount was invested in the artificial Christmas tree in order to purchase one that could be stored away at the end of the festive season and reused the following year in all its glory. The tree is often the focal point of the home at Christmas, and therefore some parents thought it was essential to purchase a tree that truly represented this.

In addition, for many families decorating the tree is seen as family bonding time; a time to interact and engage with all members of the family on one specific activity together. As one mother from Manchester recalled her experience with her family:

***"I've got three children. So I'm decorating the tree and each child [has] got an area to stand around this tree and put their own little stuff on it and each child can have a box of [decorations]...they go to the shop and pick up whatever decorations they want to put on the tree and they have their little section of the tree and they go mad on it. And then we all stand and admire the tree. Take photographs of the tree and then turn them into Christmas cards."***

Some parents with younger children also talked about the extents they go to, to build on the theme of Christmas. For example,

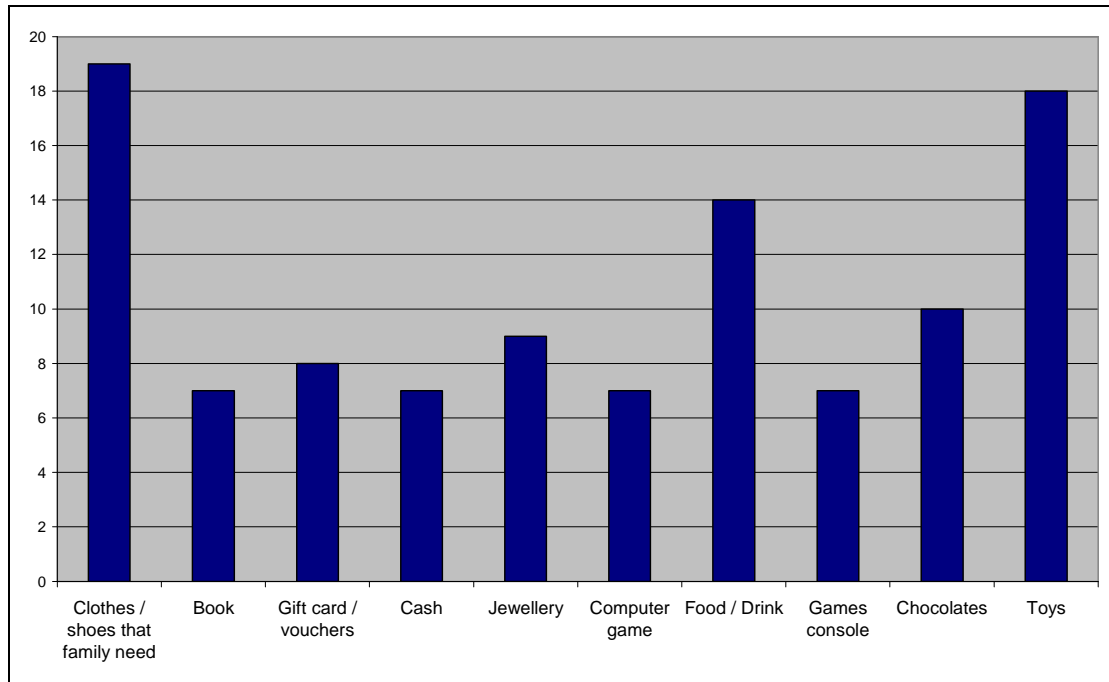
***"We have Santa dust. This is so that the reindeer can see where they've got to land. It's just oats and glitter...it's part of building the magic really...and then the children go and sprinkle it in the garden."***

And leaving mince pies and a drink for when Santa Claus comes to bring the gifts:

*“Santa comes down, well he don’t come down the chimney any more. It’s the magic key now...you get a (toy) key. Santa can open your door now and get in.”*

## Gifts

**Table 1: Top 10 Christmas gifts amongst participants**



The purchase of toys that children want is not the priority for many parents from the low-income households in our focus groups and questionnaires. They appeared to use Christmas as an opportunity to buy their children the clothing they need, for example, buying new clothes and shoes to replace current damaged or outgrown items. As indicated by the table above, almost all the service users who participated in this research indicated this as their intention. However closely followed by clothing on the gift list was the purchase of a toy.

During the discussions, there was a consensus among parents that it was essential that the children had to have at least one present to open on Christmas day. One mother thought that you could quite easily ask the child what they specifically wanted for Christmas to ensure that they received what they wanted.

*“Even though it suppose to like Santa’s bought in stuff, I think you can quite openly, especially if you do it early enough, ask a child outright “What would you like?“. And they start scanning the telly. Sally [child] wants a bike. That is it. She wants stabilisers. She wants the elbow and knee caps. It’s got to have the tassels, it’s got to be pink and purple. She knows exactly what you wants, so*

*because I know that in plenty of time, I can get her this one present that I know is going to light her eyes up and if she gets anything else that's bonus... So if either of those two [children of the hypothetical family] were asked "What specifically would you love to see on Christmas day?" and they got it and nothing else. They'd still be happy because they've got that."*

However, with the top 12 'dream toys' for Christmas 2011<sup>7</sup> retailing at £50 on average and majority of our service users (76 per cent) planning to spend less than £50 per child, it's likely that the requested gift is more than the parent has budgeted for or can even afford.

*"What they [children] really want and what you can actually get is two different things"*

*"With the modern age, it's all technology-based and technology is not cheap. And that's the problem, a lot of kids of today they expect technology presents (and there comes debt) and that's where the problem starts because not all families can afford technology presents. I mean, some of them can't even afford to give the child a basic home computer, which nearly every household should be able to have."*

Across the groups the greatest pressure on low-income parents was from the desires of older children: the notion appeared to be that as children got older, the gifts they wanted tended to get more expensive, generally because they are electronic.

*"The older ones [children], they're all wanting mobile phones or the laptops and you haven't got money for that."*

*"Children under five are a lot easier to buy for... you can buy them one simple toy and that would be enough for them. They'll even be happy playing with the boxes and the wrapping they come in."*

However, no matter old their children were, parents felt intense pressure to buy their children presents because of the commercialisation of childhood. The groups blamed the increased pressure on the media and retailers, who months ahead of Christmas "bombard" children with television advertisements of toys and stack the shelves with Christmas products.

*"Mine, she wants a toy from X and it costs £40. She shows me on the TV every day, when they show advertisements. She just points*

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<sup>7</sup> Source: <http://www.guardian.co.uk/money/2011/oct/26/top-christmas-toys-2011-doggie-doo?CMP=NECNETTXT8187>

*with her finger. "Mum, can you buy me this for Christmas?" I say, "Yes darling, I'll think about it." But it's expensive, £40."*

Another said:

*"Santa will buy me this, Santa will buy me that..."*

*"He wants to be in fashion and have a Blackberry. I've got him one of them £10 ones [phones] so as long as I can get in touch with him...but he still says "oh get me a Blackberry, Mum!"...they just want what's in fashion."*

*"You'd like them to have a WOW present...the thing that they would really really like. You find a way...even if you're paying back for the next half of next year."*

*"That's where debt does come in because if your kid says they want something you don't want to be there Christmas day and they're looking around for this thing that they ain't got."*

The pressures of commercialisation mean that poor parents feel they have to demonstrate love to their children by giving gifts, not just any gifts, but gifts that they feel will be valued and appreciated regardless of the cost.

*"If they [children] only want love and attention and all that, then Christmas is free."*

*"A child doesn't want a card do they? They want something else, they want your love, they want presents, and they want things like that."*

The pressure to satisfy the desires of children puts incredible strain on parents, not just financially, but emotionally and physically to the extent that some parents admit to dreading Christmas.

*"I don't enjoy Christmas at all, not one bit...It's just another day to spend money. That's how I've always seen Christmas. [Spend] money that you don't have."*

*"Because you don't want it to be like when you was at school and you're going to school lying and telling them [friends] that you've had loads of stuff, when you've had nothing."*

#### **Trying to keep the cost of gifts down:**

Our services offer advice and tips to families to keep Christmas costs low including hand-making or buying second-hand gifts, making a list and stringent budgeting.

Of 22 parents, five said that they intended to buy some second-hand gifts or planned to make some. Many parents said that they were limiting the number of people they intended to buy gifts for, with the majority intending to buy exclusively for their children, partner and parents.

***"I think budgeting Christmas is dead hard. Because when you go to the shops, it's all in your face so much that it pushes you to not even be sensible. It's a very tempting time. When you're at home you make those plans that you're only going to spend this much and it's a good idea. But it goes out of the window."***

One mother admitted to doing her whole entire Christmas gift shopping for her children on eBay. She spoke about the advantages of doing online shopping over going to the stores, which many mothers agreed with. Some parents talked about preferring to do online shopping to avoid going to the shops and possibly spending more money. A mother from Manchester said:

***"I try not to go into town because then you spend money. But Christmas makes you go into town and then you go in, and you've been in there 3 or 4 hours. Then you need a drink and they sell you a mince pie with it or what ever... [you end up spending] more than you ever intended"***

The focus on making sure children had one special gift was in stark contrast to what parents thought about providing for themselves and other adults in their family. Formally parents have said to us that they wrap up necessities that partners need like socks or perhaps a bottle of wine that the family can have with dinner. With the added squeeze on incomes this year parents are cutting back further. One mother said:

***"Because of the general climate we cut out things for ourselves but we try not to cut out things for our children...when it comes to your children you do find a way somehow."***

This focus on providing a minimum standard Christmas for a child is powerful.

## **Food**

The families we spoke to thought that a minimum standard Christmas should involve celebrating Christmas Day with a slap up meal and the extended family present. However, this Cut Price Christmas meal was not the reality for the vast majority of the families we spoke to. Only one mother said she would be entertaining wider family members at Christmas whilst the rest could not afford to do so.

Our shopping list for food differed across the three focus groups with one group feeling that Christmas should be more of a celebratory time to be enjoyed with

members of the extended family. The other three groups felt that Christmas day should be reserved to spend time with the immediate family and used Boxing Day as a cheaper alternative to invite over friends and family. Thus the former group put greater emphasis on the Christmas dinner; having a three-course meal with prawn cocktail for a starter, and a glass of wine. Also the additional expense of catering for more people naturally meant that this would cost more: an estimated £66.34, or approximately £30 more than the other groups. However, even in this group as we have already said, only one parent said they would have extended family with them on Christmas Day with the rest deeming this unaffordable.

There was also no clear indication as to whether the family would prepare the meal from scratch or use pre-prepared items. However, when preparing a meal for a greater number of people, it was agreed it was more economical to purchase items in their rawest form, i.e. buying a bag of carrots and Brussels sprouts separately rather than a bag of mixed vegetables.

It is also important that there was a difference in opinion in regards to the quality of food. Some people were happy to purchase the supermarket basic range whereas others felt that if they had the money:

***“It would be nice to buy something that you don’t normally buy. Christmas meal is usually a special meal, so you usually buy things that you wouldn’t normally buy to make it different.”***

There was no clear consensus on what the Cut Price Christmas breakfast on Christmas day should be. Some suggested a “fry-up” as a stark contrast to what they normally eat for breakfast, whereas others said that it should be no different to a normal day.

But the reality for our parents is that they will be making to do with basic lines and breakfast cereals as at other times of the year, with no treats from the supermarket premium ranges or slap-up breakfasts.

So, at the time of the discussion, whilst families thought a minimum standard Christmas meal should involve wider family and special treats it was agreed by the majority that this extra expense is probably more than many low income families can afford to spend. This is in fact the predicament that most of the families across all the focus groups are facing. Instead of entertaining, many parents will not meet adults outside of their immediate household and will spend this Christmas feeling isolated and alone.

### **Christmas day entertainment**

An addition to the Christmas list was a CD full of favourite Christmas songs. The entertainment and atmospheric aspect of Christmas is something many families choose to do without especially when money is short. But some parents felt a 99p Christmas music CD from the Pound Shop was a good way to entertain the family,

especially when having extended family round. By having “a good Christmas sing-a-long”.

## **Income Comparison**

### **How will you pay for Christmas?**

***“The hole in the wall has money” Child to one of the parents in the focus groups.***

More than half of parents said they were coping with paying for Christmas by spending less than in previous years. In line with recent research, 55 per cent of parents indicated that they would be spending less this Christmas compared to last year. Of these parents, the main reasons cited were “just can’t afford it” and “don’t have enough money this year”.

Ten parents had prepared by saving into a bank account but many had no cash savings. However seven were saving by using savings stamps or vouchers, pre-payment Christmas Clubs and store loyalty points. The final option limits the ability to shop around, while the others lockdown income in advance, which sacrifices interest and any protection from inflation. Only three parents said they would have some flexibility to spread the cost because they had an overdraft or credit card available to them.

One mother in particular said that she was still unsure how she would be paying for Christmas and may resort to borrowing some money from a high-interest doorstep lender. As a third of parents had no savings at all, this is actually likely to be an option for many more of the group in the run-up to Christmas.

However, despite their financial difficulties, parents were adamant they wanted to make Christmas the best they could for their children. Parents based their decision on where to shop primarily on price and value for money. The most common retailers mentioned were Argos, Asda, Iceland, Primark, Tesco and Wilkinson.

## **Conclusion: A Cut Price Christmas is Still A Dream for Many Low Income Families**

A clear theme amongst parents emerging from this research is that Christmas is a time for families to get together. There was agreement that as there are many distractions and constraints that prevent families spending quality time together, Christmas is an important opportunity to do so. It is therefore important to poor parents to spend some money celebrating. However it is also very difficult for them to resist the pressures of commercialisation on their children and help children to be realistic about what is affordable

We have estimated £182 as the minimum spending on an acceptable Christmas based on parents' views on focus group discussions. However, this is nearly the double the amount of some of their household disposable incomes after household costs, and many have indicated they will try to spend less, limiting Christmas spending to £100. As limiting spending to £182 allows for few luxury items and little alcohol, spending less will mean celebrating a Christmas without trimmings.

Households of all incomes are feeling the squeeze this year. However, while many households on better incomes will be able to spread the cost of Christmas using overdrafts and credit cards, these options are not available to parents in our focus groups. Many of them are paying a poverty premium, on Christmas either through locking down income in advance without receiving interest, or paying for high-cost loans. The only option for many parents we work with will be a Christmas that is absolutely cut-price and that, despite their modest aspirations, offers little respite from the hardship of their daily lives.

## **Appendix 1: An itemised Cut Price Christmas**

**This list reflects the consensus amongst participants in the focus groups we ran about the items needed for a basic, but acceptable, Christmas. The total cost is £182, broken down by different types of spending below.**

### **Food and drink: £34.25**

- Main meal: Turkey, stuffing, Yorkshire puddings, gravy, pigs in blankets, mixed vegetables, roast potatoes, cranberry sauce
- Dessert: Christmas pudding, one gateau, custard, mince pies
- Drinks: one bottle of wine, one bottle of fizzy drink
- Snacks: crisps, peanuts, chocolate.

### **Gifts: £113.43**

(£80 on gifts for two children, £23.67 on gifts for parents and grandparents, £10 on gifts for children's friends)

- A Christmas stocking and advent calendar for each child
- Wrapping paper
- Children's gifts: two sets of stocking fillers totalling £5 each plus one main gift each
- Family gifts: one for the mother, father and two gifts for grandparents
- One gift for each child to give a friend

### **Decorations: £28**

- A 6ft artificial Christmas tree
- Lights, tinsel and bauble for the tree
- Ceiling decoration
- Candles
- Christmas crackers

### **Cards: £6.32**

- Cards and stamps for parents to send to friends and family
- Cards for children to give to their friends at school

## Appendix 2: Detailed shopping list for a Cut Price Christmas

<b>Cards</b>			
Christmas cards	20 Luxury Christmas Cards	£1.00	Poundland
Stamps	Second Class Stamps Book of 12	£4.32	Tesco
Children's Christmas cards	40 Humorous Cards	£1.00	Poundland
<b>Decoration</b>			
6ft Christmas tree	Wilko Christmas Tree Slimline Green 180cm	£18.00	Wilkinson
Christmas tree lights	24 Coloured Lights	£1.00	Poundland
Christmas tree lights	24 Coloured Lights	£1.00	Poundland
Tinsel	Silver Star Tinsel 2.5m	£1.00	Poundland
Tinsel	Red Tinsel 2.5m	£1.00	Poundland
Baubles	16 Small Red Baubles	£1.00	Poundland
Baubles	25 Mini Gold Baubles	£1.00	Poundland
Garland	Silver Snowflake Garland 9ft	£1.00	Poundland
Garland	Gold Bell Garlands	£1.00	Poundland
Candles	12 Coley and Gill Scented Tealights	£1.00	Poundland
Crackers	Luxury Christmas Crackers 8 pack	£0.99	99p Store
<b>Gifts</b>			
Christmas stocking	Wilko Value Traditional Christmas Stocking	£1.00	Wilkinson
Christmas stocking	Wilko Value Traditional Christmas Stocking	£1.00	Wilkinson
	Christmas Club Cherry Flavoured Candy Canes		
Stocking fillers	188g	£0.99	99p Store
Stocking fillers	Bows and Arrows Set	£1.00	Poundland
Stocking fillers	Kids Super Bright LED Torches	£1.00	Poundland
Stocking fillers	Disney Princess Pen Set	£1.00	Poundland
Stocking fillers	Disney Princess A5 Notebook	£1.00	Poundland
Stocking fillers	Xmas Mega Bouncing Ball	£1.00	Poundland
Stocking fillers	Kids Super Bright LED Torches	£1.00	Poundland
Stocking fillers	Never get lost pens	£1.00	Poundland
Stocking fillers	Dinosaur Model	£1.00	Poundland
Stocking fillers	Xmas Mega Bouncing Ball	£1.00	Poundland
Advent calendar	Disney Minnie Mouse Advent Calendar	£1.00	Poundland
Advent calendar	Captain America Advent Calendar	£1.00	Poundland
Wrapping paper	Wilko Everyday Value Gift Wrap Baubles 8m	£0.80	Wilkinson
Gift for Daughter	Monster High Lagoon's Hydration Station	£34.99	Toys R Us
Gift for Son	Black 4gb Touch Media Player	£29.99	Toys R Us
Gift for Mother	Grey Faceted Crystal Stretch Ring	£9.99	Argos
Gift for Father	Intimately Beckham for Him Eau De Toilette 30ml	£10.00	Wilkinson
Gift for Grandparents	Wilko Photo Frame Walnut Effect 7inx5in	£1.84	Wilkinson
Gift for Grandparents	Wilko Photo Frame Walnut Effect 7inx5in	£1.84	Wilkinson
Children's gift to friends			
£5 each	2 x £5 gift cards / vouchers	£10.00	

<b>Food &amp; Drink</b>			
Turkey	Tesco British Medium Basted Turkey 3.9-5.2kg	£15.00	Tesco
Yorkshire puddings	Tesco Value 15 Yorkshire Puddings 230g	£0.49	Tesco
Stuffing	Tesco Sage and Onion Stuffing Mix 85g	£0.27	Tesco
Gravy	Bisto Favourite Gravy Granules 170g	£0.98	Tesco
Pigs in blankets	Tesco 12 Sausage and Bacon Wraps 300g	£2.00	Tesco
Mix vegetable	Country Store Cauliflower Carrots and Broccoli 1kg	£0.99	Tesco
Potatoes	Tesco Roasting Potatoes 1kg	£1.00	Tesco
Cranberry sauce	Tesco Cranberry Sauce 400g	£1.49	Tesco
Christmas pudding	Tesco Classic Christmas Pudding 100g	£1.00	Tesco
Gateau	Tesco Double Chocolate Gateau 350g	£1.25	Tesco
Mince pies	Mr Kipling 6 Mince Pies	£1.00	Poundland
Custard	Tesco Ready to Serve Custard 400g	£0.49	Tesco
Bottle of wine	Blossom Hill Californian White 75cl	£4.68	Tesco
Bottle of fizzy drink	Tesco Sugar Free Orangeade 2l Bottle	£0.52	Tesco
Crisps	Tesco Potato Chips 150g	£0.90	Tesco
Peanuts	Tesco Jumbo Roast Salted Peanuts 275g	£1.19	Tesco
Chocolate	Maltesers Confectionery Tube 3 for £2	£1.00	Poundland
<b>TOTAL</b>		<b>£182.00</b>	

### **Appendix 3: Family incomes and saving up for a Cut Price Christmas**

A lone parent with two children aged 8 and 12 not working is likely to receive £209.49 per week<sup>8</sup> to live on from benefits.

Informed by estimates from the JRF Minimum Income Standard and the experiences of families we work with at Family Action, we estimate a family of this type would spend £79 per week on food, £32 on transport, and £27 on other bills.

This leaves them with £70.08 left over every week disposable income for important things like clothing themselves and their children, replacing any broken household items, and paying for swimming and after school activities.

They would need to save *all* their disposable income for two-and-a-half weeks to be able to afford the £182 Cut Price Christmas – possibly forcing a trade-off between their children being to go on trips and activities with their friends, or missing out on Christmas Day.

Similarly, a couple family with two children aged 8 and 12 not working would receive about £247.94 per week<sup>8</sup> to live on.

We estimate they would spend £105 on food, £42 on transport and £27 on other bills every week – leaving them with a disposable income of £73.94.

Again, this means that they would need use *all* this extra income for two-and-a-half weeks to have a Cut Price Christmas – meaning extremely hard choices are needed to balance the family books.

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<sup>8</sup> Note: These examples exclude Housing Benefit and Council Tax Benefit which it is assumed cover these families' rent and Council Tax costs.