creditaction

Better thinking about money

Debt Facts and Figures - Compiled October 2011

Total UK personal debt

Total UK personal debt at the end of August 2011 stood at **£1,451bn**. The twelve-month growth rate remained unchanged at 0.9%. **Individuals currently owe nearly as much as the entire country produced between Q2 2010 and Q1 2011.**

Total lending in August 2011 rose by £1.0bn; secured lending increased by £0.6bn in the month; consumer credit lending increased by £0.5bn (t*otal lending in Jan 2008 grew by £8.4bn).*

Total secured lending on dwellings at the end of August 2011 stood at **£1,242bn**. The twelve-month growth rate decreased 0.1 percentage points to 0.6%.

Total consumer credit lending to individuals at the end of August 2011 was **£209bn**. **The annual growth rate of consumer credit increased 0.3 percentage points to 2.3% (this is highest this figure has been since May 2009, when it also stood at 2.3%).**

UK banks and building societies wrote off £8.0bn of loans to individuals in the 4 quarters to end Q2 2011. In Q2 2011 they wrote off £2.06bn (£1.15bn of that was credit card debt). **This amounts to a write-off of £22.54m a day.**

Average household debt in the UK is ~ **£8,042** (excluding mortgages). This figure increases to **£15,466** if the average is based on the number of households who actually have some form of unsecured loan.

Average household debt in the UK is ~ **£55,822** (including mortgages).
If you add to this the March 2010 budget report figure for public sector net debt (PSND) expected in 2015-16 (excluding financial interventions) then this figure rises to £106,438 per household.

Striking numbers

£55,822
average household debt (including mortgages)

£175m
personal interest paid in UK daily

8,910
number of new debt problems dealt with by CAB each working day (as at June 2011)

1,775 people
made redundant daily

849,000
unemployed for > 12 months

£22.54m
daily write-offs of loans by banks & building societies

every 14.6 minutes
a property is repossessed

every 4.31 minutes
someone will be declared insolvent or bankrupt

£111,500,000
daily increase in Government national debt (PSDN)

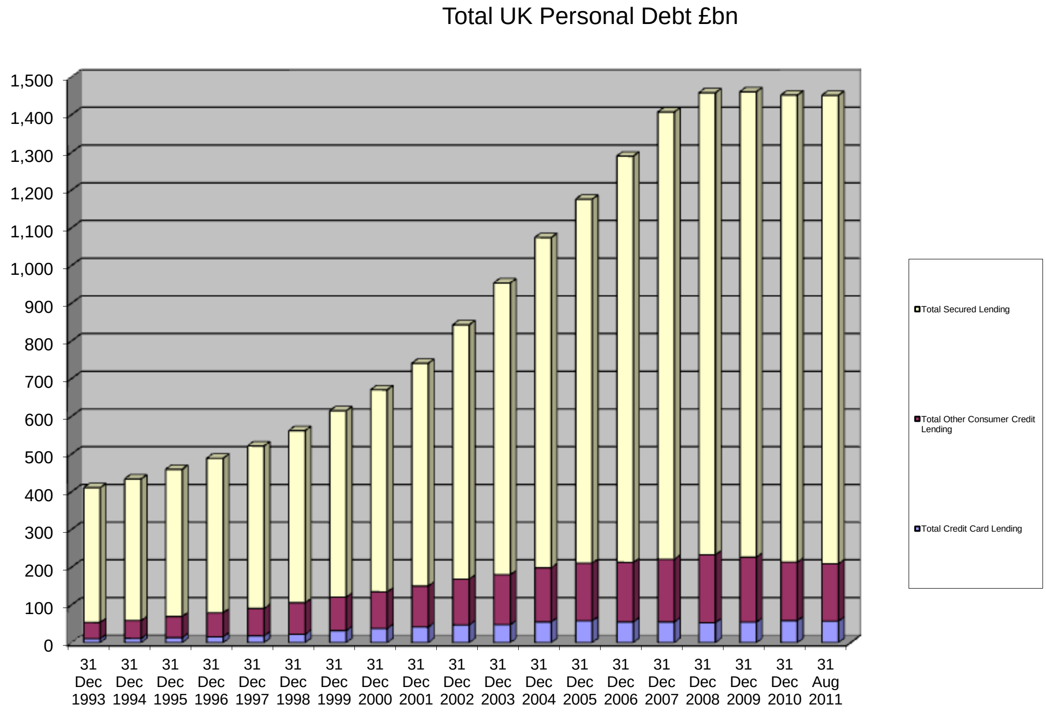
£1,278,000,000
total value of all purchases made using plastic cards today

Average owed by every UK adult is ~ £29,546 (including mortgages). This is 122% of average earnings.
Average outstanding mortgage for the 11.4m households who currently have mortgages now stands at ~ £109,125.

Britain's interest **repayments on personal debt were £64.0bn** in the last 12 months. The average interest paid by each household on their total debt is approximately **£2,460** each year.

Average consumer borrowing via credit cards, motor and retail finance deals, overdrafts and unsecured personal loans has risen to **£4,257** per average UK adult at the end of August 2011.

The Office for Budget Responsibility (OBR) predicts that household debt will be £2,126bn by the end of 2015. This would take the average household debt to £81,769 per household (if the figure is based on the current estimate for the number of UK households).



Statistical Sources - Unless otherwise indicated statistics in the "Total UK personal debt" section are calculated by Credit Action - primarily using the Bank of England's debt figures.

Today in the UK:

- **334 people every day of the year** will be declared insolvent or bankrupt. This is equivalent to **1 person every 59 seconds during a working day.**
- 1,391 Consumer County Court Judgements (CCJs) were issued every day during Q2 2011 and the average judgement amount was £3,345.
- Citizen Advice Bureaux dealt with **8,910 new debt problems** every working day in England and Wales during the year ending June 2011.
- The average cost of raising a child from birth to the age of 21 is £27.50 a day.
- **99 properties were repossessed every day during Q2 2011**
- **140 new people became unemployed for more than 12 months every day** during the 12 months to end July 2011
- **1,775 people reported they had become redundant every day** during 3 months to end July 2011
- £111,500,000 is the amount that the Government Public Sector Net Debt (PSDN), including financial interventions, will grow today **(equivalent to £1,291 per second).**
- **£141,370,000** is the interest the Government has to pay each day on the UKs net debt of £2258.8bn (which includes financial interventions). This is estimated to rise to £182m a day in 2015-16.
- 197 mortgage possession claims will be issued and 154 mortgage possession orders will be made today
- 383 landlord possession claims will be issued and 258 landlord possession orders will be made today.
- The UK population is projected to grow by 1,205 people a day over the next decade
- 25.2m plastic card purchase transactions will be made today with a total value of £1.278bn.
- 8.0m cash withdrawals will be made today with a total value of £530m
- The average car will cost £16.08 to run today
- It costs £67.85 on average to fill a car with a 50 litre tank with unleaded petrol.

Other key national statistics:

The UK economy **grew by 0.2%** in the second quarter of 2011, according to estimates from the Office of National Statistics.

There were 5.8 million working age benefit claimants at February 2011. This is a decrease of 152,000 in the year.

UK base rate fell to a 315 year low when the official bank rate was reduced to 0.5% on 5th March 2009 **and has been held at that level for 31 months in a row.**

There were 4,233 compulsory liquidations and creditors' voluntary liquidations in total in England and Wales in the second quarter of 2011 (on a seasonally adjusted basis). This was an increase of 2.7% on the previous quarter and an increase of 4.4% on the same period a year ago. In the twelve months ending Q2 2011, **approximately 1 in 139 active companies (or 0.7%) went into liquidation,** which is unchanged from the previous quarter. Additionally, there were 1,232 other corporate insolvencies in Q2 2011 (not seasonally adjusted) comprising 350 receiverships, 695 administrations and 187 company voluntary arrangements. In total these represented a decrease of 6.0% on the same period a year ago.

In August 2011 the **public sector net debt (PSND) <u>including financial interventions</u> was £2258.8bn**, equivalent to **146.9%** of Gross Domestic Product. This compares to £2218.1bn (151.4% of GDP) as at the end of August 2010. Meanwhile, **public sector net debt <u>excluding financial interventions</u> was £944.5bn** (61.4% of GDP), compared to £810.5bn at the end of August 2010 (55.3% of GDP). ***The Office of National Statistics now includes complete data from the Royal Bank of Scotland and Lloyds Banking Group, which were part-nationalised in 2008, in its calculations for PSND including financial interventions.***

According to the **Coalition's March 2011 Budget report** the public sector net debt will peak at 70.9% of GDP in 2013-14, before declining to 70.5% of GDP in 2014-15 and 69.1% of GDP in 2015-16.

The number of **unemployed people in the three months to July 2011 was 2.51 million (7.9%). This is up 80,000** from the previous three months and up 44,000 from a year earlier. **162,000 people (1,775 a day) reported they had become redundant** in the three months, up 47,000 on the previous three months and up 21,000 from a year earlier.

The number of people unemployed for more than 12 months increased by 20,000 (2.5%) over the quarter and increased 51,000 (140 a day) over the year to reach 849,000. The number of economically inactive people aged from 16 to 64 rose by 11,000 over the quarter and rose by 112,000 over the year to reach 9.38 million in the three months to July 2011.

Public sector employment decreased by 111,000 in the second quarter of 2011, to 6.037 million, compared with the previous quarter.

The Office for Budget Responsibility (OBR) March 2011 forecast for the number of general Government employees estimates a reduction from 5.67m in 2010/11 to 5.28m in 2015/16. They estimate that between 2010 and 2015 total employment will rise by around 900,000, reaching 30.1m by the final quarter of 2015.

In the year to August, the consumer prices index (CPI) rose by 4.5%, up from 4.4% in July. **The Retail Prices Index rose by 5.2% in the year to August, up from 5.0% in July.**

There were 59,346 new car registrations in August, an increase of 7.3% compared to August 2010 (this is the first time that new car registrations have risen on an annual basis since June 2010, bringing to an end 13 months of decline).

In August 2011 UK retail sales values decreased by 0.6% on a like-for-like basis from August 2010, when sales had risen 1.0%. On a total basis, sales were up 1.5%, against a 2.8% increase in August 2010.

Servicing Debt: Citizens Advice Bureaux across England and Wales advised 0.49 million clients with new problems in the three months between April and June 2011. Debt was the largest advice category with 529,000 enquiries (32% of all problems – including enquiries about mortgage and rent arrears, benefit overpayment debts – and a 7% decrease on the same period last year). Based on annual figures to the end of June 2011, Citizens Advice Bureaux in England and Wales are dealing with **~ 8,910 new debt problems every working day.**

A study by moneysupermarket.com suggests that 26% of UK adults (equivalent to 13 million people nationwide) live in fear of their bills and say that they instantly feel stressed or worried when they receive one. Of this group, 54% said that the biggest cause was simply that that they were unsure what a bill will cost due to the rising cost of living. Furthermore, 20% of UK adults say they are actually delaying opening and paying bills because they are too afraid to tackle them.

Meanwhile, a separate moneysupermarket.com survey has found that 27% of Brits currently spend over 40% of their wages on paying off non-mortgage debt. The figures show that the average person pays off £322 every month, which is equivalent to a quarter of the average monthly income for a UK adult (currently £1,288). Even more strikingly, moneysupermarket.com have found that 8% of people say that they spend over 80% of their wages on repaying debt.

The Consumer Credit Counselling Service (CCCS) has revealed that almost a third of those who contacted it for help in the first 6 months of 2011 were in fuel poverty. The average combined gas and electricity bill for these clients was £136 per month, representing a significant proportion of their average net monthly income of £847. On average, these clients were £302 short of the amount needed to cover their basic living expenses each month, with the burden of energy bills a major contributing factor.

A survey by Unbiased.co.uk has found that 32% of UK adults (equivalent to 15 million people nationwide) would struggle to cope financially if they lost their job. This has increased from 24% in 2010. Those aged 35-54 felt most at risk, with 39% saying they would struggle if their main source of income disappeared (up from 30% last year). Meanwhile, 34% of 18-34 year olds were also in this position.

Mortgage lenders took 9,000 properties into possession in Q2 2011, down from 9,100 in Q1 2011 according to the Council of Mortgage Lenders. This equates to **99 properties being repossessed every day or 1 property being repossessed every 14.6 minutes.** The total number of repossessions in the first 6 months of 2010 was 18,100, which is 7% down on the 19,500 recorded in the first 6 months of 2010.

In terms of payment difficulties, 164,500 mortgages ended Q2 2011 with arrears equivalent to at least 2.5% of the outstanding mortgage balance. This was down from 166,700 at the end of Q1 2011.

The CML's current forecasts are for a 2011 outturn of 40,000 repossessions and 180,000 mortgages in arrears. The CML also forecasts a repossession rate of 0.4% for 2012, equating to 45,000 repossessions next year.

The FSA estimate that at the end of Q2 2011 there were **332,700 loan accounts in reportable arrears (> 1.5% of current loan balance)**, a decrease of 6% from Q2 2010. At the end of Q2 2011, loans in arrears represented 2.81% of the value of the residential loan book.

The Insolvency Service said there were 30,513 individual insolvencies in England and Wales **(334 people a day or 1 every 4.31 minutes)** in Q2 2011. This was an increase of 1.2% on the previous quarter and a **decrease of 12.2%** on the same period a year ago.

However, these figures do not include the number of people using informal insolvency solutions such as Debt Management Plans. R3 estimate that there may be as many as 700,000 people using these.

R3 have also previously suggested that there are another 574,000 who are struggling financially but have contacted their creditors informally. More worrying is another group further down comprising of 961,000 individuals who are struggling with debts but have not sought help. This group could find themselves in formal insolvency procedures unless they take swift action.

Figures released by Finance & Leasing Association (FLA) show that consumer credit lending was down by 1% in July 2011, compared with last year. Retail store credit was down by 13% and credit cards and personal loans by 2% compared with July 2010. Second-charge mortgages were 8% up on July 2010, but from a very low base.

Plastic card / Personal Loans: Research by moneysupermarket.com has found that just 60% of Brits are paying their credit card bill off in full each month. Nearly 7% say they only pay off the minimum amount, while 13.5% say that the amount they pay off varies depending on what they can afford. Meanwhile, moneysupermarket.com have also found that 41% of Brits choose their credit cards based on the cash back, rewards and Air Miles offered by providers. Interestingly, only 11% of respondents said that APR was the most important factor when choosing a card.

A separate moneysupermarket.com survey indicates that UK consumers are currently more inclined to dip into their savings than spend on their credit cards to make up the shortfall at the end of the month when their current account runs dry. 26% said that they would utilise an authorised overdraft in this situation, while 19% would dip into their savings pots. Only 8% would use their credit card to cover costs, roughly the same proportion of people as would borrow from friends and family.

Figures released by the UK Payments Council indicate that debit cards continued to be UK consumers' payment method of choice during the first three months of 2011. Spending on debit cards increased 10.1% compared to the same period in 2010 (by contrast, credit card spending increased just 1.5%, and cash withdrawals declined 0.3%). Last year, debit cards became the most popular payment method for the first time, with £26bn more spent using debit cards than notes or coins in 2010.

Moneysupermarket.com have also suggested that the majority of Brits (56%) use their debit cards to purchase items worth less than £10. Those in this group undertake an average of 3.2 such "small transactions" every week, with an average value of £6.34. This means that consumers are funding a total of £560 million worth of small purchases every week using their debit cards.

There were 146.8m debit, credit or charge cards in circulation in the UK at the end of 2010, according to the UK Payments Council. **An average 292 plastic card purchases were made in the UK every second** during Q2 2011 using debit and credit cards (equal to £14,789 /second). 92 cash withdrawals were made every second (equal to £6,137 / second) from UK's 64,232 cash machines during Q2 2011.

There are **about as many credit cards in the UK as there are people** according to the UK Payments Council. At the end of 2010 there were an estimated 62.2m credit and charge cards in the UK, compared with around 62.3m people in the country.

Total credit card debt in August 2011 was **£57.0bn.**

The average interest rate on credit card lending is currently **18.26%, which is 17.76% above base rate (0.5%).**

According to the BBA the proportion of credit card balances bearing interest is about two-thirds.

Young people - the IPOD generation: Figures released by the Consumer Credit Counselling Service (CCCS) suggest that a large number of 18-19 year old "inbetweeners" are starting adult life in serious debt, and that a lack of financial capability may be a significant cause. In 2010, 753 young people aged between 18 and 19 contacted CCCS for help, holding an average of £2,254 in unsecured debt. One in ten of them blamed their problems on an inability to budget, compared to 5% of clients across all age groups.

A study by the Co-operative has found that 65% of mums and dads wish they could save more for their children's futures. The average amount saved by parents for their child is £10 or less per month, with only one in seven saving more than £50 per month. Furthermore, 42% of parents want their child to be at least 19 before they have full access to their savings – many say that this is due to a lack of financial awareness amongst youngsters, with 80% calling for more financial education in schools.

A Student Finance Report by Lloyds TSB has found that a significant number of students are struggling with their finances. 17% say they do not have enough money to make it through the month, and a further 40% are only just managing to make ends meet. Furthermore, 51% of students say that they are concerned about the amount of debt that they are taking on.

A survey by Halifax has revealed that the amount of pocket money children receive every week has increased by 36p this year. This is the first time since 2003 that pocket money has increased, ending a seven year decline. This takes the total average amount that kids receive in pocket money to £6.25 per week, compared to £5.89 in 2010. Over the course of a year, this means children will earn an additional £18.72 compared to 2010.

Unemployment amongst economically active 18 to 24 year olds increased by 77,000 (11.1%) in the 3 months ending July 2011, to reach 769,000**. This means that 18.7% of all economically active 18 to 24 year olds are unemployed.** 352,000 (46%) have been unemployed for > 6 months. 219,000 **have been out of work for over 12 months** which is an increase of 35,000 (18.8%) over the last 3 months and an increase of 25,000 (13.0%) over the last 12 months.

The number of 18-24 year olds not in education, employment or training (NEET) at the end Q2 2011 was 885,000 (18.4%). The number of 16-18 year NEETs stood at 186,000 (9.8%) at the end of Q2 2011. **The total of 16 – 24 classed as NEETS now stands at 979,000.**

Pensioners / Pensions: Figures from the Alliance Trust Research Centre suggest that 65-74 year olds faced inflation at a rate of 5.4% in August 2011, significantly above the headline rate of 4.5%. This is the highest rate of inflation faced by this age group since October 2008. Those aged 50-64 encountered inflation at 5.2% during the month, while over 75s faced inflation of 5.1%. According to Alliance Trust, this is due to increases in gas and electricity prices during August, which affect the elderly disproportionately.

Furthermore, Prudential have calculated that pensioners who retire this year could lose up to 60% of their spending power over the next 20 years due to the effects of inflation. An average person retiring in 2011 expects an annual income of £16,600 but, if that income stays fixed and inflation remains at current levels, it will be worth just £6,700 in today's terms in two decades time. This means that, in order to maintain the same standard of living, pensioners will need to see their retirement income more than double to over £40,000.

A report by the Chartered Insurance Institute (CII) suggests that there is very low public awareness of the real cost of long-term care. CII calculate that the average length of stay in a care home is two years, and that the typical bill for this is £52,000. However, CII say that 80% of people have no idea how much their long-term care will cost, and are therefore unlikely to be making any provision – indeed, a worrying 50% of people wrongly think that long-term care is actually free.

Research by LV has shown that 31% of over 50s (equivalent to 2 million people nationwide) are planning to use the equity in their home to help supplement their retirement income in the future. This is up from 1.5 million people in 2010. LV suggest that this may be partly due to the impact of stock market volatility on the value of investments and retirement savings, with 45% of those approaching retirement saying they need to consider other sources of income as a result.

A survey by Legal & General Workplace Savings has revealed that 33% of eligible employees say they will opt-out of the auto-enrolment process for company pension schemes after it is introduced in October 2012. 46% of those surveyed said they would stay in and 21% did not know what they would do. Furthermore, only 29% said they had actually heard anything about the auto-enrolment system, and hardly any understood that this meant signing up to a minimum contribution from their salary.

Figures released by the Consumer Credit Counselling Service (CCCS) show that, of the 4,300 pensioners who came to them for help in the first 6 months of 2011, 54% faced minimum monthly debt repayments which were higher than the amount they received from their state pension. Pensioners owed an average of £20,831 in unsecured debt and faced average minimum repayments of £664 per month, almost one-and-a-half times the basic state pension of £443 per month.

The number of unemployed people aged 50+ during the three months to end July was 380,000, which is a decrease of 4.4% over the previous quarter and a decrease of 2.7% (11,000) over the previous year. The number of people over 65 in work decreased by 25,000 in the three months to the end of July to 862,000, **a rise of 2,000 (0.2%) over the previous year.**

Two in five 50-plus unemployed workers (41.7%) - a total of 158,000 people - have been out of work for over a year. 101,000 have been unemployed for more than two years.

At February 2011, there were 12.8m people of state pension age claiming a DWP benefit, an increase of 73,000 since February 2010. Of these, 67% were claiming State Pension (SP) only.

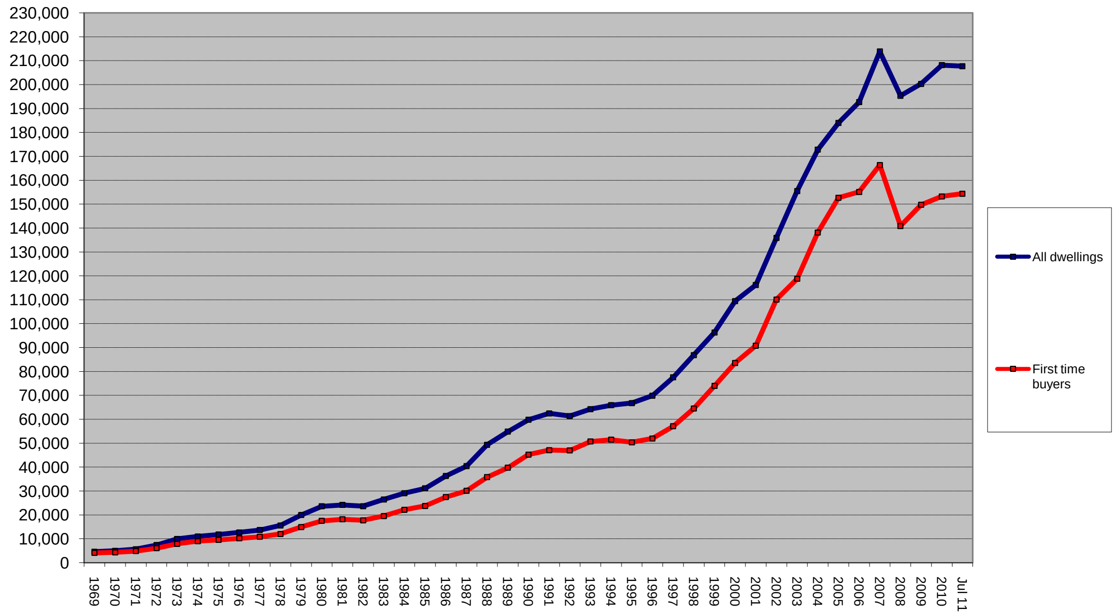
The proportion of retired households in the population rose from 22% in 1977 to 26% in 2008/09.There are 8.6m pensioner units in the UK (single pensioners over state pension age or pensioner couples, married or cohabiting pensioners, where one or more are over state pension age). In 2008/09, pensioner couples received average income of **£564 per week**, compared with £304 per week for single men pensioners and £264 per week for single women pensioners.

Pensions provide modest levels of annual income for many pensioner households. In 2008/09, 53% of single pensioners had total pension income (state benefit income and private pension income) of **less than £10,000**, while 36% of pensioner couples had less than £15,000.

Housing: According to the Department for Communities and Local Government (DCLG) the average house price in the UK in July 2011 stood at **£207,690** (£215,146 in England). Over the year to July 2011, UK house prices decreased by 1.5%. **Average house prices in London increased by 0.9% in the year to July 2011.**

Average UK house prices were 0.7% lower over the quarter to July 2011, compared to a quarterly decrease of 0.2% over the quarter to April (seasonally adjusted).

UK Average House Prices £



The average Mortgage Interest rate is 3.41%.

Gross mortgage lending totalled an estimated £13.4 billion in August. Gross mortgage lending in August was up 6% from July (£12.6 billion) and up 10% from August 2010 (£12.1 billion). August 2011's figure is the highest monthly total since July 2009 (£14 billion) and the highest monthly total for August since 2008 (£19.3 billion).

Halifax said that house prices fell by £2,022 in August 2011. **This is a monthly fall of 1.2%.** Prices rose 1.0% over the quarter and fell 2.6% over the year.

Nationwide estimate that house prices fell by 0.6% during August 2011, and fell 0.4% over the year.

The August RICS Housing Market Survey shows that 23% more surveyors report prices falling rather than rising, although 75% of those reporting price falls said these were in the 0-2% range. Activity levels were broadly flat in August – new buyer enquiries (demand) declined in August while new vendor instructions (supply) remained flat during the month.

Hometrack's monthly survey of agents and surveyors showed that demand for housing fell 1.2% in August compared to a rise of 1.1% in July. The supply of homes for sale increased by 1.7% in August (following a 1.9% increase in July). A key trend over the last six months has been the steady increase in sales volumes which continued in August, with sales up 3.6% (although this figure is well down on increases of 10.7% and 9.6% in sales volumes in the previous two months). House prices fell 0.1% in August. Lower prices were reported across 28% of the country in August, while 9% of the country reported price rises. Looking ahead to the rest of the year, Hometrack suggest there are signs that the balance between supply and demand is starting to shift. Weak consumer sentiment, pressure on household incomes and the uncertain economic outlook are likely to see demand weaken further over the remainder of the year. This is likely to accelerate the downward pressure on prices over the autumn.

Rightmove said new sellers raised average asking prices by 0.7% (£1,596) to an average of £233,139 in September. Prices rose 1.5% compared to September 2010.

According to the NAEA the number of house-hunters registered per branch increased on average from 299 in July to 304 in August, the number of sales agreed per branch increased on average from 7 in July to 8 in August, and the average number of properties available for sale per branch decreased from 70 in July to 65 in August.

House purchase approvals (35,226) were higher in August than in July according to the British Bankers Association, and 14% higher than in August 2010. The average loan approved for house purchase in August was **£145,500 which is 1% higher than a year ago**.

Existing home sales across the United States (including single-family, townhomes, condominiums and co-ops) increased 7.7% over last month and rose 18.6% year on year in August 2011. The **average price decreased 5.1% year on year** to $168,300. RealtyTrac® said that a total of 228,098 foreclosure filings — default notices, auction sale notices and bank repossessions — were reported on U.S. properties in August 2011, a 7% increase in total properties from last month but a 33% decrease from August 2010. The report shows that one in every 570 of all U.S. housing units received a foreclosure filing during the month of August.

Research by Halifax suggests that the average price of terraced houses has risen by more than any other type of property over the last 10 years. Halifax suggest that the typical value of a terraced home has increased by 68% (£61,489) over the period, equivalent to £118 per week. By comparison, the average price across all types of property rose by 53% in the last decade. However, despite showing the strongest growth, terraced properties remain the most affordable type of home, with the average price of a terraced property currently 15% lower than the average UK house price.

Figures released by First Direct have shown that, over the past two decades, the average deposit required on a property has increased tenfold while household income has only doubled over the same period. Between 1990 and 2011 the average housing deposit increased by a factor of 9.7, rising from £6,793 to £65,924. However, the average household income has only gone up by a factor of 2.5 over this period, meaning that buyers must save for far longer in order to purchase a property.

A study by Endsleigh suggests that twice as many people living in the UK are renting (45%) compared to those owning their own home (23%). Middlesex is the most popular area, with over three times as many renters (51%) as buyers (16%). It is closely followed by East Sussex (48%), Surrey (46%) and Berkshire (46%) – all of the top 10 regions for renting are in the South. According to Endsleigh, 62% of renters intend to buy a property in the next five years.

Housing First Time Buyers (FTB) & Buy-to-let: The average house price in the UK in July 2011 for first time buyers now stands at **£154,334** which is an **annual decrease of 0.5%.**

As at the end of June, there were 1,342,200 buy-to-let mortgages outstanding, worth a total of £154.5 bn. By value, buy-to-let mortgages accounted for 12.4% of all mortgages.

The typical first-time buyer deposit in July was **20% (£31,593)**. The average first-time buyer borrowed 3.18 times their income and the average first-time buyer loan was £126,374.

According to the RICS Residential Lettings Survey for Q2 2011, tenant demand moderated in the three months to July, although it remained firmly in positive territory overall. 25% more surveyors reported a rise in demand than a fall.

Money Education: A study by Triodos Bank has revealed that 85% of UK savers want more information on what banks actually do with their money – indeed, 25% of savers have never received any information from their bank about how their money is being used. 74% of savers said that banks should do more to proactively help society, while 54% said they would consider changing providers if they found their savings were being invested in industries such as tobacco or weapons production.

A survey by the UK Payments Council has found a notable lack of knowledge around the meaning of some of the most common financial terms. Only 36% of people understand that the term "APR" relates to payments. This falls further to 31% amongst young people aged 18-34. This compares with the widespread use of text-speak acronyms such as "LOL" and "OMG" – four in five 18-34 year olds say they use these when communicating, as do 69% of 35-54 year olds and almost half of over 55s.

Research by Unbiased.co.uk suggests that low income families and pensioners are set to miss out on a total of £8.5bn in unclaimed benefits in 2011/12. Unbiased.co.uk estimate that 3% of entitled families (475,000 nationally) will fail to claim child benefit, missing out on a collective £394m. Furthermore, £2.2bn in child tax credit and £3.6bn in working tax credit will go unclaimed, as will £2.3bn of pension credit.

According to moneysupermarket.com, only 35% of credit card users say that they consider the impact on their finances and budget every time they use their card to make a purchase. Meanwhile, 29% admit that a purchase would need to be in excess of £100 before they thought about the affect it would have on their finances.

Spending: A study by Norwich & Peterborough Building Society has found that 77% of Brits have recently changed their spending habits and made cutbacks in order to improve their finances. For example, 46% of people say they have started to use money-off coupons and vouchers, one third of Brits are adopting a 'make-do-and-mend' approach by trying to repair rather than replace broken items, and three in ten people are cutting back on the amount of socialising they do in order to save money.

MGM Advantage has estimated that average annual household expenditure in the UK is £35,533, and suggest that UK households as a whole need to find an additional £40bn in order to maintain the same standard of living that they enjoyed a year ago. This equates to £1,530 per household, or £636.70 per person.

A survey by Santander suggests that the rising cost of living and financial concerns are making Britain a less romantic country. People in relationships are cutting back on the amount they spend on their partners by an average of 20%, spending a cumulative £8 billion less overall. 22% of those surveyed were looking for cheaper dating alternatives, and 16% said they were buying fewer gifts. Furthermore, 2% of people said they had been put off being in a relationship because of the financial cost involved.

Research by the Co-operative indicates that the average cost of getting onto the road for the first time now stands at £4,459. This includes the cost of driving lessons, road tax, driving tests, insurance and buying a first car. The Co-operative say that the average 18 year-old owns a Vauxhall Corsa worth £1,450 and pays more than £2,000 in insurance alone. However, 53% of 17-25 year olds rely on relatives to buy them their first car – by comparison, 77% of their parents' generation (over 45s) bought their first car themselves.

Meanwhile, Sainsbury's Finance have suggested that 1.3 million motorists have given up driving over the past 12 months because of the rising cost, and that in total 76% of motorists have changed their driving habits in the past year in order to save money. 26% have stopped filling up their tanks fully (and instead purchase specific values of fuel, such as making £20 or £50 visits). Furthermore, 45% of motorists (16.5 million people) are driving less, and 7% have started to car share.

The average British couple will spend £16,569 on their wedding, according to research by Clydesdale and Yorkshire Banks. This is £4,331 less than last year's average.

An annual report by LV has calculated that the cost of raising a child to their 21st birthday now stands at £210,000. This is up 4.5% from last year, and has increased 50% since 2003. Childcare and education represent the biggest areas of expenditure, costing parents £67,430 and £55,660 over the course of their children's childhoods. The cost of education (including school uniforms, after-school clubs and university tuition fees) increased 5.3% over the year.

The average new family car now costs £5,869 annually to keep on the road, equating to £112.87 per week or 48.91p per mile.

The AA calculate that in August 2011 the average price of unleaded petrol rose by 0.1ppl (pence per litre) to 135.7ppl. **This means it costs £67.85 to fill a 50 litre unleaded tank**. The average price of diesel rose by 0.2ppl to 139.9ppl.

Savings: Research by Yorkshire Building Society suggests that inflation has cost Britain's savers nearly £2,500 over the last decade. Yorkshire say that the average savings account stands at £11,648 – if this amount was put into a basic easy access savings account a decade ago, Yorkshire estimate that the account holder would have earned £1,624 in interest over 10 years, leaving them with £13,272. However, in order to have the same spending power as when they originally invested their money, their savings would actually need to have grown to £15,700 – a difference of £2,428.

Meanwhile, a survey by moneysupermarket.com has found that 41% of Brits would like to see a rise in the Bank of England's base rate so they could get a better return on their savings. A further 11% want the rate to go up in order to bring inflation under control. However, 23% don't want the base rate to increase as it means their mortgage payments will go up, and 24% think a rate rise would damage the economic recovery.

Figures released by Aviva suggest that the savings levels of those aged over-55 declined by around 12% between September and June. On average, over-55s had savings worth £10,468 in September, which was a decline from £11,907 recorded in June. Aviva believe this is a clear indication that over-55s are dipping into their savings to get by. Moreover, a quarter of over-55s now have less than £500 in savings – this applies to 29% of those aged 55-64, 21% of 65-74 year olds, and 19% of over-75s.

Research conducted for the Consumer Credit Counselling Service (CCCS) suggests that over 5 million households hold worryingly low levels of savings. The research identified 4.3 households with no savings at all and 1.1 million households with savings of under £1,000. CCCS say that low savings are one of the main causes of falling into unmanageable debt, pointing to the fact that only 5.4% of those who come to them for help have any savings whatsoever.

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