

## DEBT STATISTICS – JULY 2013 SUMMARY

### UK PERSONAL DEBT

Outstanding personal debt stood at **£1.425 trillion** at the end of June 2013.

- This is up from £1.421 trillion at the end of June 2012.
- At the end of June 2013, individuals owed nearly as much as the entire country produced during the whole of 2012.

Outstanding secured (mortgage) lending stood at **£1.267 trillion** at the end of June 2013.

- This is up from £1.263 trillion at the end of June 2012.

Outstanding unsecured (consumer credit) lending stood at **£157.8 billion** at the end of June 2013.

- This is down from £157.9 billion at the end of June 2012.

Average household debt in the UK (excluding mortgages) was **£5,986** in June.

- This is up from a revised **£5,978** in May.

Average household debt in the UK (including mortgages) was **£54,067** in June.

- This is up from a revised **£54,034** in May.

The average amount owed per UK adult (including mortgages) was **£29,008** in June. This is up from a revised **£28,990** in May and was around **117%** of average earnings.

Average consumer borrowing (including credit cards, motor and retail finance deals, overdrafts and unsecured loans) per UK adult was **£3,211** in June. This is up from a revised **£3,207** in May.

The estimated average outstanding mortgage for the 11.3m households that carry mortgage debt stood at **£112,548** in June.

Based on June 2013 trends, the UK's total interest repayments on personal debt over a 12 month period would have been **£59.9 billion**.

- This is equivalent to **£164 million** per day.
- This means that UK households would have paid an average of **£2,272** in annual interest repayments.

### STRIKING NUMBERS

**£54,067** was the average household debt (inc. mortgages) in June

**£164m** was the daily amount of interest paid on personal debt in June

**7,824** debt problems were dealt with by the CAB each working day over the year to March

**1,293** people were made redundant every day between March and May

**915,000** people had been unemployed for over a year, March - May

**£10.21m** of loans are written-off daily by UK Banks and Building Societies

**Every 16 min 26 sec** a property is repossessed

**Every 5 min 7 sec** someone is declared insolvent or bankrupt

**£1.421 billion** was the daily value of all plastic card purchases made in May

The Office for Budget Responsibility (OBR) predicted in March 2013 that total household debt will reach **£1.931 trillion** in Q1 2018.

- This would mean that average household debt would reach **£73,284** (assuming that the number of households in the UK remained the same between now and Q1 2018).

Net lending to individuals by UK Banks and Building Societies rose by **£1.5 billion** in total in June 2013.

- Net secured lending rose by £1.0 billion in the month.
- Net consumer credit lending rose by £0.5 billion.

UK Banks and Building Societies wrote-off **£4.1 billion** of loans to individuals over the 4 quarters to Q1 2013.

- In Q1 2013 itself they wrote-off £932 million (of which £385 million was credit card debt) amounting to a daily write-off of **£10.21m**.

## EVERY DAY IN THE UK

Based on the latest available data, Credit Action estimates that:

- **282** people are declared insolvent or bankrupt every day (based on Q2 2013 trends). This is equivalent to one person **every 5 minutes 7 seconds**.
- **1,317** Consumer County Court Judgements (CCJs) are issued every day (based on Q2 2013 trends). The average value of a Consumer CCJ in Q2 2013 was **£2,766**.
- Citizens Advice Bureaux in England and Wales dealt with **7,824** new debt problems every *working day* during the year ending March 2013.
- It costs an average of **£29.02** per day to raise a child from birth to the age of 21.
- **88** properties are repossessed every day (based on Q1 2013 trends).
- An additional **88** people a day became unemployed for over 12 months during the year to May 2013.
- **1,293** people a day reported they had become redundant between March and May 2013.
- Public Sector Net Borrowing (excluding financial interventions) was **£8.5bn** in June 2013, meaning that the Government borrowed an average of **£282m** per day during the month (equivalent to **£3,286** per second).
- **158** mortgage possession claims are issued and **112** mortgage possession orders are made every day.
- **466** landlord possession claims are issued and **312** landlord possession orders are made every day.
- The UK population grew by **1,123** people a day between 2001 and 2011.
- **28.8m** plastic card purchase transactions were made every day in May 2013 with a total value of **£1.421 billion**.
- **9.00m** cash machine transactions were made every day in June with a total value of **£360m**.
- A new car in £13,000 - £18,000 bracket travelling 10,000 miles per year **costs £16.23** per day to run.
- It cost **£67.90** to fill a 50 litre tank with unleaded petrol in June.

## NATIONAL STATISTICS

- The UK economy **grew by 0.6%** in the second quarter of 2013, according to latest estimates from the Office of National Statistics.
- The number of unemployed people in the three months between March and May 2013 was **2.51 million** (7.8%). This is down by 57,000 from the previous three months, and down by 72,000 from a year earlier.
- **118,000** people (**1,293 a day**) reported they had become redundant over the three months. This is down by 19,000 from the previous three months, and down by 29,000 from a year earlier.
- **915,000** people had been unemployed for over 12 months between March and May, up 15,000 from the previous three months, and up **32,000 (88 a day)** from a year earlier.

## SERVICING DEBT

- Based on *annual* figures to the end of March 2013, Citizens Advice Bureaux in England and Wales are dealing with **7,824** debt problems every *working day*.
- According to the Council of Mortgage Lenders (CML), **8,000** properties were taken into possession in Q1 2013 (this is down from 9,600 in Q1 2012, but is up from 7,700 in Q4 2012 in line with seasonal trends).
- This equates to **88** properties being repossessed every day, or one property being repossessed **every 16 minutes 26 seconds**.
- The Insolvency Service said there were **25,717** individual insolvencies in England and Wales in Q2 2013. This is equivalent to **282** people a day or, one person **every 5 minutes 7 seconds**.

## PLASTIC CARDS AND PERSONAL LOANS

- Total credit card debt in May 2013 was **£55.7bn**.
- During May 2013 an average of **333** purchases were made in the UK every second using debit and credit cards, based on figures from the UK Cards Association.
- On a daily basis, purchases using plastic cards were worth **£1.421 billion** during May.

**FOR MORE DETAILED FIGURES AND ADDITIONAL STATISTICS, DOWNLOAD A PDF OF THE FULL VERSION OF CREDIT ACTION'S JULY 2013 DEBT STATISTICS FROM OUR WEBSITE**

## NOTES

Credit Action's Debt Statistics are compiled by Liz Dunscombe ([lizdunscombe@creditaction.org.uk](mailto:lizdunscombe@creditaction.org.uk)).

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