

*The*  
**MONEY**  
*Charity*

# **The Money Statistics**

**January  
2019**

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# The MONEY Charity

Welcome to the January 2019 edition of The Money Statistics, The Money Charity's monthly round-up of statistics about how we use money in the UK.

If you have any questions, comments, or want any information about the source of these statistics, please contact us through [hello@themoneycharity.org.uk](mailto:hello@themoneycharity.org.uk). Throughout this document, statistics that are written in **colour** have been calculated by The Money Charity. All the other statistics come from external sources such as Bank of England, ONS and UK Finance and are written in **black**. All statistics are from the latest available data at the time of writing.

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**We update these statistics every month with the latest data. Check our [website](#) to make sure you're reading the most recent edition.**

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# 1. Striking Numbers

This month's highlights

**£58,948**

Average total debt per UK household  
in November 2018

**0.88%**

Average interest rate on a cash ISA in  
November 2018

**£32,220**

Average student debt for 2016 cohort  
in England

**18.69%**

Average credit card interest rate in  
November 2018

**-5.7%**

Change in the average real wage  
since pre-crash peak in February 2008

**£7,854**

Average consumer credit debt per  
household in November 2018

**£898.71**

Increase in average total debt per adult in the  
year to November 2018

**26 years and 6 months**

Time to pay off average credit card  
debt making only the minimum  
payment per month

**£31.5 billion**

Increase in Public Sector Net Debt (excluding RBS and debt to Bank of England) in the  
year to November 2018



# 1. Striking Numbers

## Every day in the UK

- The population of the UK grew by an estimated **1,166** people a day between 2017 and 2018.
- On average, a UK household spends **£3.97** a day on water, electricity and gas.
- **273** people a day were declared insolvent or bankrupt in July to September 2018. This was equivalent to one person **every 5 minutes and 16 seconds**.
- **3,001** Consumer County Court Judgements (CCJs) were issued every day in Q3 2018, with an average value of **£1,337**.
- Citizens Advice Bureaux in England, Wales and Northern Ireland dealt with **2,465** debt issues every day in the year to December 2018.
- **12** properties were repossessed every day in Q3 2018, or one **every 2 hours**.
- The number of mortgages with arrears of over 2.5% of the remaining balance fell by **11** a day.
- The number of people unemployed fell by **186** per day in the year to November 2018.
- **1000** people a day reported they had become redundant in September to November 2018.
- Net lending to individuals and housing associations in the UK grew by **£137 million** a day in November 2018.
- Government debt increased by **£86 million** a day in the year to November 2018.
- Borrowers paid **£140 million** a day in interest in November 2018.
- It costs an average of **£22.95** per day for a couple to raise a child from birth to the age of 18.
- For a lone parent family, the cost of raising a child comes to **£27.90** per day.
- **53** mortgage possession claims and **34** mortgage possession orders were made every day in July to September 2018.
- **344** landlord possession claims and **257** landlord possession orders were made every day.



## 2. Personal Debt in the UK

### Total UK Personal Debt

People in the UK owed **£1.616 trillion** at the end of November 2018. This is up from £1.569 trillion at the end of November 2017, an extra **£898.71** per UK adult, **£78.15** higher than the previous month.

The average total debt per household, including mortgages, was **£58,948** in November. The revised figure for October was **£58,799**.

Per adult in the UK that's an average debt of **£30,832** in November, around **112%** of average earnings. This is up from a revised **£30,754** a month earlier.

Based on November 2018 trends, the UK's total interest payments on personal debt over a 12 month period would have been **£51,243 million**.

- That's an average of **£140 million** per day.
- This means that households in the UK would have paid an average of **£1,869** in annual interest payments. Per person that's **£977**, **3.6%** of average earnings.

According to the Office for Budget Responsibility's October 2018 forecast, household debt is forecast to reach **£2.258 trillion** in Q1 2022. This would make the average household debt **£80,534** (assuming household numbers track ONS population projections.)

### Consumer Credit Debt

Outstanding consumer credit lending was **£215.4 billion** at the end of November 2018, increasing by **£451 million** on the revised total for the previous month.

- This is also up from £206.2 billion at the end of November 2017, an increase over the year of **£174.80** for every adult in the UK.

Per household, that's an average consumer credit debt of **£7,854** in November, up slightly from a revised £7,838 in October, and **£334.21** extra per household over the year.

The average consumer credit borrowing stood at **£4,108** per adult, **14.9%** of average earnings. This is up from **£4,099** the previous month.

Total credit card debt in November 2018 was **£72.5 billion**, **£2,643 per household**. A credit card on the average interest rate would take **26 years and 6 months** to repay, making only minimum repayments each month. The minimum repayment in the first month would be **£64** but would reduce each month. If £64 were paid every month, the debt would be cleared in **5 years and 3 months**.

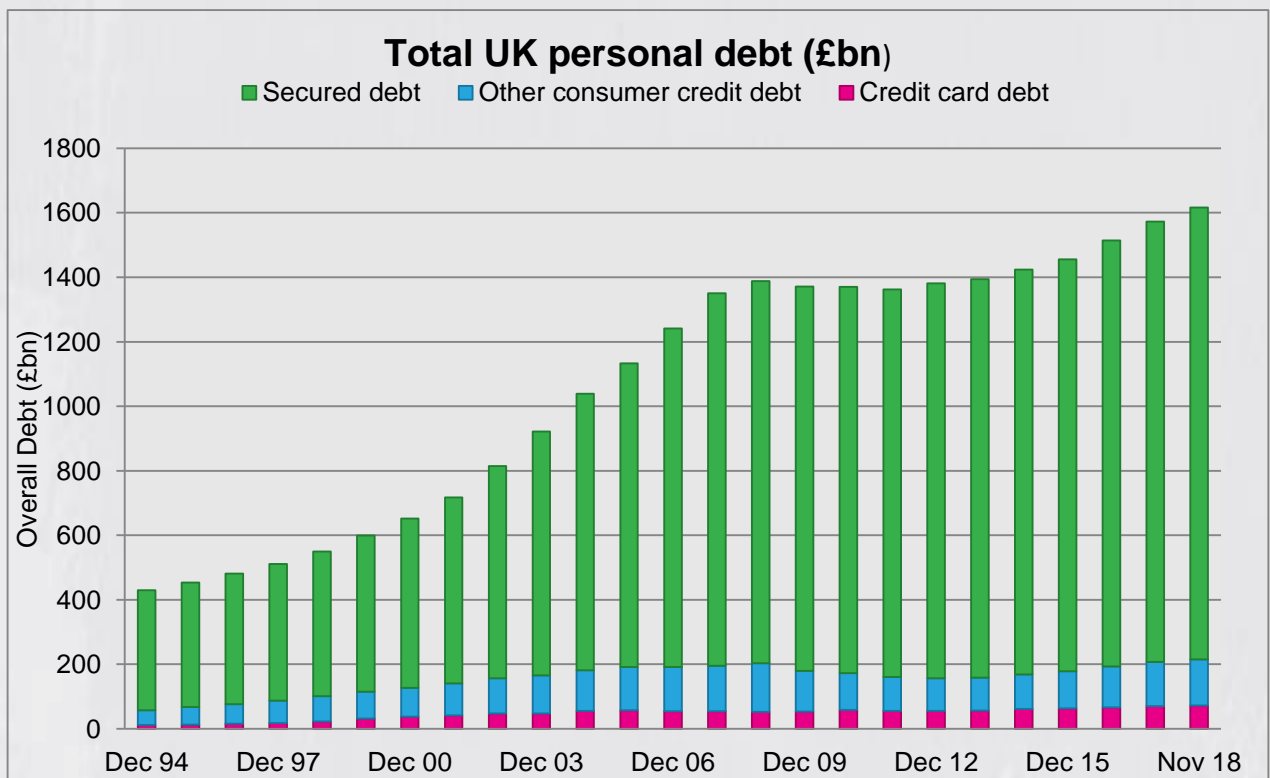


## 2. Personal Debt in the UK

### Net Lending and Write-offs

Total net lending to individuals and housing associations by UK banks and building societies **rose by £4.1 billion** in November 2018 or **£137 million a day**.

- Net mortgage lending rose by **£3.65 billion** in the month; net consumer credit lending rose by **£0.45 billion**.
- In Q3 2018 lenders wrote off **£1.094 billion** (of which £471 million was credit card debt, amounting to a daily write-off of **£5.1 million**.)



Based on Bank of England Data



## 2. Personal Debt in the UK

### Student Loans

In 2017-18, the provisional average maintenance loan awarded to full-time students in England was **£5,489 (up 16%** on the previous year). In Wales it was **£4,774** and in Northern Ireland **£3,124**. The provisional average tuition fee loan in England was **£8,265 (up 2%)**. In Wales it was **£3,916** and in Northern Ireland **£5,105**.

In England, the average debt per borrower at the end of 2016-17 was **£16,849** (for English students and EU students in England, including loans for Further and Higher Education.) In Wales it was **£12,135** and in Northern Ireland **£13,471**.

The average debt for the latest cohorts (2016-17) to enter repayment was **£32,220** in England, **£19,280** in Wales and **£20,990** in Northern Ireland.

### Advice, Insolvency, and the Courts

Citizens Advice Bureaux across England, Wales and Northern Ireland answered **239,598** enquiries in December 2018.

Debt was the second largest advice category (behind benefits and tax credits) with **53,346** issues. This was up **3.3%** on the same month last year. Debt represented **21.7%** of all issues dealt with in the year to December 2018. The top three debt categories were Council Tax, credit, store and charge cards, and fuel. In the year to December 2018, Citizens Advice Bureaux in England, Wales and Northern Ireland dealt with **2,465** debt issues every *day*.

There were **25,151** individual insolvencies in England and Wales in Q3 2018. This is equivalent to **273** people a day or one person **every 5 minutes 16 seconds**. This was down **10.5%** on the previous quarter and down **2.5%** on the same period a year ago.

Every day, on average, **45** people were made bankrupt, **76** Debt Relief Orders were granted, and **153** Individual Voluntary Arrangements were entered into.

In the 12 months ending Q3 2018, **106,546** individuals, **1 in 434 (0.2%** of the adult population) became insolvent.

**3,001** Consumer County Court Judgements (CCJs) were issued every day in Q3 2018. The average value of a Consumer CCJ in Q3 2018 was **£1,337**.



## 3. Mortgages, Rent and Housing

### Mortgage Debt

Outstanding mortgage lending stood at **£1.401 trillion** at the end of November 2018.

- This is up from £1.363 trillion a year earlier.

That means that the estimated average outstanding mortgage for the **10.9** million households with mortgage debt was **£128,062** in November.

The average mortgage interest rate was **2.5%** at the end of November. Based on this, households with mortgages would pay an average of **£3,202** in mortgage interest over the year.

For new loans, the average mortgage interest rate was **2.1%**. Using the latest figures from UK Finance, this means new mortgages would attract an average of **£3,021** in interest over the year.

According to UK Finance, gross mortgage lending in November 2018 totalled an estimated **£23.1 billion**, down **2.0%** on November 2017.

The Financial Conduct Authority reports that **58%** of mortgage lending in Q3 2018 was for 75% or less of a property's value.

- **5.4%** of lending was for mortgages for over 90% of a property's value.

There were **72,400** loans approved for house purchase for first-time buyers and home movers in November 2018, according to UK Finance, **3.4%** higher than last year. The average loan approved for house purchase stood at **£142,500** for a first-time buyer, and **£180,000** for home movers. This is an increase of **3.3%** and **2.6%** since last year respectively.

The mortgage as percentage of house value was on average **85.0%** for first time buyers and **72.9%** for home movers in November 2018. These proportions have stayed roughly the same over the last year.





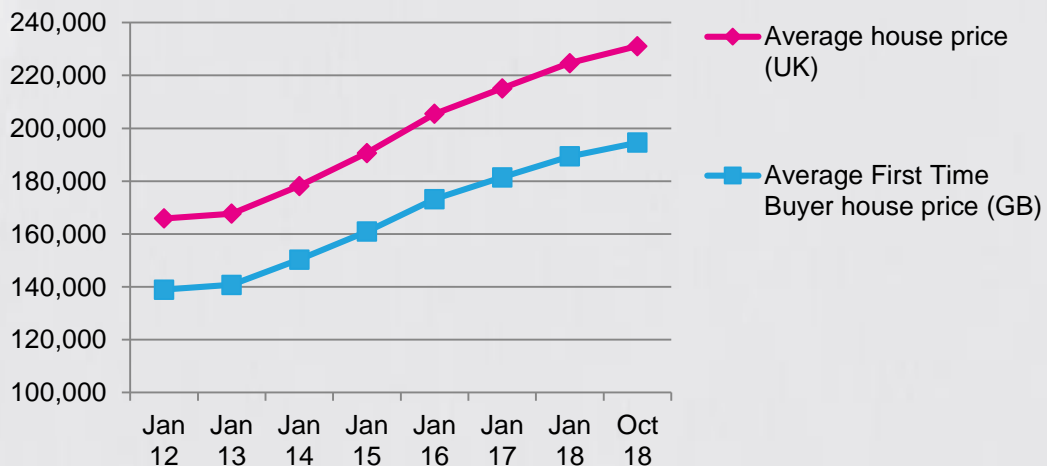
## 3. Mortgages, Rent and Housing

### House Prices

Nationwide estimates that house prices fell by **0.7%** during December 2018, but were up **0.5%** on 12 months before. Halifax reports that average house prices rose by **2.2%** (£5,151) in December 2018 to **£229,729**. This was a decline of **0.4%** over the quarter but a rise of **1.3%** over the year.

While these two series show different fluctuations from month to month, they agree broadly with the ONS and Land Registry numbers below showing there has been a small increase in average house prices over the last year, with the average price plateauing since the summer of 2018.

### House Prices



Data from ONS and HM Land Registry

### First-time Buyers

The HM Land Registry reports that the average house price for first-time buyers was **£194,611** in October 2018, which is an annual increase of **2.5%** but a monthly fall of **0.1%**.

According to UK Finance, the typical first-time buyer deposit in November 2018 was **15%** (around **£25,147**) – **92% of an average salary**, similar to affordability in October.

The average first-time buyer borrowed **3.7** times their income and the average age of a first-time buyer was **30**.



## 3. Mortgages, Rent and Housing

### Renting

The median rent in England across all private rental property types for the 12 months to 30th September 2018 was **£690**, according to the Valuation Office Agency. In London it was **£1,473**.

For a single room, the median monthly private rent was **£600**. In London it was **£1,288 (115% higher)**.

For two bedrooms, the median monthly private rent was **£650**. In London it was **£1,500 (131% higher)**.

According to the Office for National Statistics, private rental prices in the UK rose by **0.9%** in the 12 months to November 2018, the same as for the 12 months to October.

Over the year to November 2018, rental prices increased in all the English regions bar London, where they were flat. The East Midlands saw the biggest increase (**2.7%**).

Figures from the Ministry of Housing, Communities and Local Government show that in 2016-17, private renter households spent an average of **£832** a month on rental payments. Inclusive of benefits, private renters spent an average of **34%** of their income on rental payments.

Weekly rents in the social housing sector were **£102** for housing association renters and **£97** for local authority renters.

**34%** of households owned their home outright, while **28%** were mortgagors, **20%** rent privately and **18%** pay a social rent.

- 2012-13 was the first year ever that outright owners were the largest tenure group.
- The rate of private renting is the highest it has been since the 1960s.



## 3. Mortgages, Rent and Housing

### Arrears and Repossessions

According to the Financial Conduct Authority, at the end of Q3 2018 there were **187,782** mortgage loan accounts with arrears of more than 1.5% of the current loan balance.

- This is slightly up on the previous quarter but **2.9%** down on Q3 2017.

**54%** of payments due for loans in arrears were received in Q3 2018.

UK Finance reports that **77,600 (0.86%)** of homeowner mortgages had arrears equivalent to at least 2.5% of the outstanding mortgage balance in Q3 2018, a slight quarterly fall (from 77,690 in Q2). Over the last year, mortgages in arrears have fallen by **11** a day.

UK Finance estimates that there were **1,080** properties taken into repossession in Q3 2018.

This equates to **12** properties being repossessed every day, or one property being repossessed **every two hours**.

Every day in Q3 2018, according to the Ministry of Justice, **53** mortgage possession claims were issued and **34** mortgage possession orders were made.

**344** landlord possession claims were issued and **257** landlord possession orders were made every day.



## 4. Savings and Pensions

### Savings

In Q3 2018, households saved an average of **4.3%** of their post-tax income, including benefits. This compares with 4.4% in Q3 2017. From 2000 to 2015, the savings rate fluctuated mostly in the 6-10% range, with a post-crash peak of 12% in Q3 2009. The average interest rate for an instant access savings account, not including bonus interest payments, was **0.25%** in November 2018. For a cash ISA, this was **0.88%**.

If someone on the average salary saved 4.3% of their income in an average instant access savings account for a year, they would receive **£2.37** in interest after tax. If they saved it in an average cash ISA, they would receive **£10.42**.

It would take **21 years** for someone on the average salary, saving the average amount per household every year in an average instant access savings account, to afford the average first-time buyer deposit. If they saved into a cash ISA at the same rate it would take **20 years**. This assumes no property price inflation in the meantime.

According to the DWP, around **13m** households (**48%** of the total) have either no savings or less than £1,500 in savings. **19m** households (**70%** of the total) have less than £10,000 in savings.

### Pensions

According to The Pensions Regulator's Compliance Report, at least **9.99 million** employees had joined a pension scheme under auto-enrolment by the end of December 2018, making a total of **21.9 million** members of pensions schemes, but leaving **9.3 million** employees unenrolled, out of the total declared workforce of 31.1 million.

According to the Family Resources Survey, **45%** of working age adults actively participated in a pension in 2016-17, up **2%** on the previous year. This was **66%** for employees and **16%** for the self-employed.

The Annual Survey of Hours and Earnings reports that **20.9%** of private sector employees were receiving an employer contribution to their workplace pension greater than 8%, whereas **94.4%** of public sector employees receive a contribution greater than 12%. **38.7%** of employees with a pension were in an occupational Defined Benefit scheme in 2017, according to the Office for National Statistics, while **31.5%** were in an occupational Defined Contribution scheme.

In May 2018, there were **12.75** million claimants of State Pension, a fall of **8,200** on February 2018. **45%** of claimants were male and **55%** female.



## 5. Spending and Loans

### How We Spend

In the year to October 2018, consumer credit increased by **7.5%** according to UK Finance, while outstanding levels of credit card borrowing grew by **8.6%**, slightly down on the rate of growth in early 2018 .

Meanwhile, data from LINK shows that, on average, **88** cash machine transactions (including balance enquiries and rejected transactions) were made **every second** in December 2018.

- In total, cash machine transactions were worth an average of **£47** per transaction.
- LINK's transaction figures do not include transactions or withdrawals made by customers at their own banks or building societies.
- Adding LINK and own bank transactions, there were **2.598 billion** cash withdrawals in 2017, amounting to **82** withdrawals per second.

### What We Buy

In Q3 2018, households in the UK spent **£108.8 million** a day on water, electricity and gas, or **£3.97** per household per day. On a seasonally adjusted basis, this was similar to Q2 2018.

In December 2018 the average price of unleaded petrol fell by **5.9** pence per litre (ppl) to **121.6ppl**.

- This meant it cost **£60.80** to fill a 50 litre unleaded tank, **£2.95** less than last month.

The average price of diesel fell by **4.8ppl** to **131.1ppl**.

- This meant it cost **£65.55** to fill a 50 litre diesel tank, **£2.40** less than last month.
- The price difference between the two widened to **9.5ppl** in December, a difference of **£4.75** per 50 litre tank.

Based on AutoEurope figures, it costs around **£2,618** a year to run a car (not including depreciation), or roughly **£7.17** a day. Driving on average 8,600 miles a year, the cost of petrol will amount to **£0.12** per mile.

Child Poverty Action Group's "The Cost of a Child in 2018" report estimates that couple families now spend **£150,753** on raising a child to their 18<sup>th</sup> birthday, **£22.95 a day**. This is an increase of **5.7%** since the study began in 2012.

- The cost for a lone parent is **£183,335**, an increase of **18.3%** since 2012.
- This comes to **£27.90 a day**.
- The percentage of basic costs covered by child benefit has risen by **1.0%** since 2012 for couples, but fallen by **2.0%** for a lone-parent family.



## 5. Spending and Loans

### The Cost of Credit

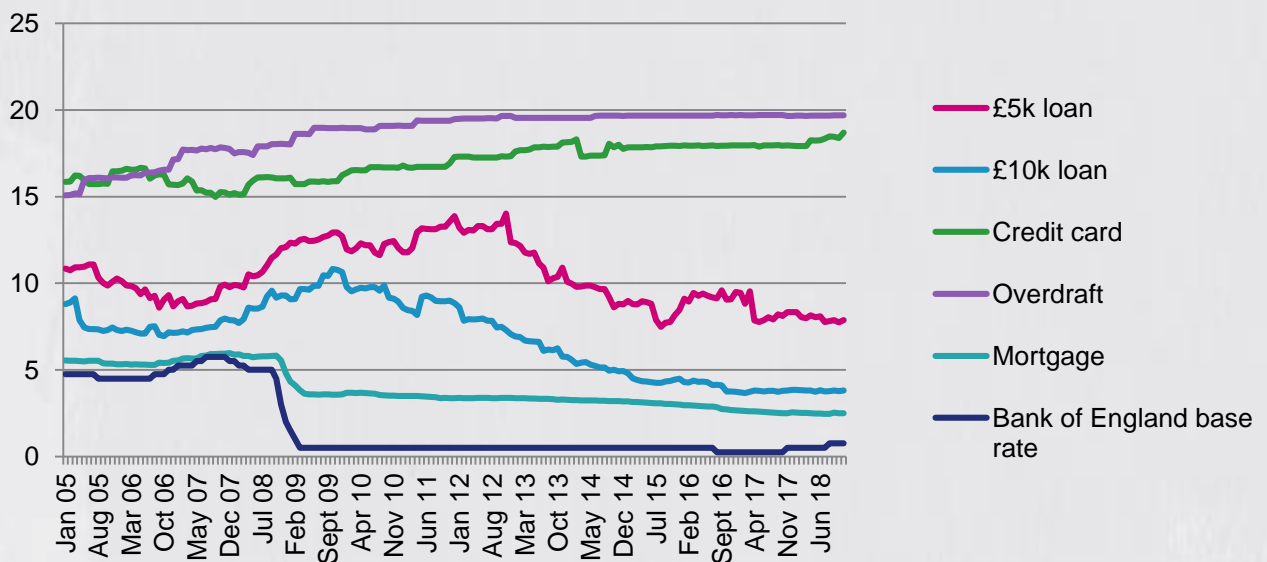
The average interest rate on credit card lending bearing interest was **18.69%** in November 2018. This is **17.94%** above the Bank of England Base Rate of 0.75%.

UK Finance figures show that **54.1%** of credit card balances were bearing interest in November 2018.

In November 2018, the average APR for a £5,000 personal loan was **7.88%**, according to the Bank of England. For a £10,000 loan it was **3.81%**, while the average rate for an overdraft was **19.69%**.

As shown in the chart, the gap between the BoE base rate and credit card and overdraft rates has widened substantially since 2008.

### Interest rates (% pa to November 2018)



Source: Bank of England



## 6. The Bigger Picture

The UK economy grew by **0.3%** in the three months to November 2018, a fall from the **0.6%** growth in the third quarter of 2018, according to the latest estimates from the Office of National Statistics.

The CPI (Consumer Prices Index) 12 month rate stood at **2.3%** in the year to November, down **0.1%** compared with the year to October. The inflation rate has been above the Bank of England's 2% target since February 2017.

The highest rates of inflation over the 12 months to November were in alcohol and tobacco (**5.8%**) transport (**4.9%**) and education (**3.1%**).

In the three months to November 2018, pay including bonuses was up by **3.4%** from a year ago, while pay excluding bonuses rose by **3.3%**. Average weekly pay was **£527**, or **£494** excluding bonuses; an annual salary of **£27,479**, or **£25,759** without bonuses. In real terms, for the year to November 2018, wages increased by **1.1%** for regular pay and **1.2%** for total pay. Due to inflation being higher than pay growth over the last ten years, both regular (**-1.9%**) and total pay (**-5.7%**) remain below the pre-crash peak of February 2008.

The Bank of England Base Rate is currently set at **0.75%**.

Public Sector Net Borrowing (excluding RBS and Bank of England) in the three months to November 2018 was **£16.87 billion**, meaning the Government spent an average of **£185.4 million** per day more than it took in over the three months. This included **£10.1 billion** net investment over the same period, leaving a current budget deficit over the period of **£6.82 billion**.

Public sector net debt in November 2018, *excluding* RBS and Bank of England, was **£1,606.5 billion (75.1% of GDP)**. This was **£31.5 billion** more than in November 2017, an increase of **£86 million** per day.

According to the October 2018 Economic and Fiscal Outlook from the Office for Budget Responsibility, total public sector net debt is forecast to peak at **85.0% of GDP** in 2017-18, before falling to **74.1% of GDP** in 2023-24.

The population of the UK grew by an estimated **1,166** people a day between mid 2017 and mid 2018.



## 6. The Bigger Picture

Out of a total adult population of **52.4** million, there are projected to be **31** million income taxpayers in 2018-19. Of these, **25.6** million will be basic rate taxpayers, **4.3** million people will fall into the 40% income tax band in **393,000** will pay the 45% rate, which replaced the 50% rate in 2013-14.

People who do not pay income tax still pay indirect taxes such as VAT, non-EU import duties, insurance premium tax and excise duties on tobacco, alcohol and fuel.

There were **6.8 million** working-age people claiming benefits in February 2018. This is a decrease of **69,000** in the year to February 2018, or **189 a day**.

The number of people classed as unemployed in September to November 2018 was **1.37 million** (**4.0%** of the workforce), **8,000** more than the previous quarter but down **68,000** from last year, **186 a day**.

- **347,000** people had been unemployed for over 12 months, down by **37,000 (101 a day)** from a year earlier.

The unemployment rate in the UK was highest in the North East (**5.5%**) and lowest in the East and South West (**3.1%**). In Wales it was **3.9%**, in Scotland **3.6%** and in Northern Ireland **3.4%**.

**408,000** 18-24 year olds (**10.3%**) were unemployed in September to November 2018. This was **37,000** more than in June to August 2018.

- Of these, **137,000 (34%)** had been unemployed for over 6 months.
- **73,000** had been unemployed for over 12 months. This is an increase of **7,000** on June to August 2018 and a decrease of **6,000** on a year earlier.

**760,000** (10.9%) of 16 to 24-year-olds in the UK were not in education, employment or training (NEET) in July to September 2018, down **23,000** from the previous quarter.

**286,000** people aged 50 and over were unemployed in September to November 2018, a decrease of **17,000** on June to August 2018, and down **11,000** on a year earlier.

- **39.5%** of unemployed workers aged 50 and over, a total of **113,000** people, had been out of work for over a year. **69,000** had been unemployed for more than two years.
- **1,271,000 (10.7%)** people aged 65 and over were *in work*, which is an increase of **30,000** from June to August 2018, and **91,000** from the previous year.

**91,000** people (**1000 per day**) reported they had become redundant over the three months, an increase of **2,000** on June to August 2018.



# the **MONEY** Charity

The Money Charity is the UK's leading financial capability charity.

We believe that being on top of your money means you are more in control of your life, your finances and your debts, reducing stress and hardship. And that being on top of your money increases your wellbeing, helps you achieve your goals and live a happier more positive life as a result.

Our vision is for everyone to be on top of their money as a part of everyday life. We empower people across the UK to build the skills, knowledge, attitudes and behaviours, to make the most of their money throughout their lives.