

The
MONEY
Charity

The Money Statistics

January 2024

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The MONEY Charity

Welcome to the January 2024 edition of The Money Statistics, The Money Charity’s complete monthly round-up of statistics about how we use money in the UK.

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1. Striking Numbers

This Month's Highlights

£57,910

Average total debt per UK household in November 2023

£2,452

Average credit card debt per household in November 2023

£4,163

Total unsecured debt per UK adult in November 2023

8.6%

Change in outstanding credit card balances in year to November 2023

9 pence per litre

Decrease in the price of unleaded petrol in December 2023

4.0%

Inflation rate in the year to November 2023

1.6%

Decrease in average first-time buyer house price in the year to October 2023

12 years

Time to save for a first-time buyer house deposit, saving at the average rate out of average UK income (at July to September 2023 rate of household saving)



1. Striking Numbers

Every Day in the UK

- The population of the UK shrunk by an estimated **151** people a day between 2020 and 2021.
- On average, a UK household spends **£3.48** a day on water, electricity and gas.
- **279** people a day were declared insolvent or bankrupt in England and Wales in August to October 2023. This was equivalent to one person **every 5 minutes and 9 seconds**.
- In Northern Ireland in October 2023, there were **4.0** insolvencies per day. In Scotland in the three months to June 2023 there were **22.3** insolvencies per day.
- Citizens Advice Bureaux in England and Wales dealt with **1,006** debt issues every day in the year to December 2023.
- **6.8** properties were repossessed every day in July to September 2023 in the UK, or one **every 3 hours and 47 minutes**.
- The number of UK mortgages with arrears of over 2.5% of the remaining balance increased by **37.0** a day in the year to September 2023.
- The number of people unemployed in the UK increased by **658** per day in the twelve months to July 2023.
- **1,109** people a day reported they had become redundant in May to July 2023.
- Net lending to individuals and housing associations in the UK grew by **£24.8 million** a day in November 2023.
- Government debt increased by **£665.8 million** a day in the three months to October 2023.
- Borrowers paid **£195 million** a day in interest in November 2023.
- It costs an average of **£25.28** 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 **£33.54** per day.
- **45.5** mortgage possession claims and **10.5** mortgage possession orders were made every day in England and Wales in July to September 2023.
- **271.1** landlord possession claims and **72.5** landlord possession orders were made every day.



1. Striking Numbers

Arising from the current climate

The UK has undergone a significant degree of political and financial turmoil over the past few years. The pandemic and ongoing cost of living and energy crises, among other events, have affected the lives and finances of many people across the UK. Following are some striking statistics, curated over the last few weeks to reflect the situation as it evolves:

57%

The percentage of all UK households who have avoided turning on their heating at all or reported purposefully turning it on less to avoid costs. A common money-saving tactic for households, but not without its risks; 21.5% excess winter deaths can be attributed directly to cold homes (abrdn Financial Fairness Tracker October 2023).

3.2 million

The number of prepayment meter customers who experienced self-disconnection owing to an inability to 'top up' their meter either online or in-person in 2022 (Citizens Advice).

£368.28

The forecasted decrease in the Default Tariff cap on energy bills from Q1 to Q4 2024. As of January 2024, the cap stands at £1928; this is expected to fall to £1541.72 at the end of the year (Cornwall Insight).

41%

The percentage of adults who reported finding it very or somewhat difficult to pay their energy bills at the beginning of December 2023; this was a **7% decrease** on the same period in 2022 (ONS).

26.2%

The amount by which average food prices rose in the two years to December 2023. Previously it had taken 13 years (December 2008 to December 2021) for average food prices to rise by this level. (House of Commons Library).

3.2%

Estimated decrease in retail sales volume in December 2023, following the revised 1.4% rise in November (ONS).



2. Personal Debt in the UK

Total UK Personal Debt

People in the UK owed **£1,847.6 billion** at the end of November 2023. This is up by **£18.8 billion** from £1,828.8 billion at the end of November 2022, an extra **£353.46** per UK adult over the year.

Type of Personal Debt	Total Personal Debt £ billion	Per Household £	Per Adult £
Secured (Mortgages)	£1,626.2 billion	£57,910	£30,574
Unsecured Consumer Debt	£221.4 billion	£7,885	£4,163
Of which, Credit Card Debt	£68.9 billion	£2,452	£1,295
Grand Total (November 2023)	£1,847.6 billion	£65,795	£34,737

The average total debt per household, including mortgages, was **£65,795** and per adult was **£34,737**, around **100.5%** of average earnings. This is up from the revised **£34,723** a month earlier.

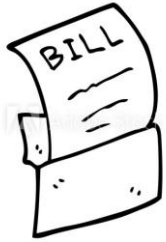
Based on November 2023 numbers, the UK's total interest payments on personal debt over a 12-month period would have been **£71,335 million**, an average of **£195 million** per day. The average annual interest per household would have been **£2,540** and per person **£1,341**, **3.88%** of average earnings.

According to the Office for Budget Responsibility's November 2023 forecast, household debt of all types is forecast to rise from **£2,259 billion** in 2023 to **£2,429 billion** in 2025. This would make the average total household debt **£85,274** (assuming household numbers track ONS population projections.)

Consumer Credit Debt

At the end of November 2023, outstanding consumer credit lending was **£221.4 billion**, increasing by **£1.67 billion** on the revised total for the previous month and **£14.6 billion more** than in November 2022. Within the total, outstanding credit card debt came to **£68.9 billion**, an increase of **8.6% (£5.5 billion)** in the year to November 2023. Credit card debt averaged **£2,452** per household and **£1,295** per adult.

A credit card on the average interest rate would take **26 years and 8 months** to repay, making only the legal minimum repayments (interest plus 1% of the outstanding balance) each month. The minimum repayment in the first month would be **£69** but would reduce each month. If £69 were paid *every* month, the debt would be cleared in **4 years and 11 months**.

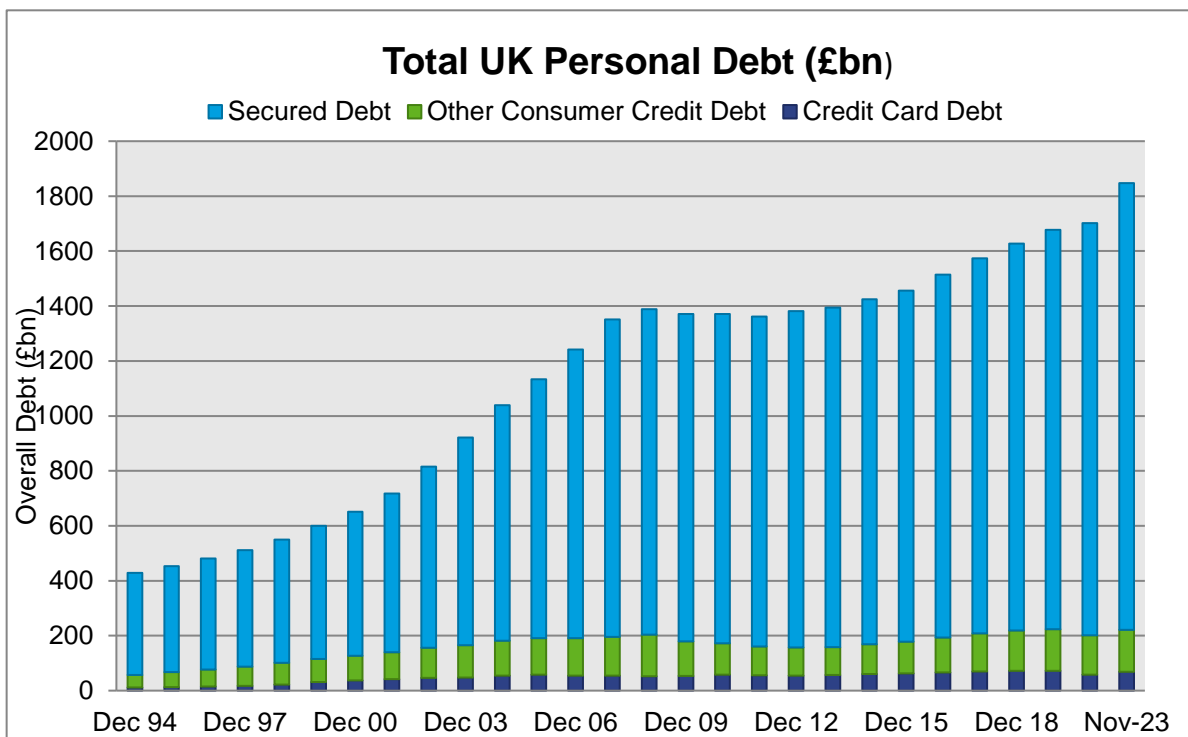


2. Personal Debt in the UK

Net Lending and Write-Offs

Total net lending to individuals and housing associations by UK banks and building societies increased by **£769 million** in November 2023 or **£24.81 million a day** over revised figures for October 2023.

- Net mortgage lending **decreased** by **£903 million** in the month, while net consumer credit lending **increased** by **£797 million**.
- In Q3 2023 lenders wrote off **£737 million** (of which **£264 million** was credit card debt, amounting to a daily write-off of **£2.9 million**.)



Bank of England Data to November 2023

(The last three columns in the chart are Dec 19, Dec 20 and Nov 23)



2. Personal Debt in the UK

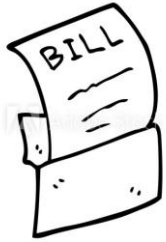
Advice on Problem Debts

Citizens Advice Bureaux across England and Wales answered 163,218 enquiries in December 2023, **6.52% up** from December 2022.

Debt was the second largest advice category in December 2023 with **32,797** issues, behind Benefits and Tax Credits (**55,294**). Debt calls were **11.4%** up compared with December 2022, while calls about Benefits and Tax credits were up by **10.3%**. Calls about Fuel (gas, electricity etc) were down **14.1%** on December 2022. Debt represented **20.5%** of all issues dealt with in the year to December 2023. The top three debt categories in December 2023 were fuel debts, debt assessment and council tax arrears. In the year to December 2023, Citizens Advice Bureaux in England and Wales dealt with **1,006** debt issues every *day*.

In Scotland in November 2023, Citizens Advice Scotland gave **103,516** pieces of advice, with debt advice being **10% of the total**. Debt advice in November 2023 was the second largest category after benefits.

StepChange Debt Charity reports that **14,654** new clients received full debt advice in November 2023. The most common reasons for seeking debt advice were “cost of living increase”, “lack of control over finances” and “unemployment or redundancy”. **65%** of clients had credit card debt, **44%** had personal loan debt, **31%** had an overdraft and **29%** had catalogue debt. The majority of StepChange clients are female (**63%** in November 2023) and young (**59%** under the age of 40).



2. Personal Debt in the UK

Individual Insolvencies

There were **25,414** individual insolvencies in England and Wales in September to November 2023, a **decrease of 13.4%** from 31,015 for the same period in 2022. This was equivalent to **279** people a day or one person **every 5 minutes and 10 seconds**.

Every day on average in England and Wales, **22** people were made bankrupt, **103** Debt Relief Orders were granted and **153** Individual Voluntary Arrangements (IVAs) were entered into.

In the 12 months to November 2023, **115,237** individuals, **1 in 408 (0.25%)** of the adult population of England and Wales became insolvent.

In Northern Ireland there were **111** individual insolvencies in November 2023, a rate of **4.0** per day. This comprised **70** Individual Voluntary Arrangements, **21** Debt Relief Orders and **20** bankruptcies. Individual insolvencies for the three months to November 2023 were **down by 20.5%** on the same three months the previous year.

In Scotland there were **2,074** personal insolvencies in April to June 2023, a rate of **22.3** per day, comprising **570** bankruptcies and **1,504** protected trust deeds. Personal insolvencies for the three months to June 2023 saw no change (**0.0%**) on the same period in the previous year.

County Court Judgements for Debt

2,463 Consumer County Court Judgements (CCJs) were issued every day in England and Wales in July to September 2023, a **15.7% increase** on the same period on the previous quarter. The average value was **£1,744** according to Registry Trust Ltd.

In Northern Ireland, there were **14** consumer debt judgements every day in July to September 2023, with an average value of **£2,106**.

In Scotland, **33** consumer debt decrees were registered every day in July to September 2023, with an average value of **£1,936**.



3. Mortgages, Rent and Housing

Mortgage Debt

According to the Bank of England, outstanding mortgage lending stood at **£1,626.1 billion** at the end of November 2023. This is up from £1,621.9 billion a year earlier, an increase of **£4.2 billion**.

That means that the estimated average outstanding mortgage for the **10.77 million** households with mortgage debt was **£150,992** in November 2023.

The average mortgage interest rate was **3.28%** at the end of November 2023. Based on this, households with mortgages would pay an average of **£4,953** in mortgage interest over the year.

For new loans, the average mortgage interest rate was **5.37%**. Based on this, First-Time Buyers with mortgages would pay an average of **£10,006** in mortgage interest over the year.

According to the FCA and Bank of England, gross mortgage lending in July to September 2023 was **£62.2 billion**, **27.6% lower** than the same quarter the previous year and **5.5% lower** than from before the pandemic (Q1 2020).

The Financial Conduct Authority reports that **61.27%** of mortgage lending in Q3 2023 was for 75% or less of a property's value. **4.82%** of lending was for mortgages for over 90% of a property's value.

58.1% of mortgage lending was for three or more times the borrowers' incomes.

According to UK Finance, in December 2019 (latest publicly available data), the mortgage as percentage of house value was on average **77.0%** for first-time buyers, **67.6%** for home movers and **58.8%** for re-mortgagors, slightly higher than the previous year.



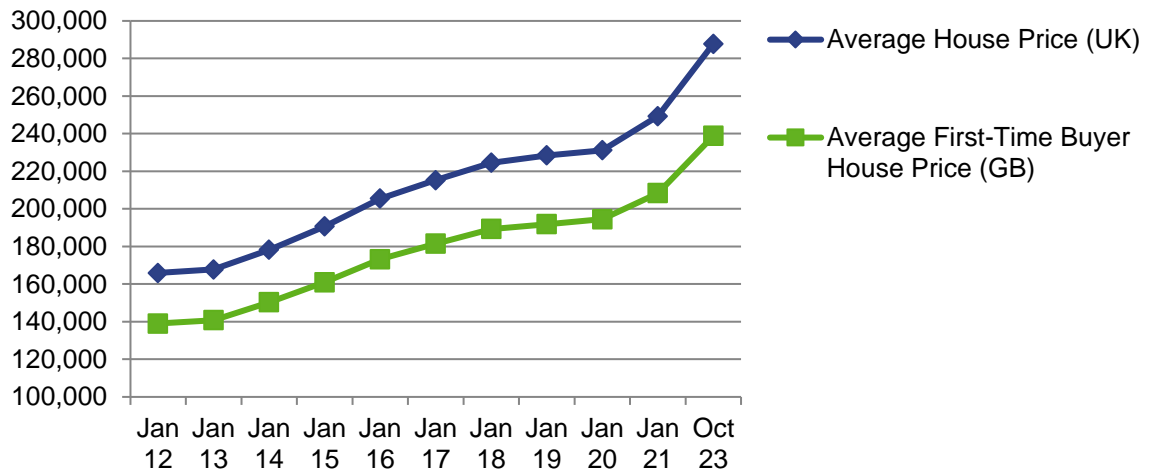
3. Mortgages, Rent and Housing

House Prices

Nationwide estimates that house prices **remained the same (0.0% change)** in December 2023 and were **1.8% lower** than 12 months before. Halifax reports that the average UK house price in December 2023 was **£287,105**, increasing by **1.2%** in the three months to December 2023 and by **1.7%** in the year to December 2023.

Nationwide, Halifax and HM Land Registry all show sharply higher house prices over the last eighteen months, particularly over the summer and autumn of 2020 and again from March 2021. HM Land Registry has the largest dataset and includes cash sales, but records transactions later, after registration of the sale, not at the mortgage approval stage. The Halifax and HM Land Registry average prices tend to be similar, with Nationwide being slightly lower.

House Prices (HM Land Registry)



First-Time Buyers

HM Land Registry reports that the average house price for first-time buyers in Great Britain was **£238,804** in October 2023, an annual decrease of **1.6%** and a monthly change of **-0.9%**.

According to Halifax, the typical first-time buyer deposit in 2023 was **19%** of the purchase cost, which would average **£45,373** in August 2023 based on the above Land Registry first-time buyer price. This is **131.2%** of the average UK salary.



3. Mortgages, Rent and Housing

House Prices in Government Office Regions, Northern Ireland, Scotland and Wales

According to HM Land Registry, average house prices in the UK decreased by **1.2%** in the year to October 2023 to **£287,782**. The highest rates of increase were Northern Ireland (**2.1%**) and Scotland and the North East (**0.2%**). The lowest price increases were in London (**-3.6%**) and in Wales (**-3.0%**). After decreasing in September, the average UK house price fell further in October 2023 (**-0.7%**).

The average house price was highest in London (**£515,504**) and the lowest in the North East (**£161,237**).

Average House Prices: Nations and Regions – October 2023

Country and Government Office Region	Price	Monthly Change	Annual Change
Northern Ireland (Q3 2023)	£179,530	3.1%	2.1%
Scotland	£191,233	-0.5%	0.2%
North East	£161,237	0.0%	0.2%
West Midlands Region	£253,130	-0.5%	-0.3%
North West	£215,719	-0.4%	-0.4%
South West	£330,260	0.9%	-0.6%
Yorkshire and The Humber	£208,188	-0.2%	-1.2%
England	£305,902	-0.8%	-1.4%
East Midlands	£245,632	-1.3%	-1.7%
South East	£389,223	-0.9%	-2.0%
East of England	£348,615	-0.9%	-2.3%
Wales	£214,100	-0.5%	-3.0%
London	£515,504	-3.1%	-3.6%

Source: ONS and HM Land Registry. Ranked by Annual Change.



3. Mortgages, Rent and Housing

Renting

According to the Office for National Statistics, private rental prices in the UK rose by **6.2%** in the 12 months to November 2023, up from a revised 6.1% for the 12 months to October 2023.

Over the year to November 2023, private rental prices increased in Northern Ireland, Wales, Scotland and all the English regions. Wales (**7.3%**) and London (**6.9%**) and Scotland (**6.2%**) saw the highest rates of increase. The lowest increases were in the North East (**4.7%**) and the North West (**5.4%**).

The median rent in England across all private rental property types for the 12 months to 30 September 2023 was **£850**, according to the Valuation Office Agency and ONS. In London it was **£1,625**.

For a single room with shared facilities, the median monthly private rent was **£495**. In London it was **£750 (41% higher)**.

For two bedrooms, the median monthly private rent was **£825**. In London it was **£1,650 (66.7% higher)**.

Figures from the Department for Levelling Up, Housing and Communities show that in 2022-23, private renter households in England spent an average of **£232** per week on rental payments. Private renters spent, on average, just over a third of their income on rent (**37.1%**). Private renters in receipt of housing support spent around **32%** of their income on rental payments.

Weekly rents in the social housing sector in England were **£110** for housing association renters and **£94** for local authority renters.

In 2022-2023, **37%** of households owned their home outright, while **30%** were mortgagors, **17%** rented privately and **16%** paid a social rent.

- Since 2013-14, outright owners have been the largest tenure group.
- Since the mid-1990s, the number of renters and outright owners has risen, while the number of people owning a house with a mortgage has fallen.
- In 2021-2022, **41%** of 25-34 year-olds were owner occupiers. A similar proportion of this age group (43%) were private renters.



3. Mortgages, Rent and Housing

Arrears and Repossessions

According to the Financial Conduct Authority, at the end of Q3 2023 there were **175,825** mortgage loan accounts with arrears of more than 1.5% of the current loan balance. This is **5.1%** more than revised numbers for the previous quarter and **16.9%** up on Q3 2022.

42.3% of payments due for loans in arrears were received in Q3 2023.

UK Finance reports that **87,930 (1.00%)** of homeowner mortgages had arrears equivalent to at least 2.5% of the outstanding mortgage balance in Q3 2023, **7.4%** up on the previous quarter. Over the last year, mortgages in arrears have increased by **37.0** a day.

UK Finance estimates that there were **630** homeowner properties taken into possession in the UK in Q3 2023, down from 700 in Q3 2022.

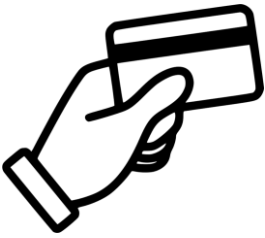
This equates to **6.8** properties being possessed every day, or one property being possessed **every three hours and 47 minutes**. This number was previously low due to the pandemic-related moratorium on forced possessions, but is now approaching pre-pandemic levels.

In England and Wales, in July to September 2023, according to the Ministry of Justice, every day **45.5** mortgage possession claims were issued and **10.5** mortgage possession orders were made.

271.1 landlord possession claims were issued and **72.5** landlord possession orders were made every day.

Compared to Q4 2019 (pre-lockdown), mortgage possession claims fell by **33.1%** and orders by **71.2%**, while landlord possession claims increased by **2.5%** and landlord possession orders fell by **43.1%**. This was due to forbearance action by the Government and the FCA in response to the Covid-19 pandemic.

However, possession claims and orders increased in Q2 and Q3 2021 from the very low levels of mid-2020.



4. Spending and Loans

How We Spend

In the year to November 2023, outstanding consumer credit increased by **7.05%** according to the Bank of England, while outstanding levels of credit card borrowing increased by **8.64%**. The largest reductions occurred from August 2020 to March 2021. Since April 2021, outstanding consumer credit has fallen slightly, with variations from month to month.

On average, **42.1** cash machine transactions (including balance enquiries and rejected transactions) were made **every second** in December 2023, a decrease of **6.2%** on December 2022. The total value of transactions decreased by **1.6%** over the same period.

- In total, cash machine transactions were worth an average of **£60.90** per transaction.
- These LINK transaction figures do not include transactions or withdrawals made by customers at their own banks or building societies.
- The number of ATMs (in-branch and remote) fell from **50,300** at the end of 2022 to **47,711** at the end of 2023 (a fall of **5.2%**). Free-to-use ATMs fell from **39,429** to **37,299** while pay-to-use ATMs fell from **10,871** to **10,412**.

What We Buy

In Q3 2023, households in the UK spent **£97.6 million** a day on water, electricity and gas, or **£3.48** per household per day. On a seasonally adjusted basis, this was **14.6% lower** than the revised figure for Q3 2022.

In December 2023 the average price of unleaded petrol **decreased by 9ppl to 141.8ppl**.

- This meant it cost **£70.90** to fill a 50 litre unleaded tank, **£4.50 less** than last month.

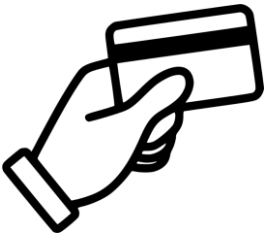
The average price of diesel **decreased by 8.4ppl to 149.7ppl**.

- This meant it cost **£74.85** to fill a 50 litre diesel tank, **£4.20 less** than last month.
- The price difference between the two increased to **7.9ppl**, a difference of **£3.95** per 50 litre tank.

According to Which? the annual cost for home-charging a compact electric car is around **£568.50** per year, or **£10.93** per week, based on 7,050 miles driving per year.

Child Poverty Action Group's "The Cost of a Child in 2023" report estimates that couple families now spend **£166,218** on raising a child to their 18th birthday, **£25.28 a day**. This is an increase of **5.5%** over the last year and **16.5%** since the study began in 2012.

- The cost for a lone parent is **£220,354**, an increase of **42.2%** since 2012.
- This comes to **£33.54 a day**.



4. Spending and Loans

The Cost of Credit

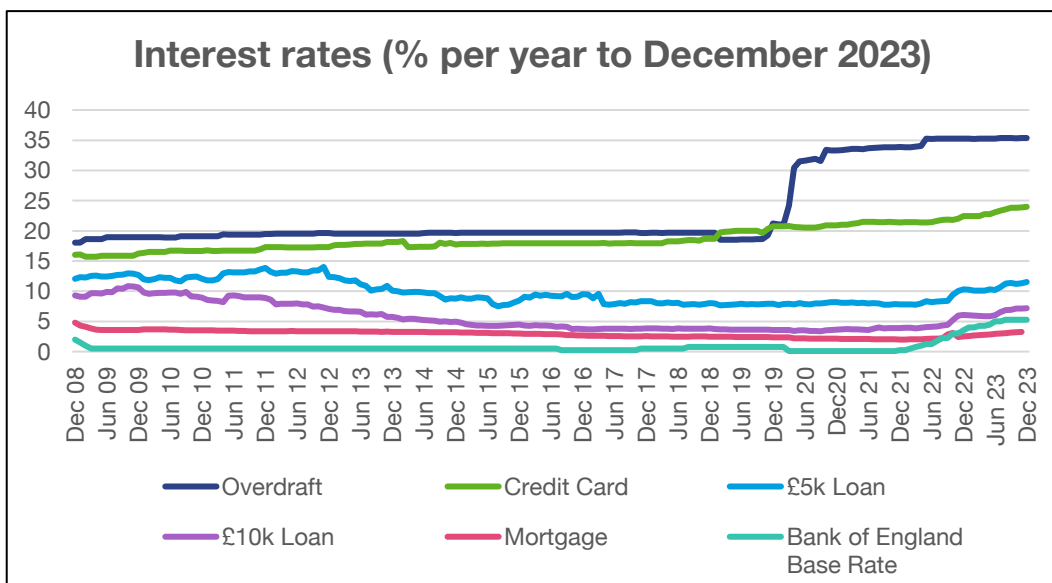
The average interest rate on credit card lending bearing interest was **24.0%** in November 2023. This was **18.75%** above the Bank of England Base Rate of **5.25%**. (The Bank rate was raised from **5.00%** to **5.25%** on 3 August 2023.)

UK Finance figures show that **50.1%** of credit card balances were bearing interest in September 2023.

In December 2023, the average APR for a £5,000 personal loan was **11.54%**, according to the Bank of England. For a £10,000 loan it was **7.16%**, while the average rate for an overdraft was **35.36%**.

As shown in the chart, the gap between credit card, overdraft and other interest rates has widened substantially since 2008. The dramatic increase in overdraft rates in 2020 was due to new FCA overdraft rules, which banned high fixed charges penalising accidental and short-duration overdrafts, but at the cost of a rise in the average overdraft rate.

Why overdraft and credit card rates are so high when the bank base rate remains much lower is an open question.



Source: Bank of England



5. Savings and Pensions

Savings

The average interest rate for an instant access savings account was **2.73%** in December 2023. For a cash ISA, the rate was **2.56%**, up from 1.72% a year ago.

In Q3 2023, households saved an average of **10.3%** of their post-tax income, including benefits, down from **16.9%** (revised) in Q4 2020 and also the record **27.3%** (revised) in Q2 2020, which was substantially higher than the previous peaks in the late 1970s and early 1990s. From 2000 to 2015, the savings rate fluctuated mostly within the 7-10% range, with the most recent pre-Covid peak being 13.2% (revised) in Q1 2010. If someone on the average salary saved 10.3% of their income in an average instant access savings account for a year, they would receive **£77.48** in interest after tax. If they saved it in an average cash ISA, they would receive **£104.33**.

It would take **12 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 **11 years**.

In 2021-2022, according to the Family Resources Survey, **39%** of UK households had either no savings or less than £1,500 in savings. For single parent households with children, this figure is **79%**.

Pensions

According to The Pensions Regulator's Compliance Report, at least **11.01 million** workers had joined a pension scheme under auto-enrolment by the end of December 2023, making a total of **23.58 million** members of pensions schemes, but leaving **11.07 million** workers unenrolled, out of the total declared workforce of **34.62 million**.

According to the Family Resources Survey, **53%** of working age adults actively participated in a pension in 2021-2022, down **1%** on the previous year. Participation was **79%** for employees and **18%** for the self-employed.

According to ONS, in 2021, **35.5%** of employees with a pension were in an occupational Defined Benefit scheme, **36.4%** were in an occupational Defined Contribution scheme and **26.2%** were in group personal or stakeholder schemes. The Annual Survey of Hours and Earnings reports that in 2020, **49.0%** of members of Defined Benefit schemes received an employer contribution of **20% or more** of their income, compared with only **20.2%** of members of Defined Contribution schemes.

In May 2022, there were **12.4 million** recipients of the State Pension, an increase of **100,000** on May 2021. Of these, **2.7 million** were on the new State Pension (nSP) introduced in 2016, an increase of **650,000** on May 2021.



6. Financial Inclusion

According to the FCA Financial Lives Survey, in the UK in 2022 there were **1.1 million** UK adults who did not have a bank account (either a current account or an alternative e-money account.) This was **2.1%** of the UK adult population. Among the highest unbanked rates were for the unemployed, those who were long-term sick and those aged 18-24.

There were **7.36 million** basic bank accounts (BBAs) on 30 June 2022, according to HM Treasury. BBAs are the no-frills bank accounts that the nine largest personal current account providers are required to offer under the Payment Accounts Regulations 2015.

According to ONS, in 2022 there were **8,060** bank and building society branches in the UK. This was a reduction of **750** branches (**-8.5%**) from the year before. According to Which? banks and building societies have closed (or scheduled the closure of) **5,699** branches since January 2015.

According to the FCA Financial Lives Survey, in May 2022, **3.1 million** adults (**6%**) said they had paid for everything or most things using cash in the last 12 months.

In 2022, **44.0 million** UK adults (**83%** of the total) used some form of credit, according to the FCA Financial Lives Survey. This includes high-cost loans (**10%** of adults) and unlicensed money lenders (**0.5%** of adults).

According to the Bank of England, **2.04 million** adults were members of credit unions in April to June 2023, an **increase of 4.6%** over the same period in 2022. There were **380** credit unions, with loans to members to a value of **£2.2 billion**, **30.9%** of which was in Northern Ireland.

According to the FCA Financial Lives Survey, **39%** of UK adults did not have home contents insurance in 2022. According to Ofcom, **1.5 million** households did not have access to the Internet in March 2021. This included **18%** of households with members aged 65+.

Fair By Design has estimated that the cost of the poverty premium to a typical parliamentary constituency is **£4.5 million a year**. This equates to over **£430 per year** for a low-income household. The poverty premium is the extra costs people on low incomes pay for essential products and services.

According to the FCA Financial Lives Survey, in May 2022, **24%** of adults said they had low confidence in managing their money, while **10.3 million** UK adults (**19%**) rated their confidence as low when working with numbers.



7. Young People

Young People in Education and Employment

According to ONS, in May to July 2023 there were **5.38 million** people aged 18 to 24. Of these, **1.88 million** were in full-time education while **3.20 million** were in employment (including those in full-time education who were also in employment.) From July 2022 to July 2023, the number of 18-24 year-olds in employment decreased by **199,000**.

Unemployment

444,000 18-24 year-olds (**12.2%**) were unemployed in May to July 2023. This was **164,000** more than the same period the previous year and **56,000** more than in February to April 2023.

- **124,000 (27.9%)** had been unemployed for over 6 months.
- **58,000** had been unemployed for over 12 months, **8,000 more than** from February to April 2023 but **12,000 less** than a year earlier.

794,000 (11.3%) of 16 to 24-year-olds in the UK were not in education, employment or training (NEET) in April to June 2023, an increase of **83,000** over the last year.

Minimum Wage

Minimum wage rates increased in April 2023. For under 18s the new rate is **£5.28**. The apprentice rate (for those under 19 or in the first year of their apprenticeship) is **£5.28**. For those aged 18-20, the minimum wage goes up to **£7.49**. For those aged 21-22, **£10.18** and for those aged 23+, **£10.42**. The age for receiving the National Living Wage has dropped from 25+ to 23+.

Wages Paid by Age and Gender

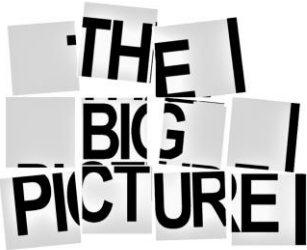
According to ONS, in the year to November 2023 the median weekly gross pay for all full-time employees was **£681.70**. For employees aged 16-17 it was **£273.70**. For those aged 18-21 it was **£440.80** and for those aged 22-29 it was **£582.90**. For those aged 16-17, female FT pay as a percentage of male FT pay was **121.4%**. This decreased to **93.7%** for those aged 22-29 and then gradually widening by age to reach **82.4%** for the 50-59 age group.

Student Loans

In 2022-23, the provisional average maintenance loan awarded to full-time students in England was **£7,130 (up 1.0%** on the revised figure for the previous year.) In Wales it was **£6,287** and in Northern Ireland **£3,133**. The provisional average tuition fee loan in England was **£8,231 (down 1.7%)**. In Wales it was **£8,401 (up 0.2%)** and in Northern Ireland **£5,479**.

Student Debt

In England, the average debt for the latest (2022-23) cohort to enter repayment was **£44,940**, an increase of **0.47%** on the previous year. In Wales it was **£35,780 (+6.6%)**, in Northern Ireland **£24,500 (+2.4%)** and in Scotland **£15,430 (+4.5%)**.



8. The Bigger Picture

Economy and Inflation

The UK economy, or monthly real gross domestic product (GDP) grew by **0.3%** in November 2023.

The CPI (Consumer Prices Index) increased by **4.0%** in the year to December 2023, up from **3.9%** in November 2023. The highest rates of inflation over the 12 months to December 2023 were for food and non-alcoholic beverages (**8.0%**), alcoholic beverages and tobacco (**12.9%**) and communication (**8.5%**). The lowest rate was for housing, water, electricity, gas and other fuels (**-3.4%**). According to the ONS, the largest downward contribution to the monthly change in the CPI annual rate came from food and non-alcoholic beverages.

Pay Rates

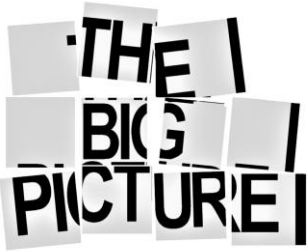
In the three months to November 2023, regular pay increased by **6.6%** on the year before. Pay including bonuses increased by **6.5%**. Average weekly pay was **£623**, or **£666** including bonuses; an annual salary of **£32,396**, or **£34,632** with bonuses. In real terms, for the year to November 2023, regular pay increased by **1.7%**, while total pay increased by **0.7%**. Due to pay growth being lower than inflation for most of the last fifteen years, total real pay (**-1%**) was slightly below the pre-financial crash peak in February 2008 while regular real pay increased by **1.7%** over the same period.

Public Sector Borrowing

Public Sector Net Borrowing (excluding NatWest Group and Bank of England) in the three months to November 2023 was **£46.2 billion**, an average borrowing of **£502 million** per day. Spending included **£15.2 billion** net investment, meaning there was a current budget deficit of **£31 billion** over the same three months. Total net borrowing for the year to November 2023 was **£170.2 billion**, compared with **£111 billion** for the year to November 2022.

Public sector net debt in November 2023 (excluding NatWest and Bank of England) was **£2,418.6 billion** (**88.3% of GDP**). This was **£243.6 billion** more than in November 2022, an increase of **£665.8 million** per day, mainly due to benefits and government measures to help people during the cost of living crisis, such as the Energy Price Guarantee.

According to the November 2023 Forecast from the Office for Budget Responsibility, public sector net debt will rise from **84.9%** of GDP in 2022-23 to a peak of **93.2%** of GDP in 2026-27.



8. The Bigger Picture

Population, Taxpayers and Benefit Recipients

According to the latest ONS estimate, the population of the UK shrunk by **151** people per day between mid 2020 and mid 2021.

Out of a total population aged 15+, there are projected to be **35.9 million** income taxpayers in 2023-24. Of these, **28.8 million** will be basic rate taxpayers, **5.6 million** people will fall into the 40% income tax band and **862,000** 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 **22.6 million** people claiming some combination of DWP benefits in February 2023, according to DWP. In May 2023, housing benefit was received by **2.4 million** people and in July 2023 **6.1 million** people were receiving Universal Credit.

Unemployment

The number of people classed as unemployed in May to July 2023 was **1.46 million** (4.3% of the workforce), **159,000 more than** the previous quarter, **1,728** more per day and up **240,000** from the previous year, **658 more a day**. The unemployment rate in the UK was highest in the North West (5.3%) and the North East (5.2%) and lowest in Northern Ireland (2.7%). **296,000** people had been unemployed for over 12 months in May to July 2023, down by **34,000 (93 a day)** from a year earlier. Since the beginning of 2021, short-term (less than six months) unemployment has fallen, while longer-term unemployment has increased.

Employment and Unemployment – Older Workers

321,000 people aged 50 and over were unemployed in May to July 2023, an increase of **29,000** on February to April 2023 and up **44,000** on a year earlier. **36.1%** of unemployed workers aged 50 and over, a total of **116,000** people, had been out of work for over a year. **87,000** had been unemployed for more than two years.

1,433,000 (11.5%) people aged 65 and over were *in work* in May to July 2023, **50,000 less** than in February to April 2023 but an increase of **15,000** from the previous year.

Redundancies

102,000 people (**1,109 per day**) reported they had become redundant in May to July 2023, **9,000** more than in February to April 2023 and **38,000** more than the year before.

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