

The
MONEY
Charity

**The Money
Statistics**

**May
2018**

The MONEY Charity

Welcome to the May 2018 edition of The Money Statistics – The Money Charity's monthly round-up of statistics about how we use money in the UK. These were previously published as the Debt Statistics, but we've now revamped and improved them to cover a wider range of information.

If you've any questions, comments, or want any information about the source of these statistics, please contact us through 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 and are written in **black**.

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- You don't make any commercial or financial gain from their use; and
- You acknowledge us as the providers of the information.

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All statistics are from the latest available data at the time of writing.

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

114.4%

The average debt to income ratio per adult in the UK

0.1%

The estimated growth in GDP in Q1 2018, the lowest rate since Q4 2012

£123,870

The outstanding mortgage debt per mortgaged household

3.1%

The fall in average house prices across the UK on last month according to Halifax

90

The amount of LINK cash machine transactions per second in April 2018

9.614m

The amount of workers auto enrolled in workplace pension schemes in April

0%

The stagnation in First Time Buyer house prices in February

£58,240

The average total debt per household (including mortgages)

£49m

The fall in Public Sector Net Debt per day in 2018



1. Striking numbers

Every day in the UK

- The population of the UK grew by an estimated **1,474** people a day between 2015 and 2016.
- On average, a UK household spends **£3.67** a day on water, electricity and gas.
- **304** people a day are declared insolvent or bankrupt. This is equivalent to one person **every 4 minutes and 44 seconds**.
- Cash machines were used an average of **90** times a second across the UK.
- **3,118** Consumer County Court Judgements (CCJs) were issued every day in 2017, with an average value of **£1,493**.
- Citizens Advice Bureaux in England and Wales dealt with **4,244** new debt problems every day during March 2017.
- **18** properties are repossessed every day, or one **every 1 hour and 17 minutes**.
- The number of mortgages with arrears of over 2.5% of the remaining balance fell by **16** a day.
- The number of people unemployed fell by **348** per day from November to January 2018.
- **1,109** people a day reported they had become redundant between November and January.
- Net lending to individuals in the UK increased by **£9.68 million** a day in March 2018.
- The Government debt fell by **£49m** a day during 2018.
- Borrowers would repay **£139 million** a day in interest in year, based on March 2017 trends.
- It costs an average of **£23.61** per day for a couple to raise a child from birth to the age of 18.
- This comes to **£28.48** per day for a lone parent family.
- **47** mortgage possession claims and **31** mortgage possession orders are made every day.
- **339** landlord possession claims and **268** landlord possession orders are made every day.



2. Personal debt in the UK

Total UK personal debt

People in the UK owed **£1.584 trillion** at the end of April 2018. This is up from £1.53 trillion at the end of April 2017– an extra **£1,026.74** per UK adult.

The average total debt per household – including mortgages – was **£58,240** in April. The revised figure for March was **£58,103**.

Per adult in the UK that's an average debt of **£30,601** in April – around **114.4%** of average earnings. This is up from a revised **£30,529** a month earlier.

Based on April 2018 trends, the UK's total interest repayments on personal debt over a 12 month period would have been **£50,680 billion**.

- That's an average of **£139 million** per day.
- This means that households in the UK would have paid an average of **£1,863** in annual interest repayments. Per person that's **£979** – **3.66%** of average earnings.

According to the Office for Budget Responsibility's March 2018 forecast, household debt is predicted to reach **£2.296 trillion** in Q1 2022. This makes the average household debt **£84,412** (assuming that the number of households in the UK remained the same between now and then).

Consumer credit debt

Outstanding consumer credit lending was **£209.2 billion** at the end of March 2018, remaining stagnant on last month.

- However, this is up from £197.4 billion at the end of March 2017, and is an increase of **£228.48** for every adult in the UK.

Per household, that's an average consumer credit debt of **£7,692** in March, up slightly from a revised £7,690 in February – and **£434.85** extra per household over the year.

The average consumer credit borrowing stood at **£4,041** per adult. This is unchanged on February.

Total credit card debt in April 2018 was **£70.68bn**. Per household this is **£2,604** – for a credit card bearing the average interest, it would take **26 years and 4 months** to repay if you made only the minimum repayment each month.

- The minimum repayment in the first month would be **£63** but reduces each month. If you paid **£63** every month, the debt would be cleared in around **5 years and 4 months**.



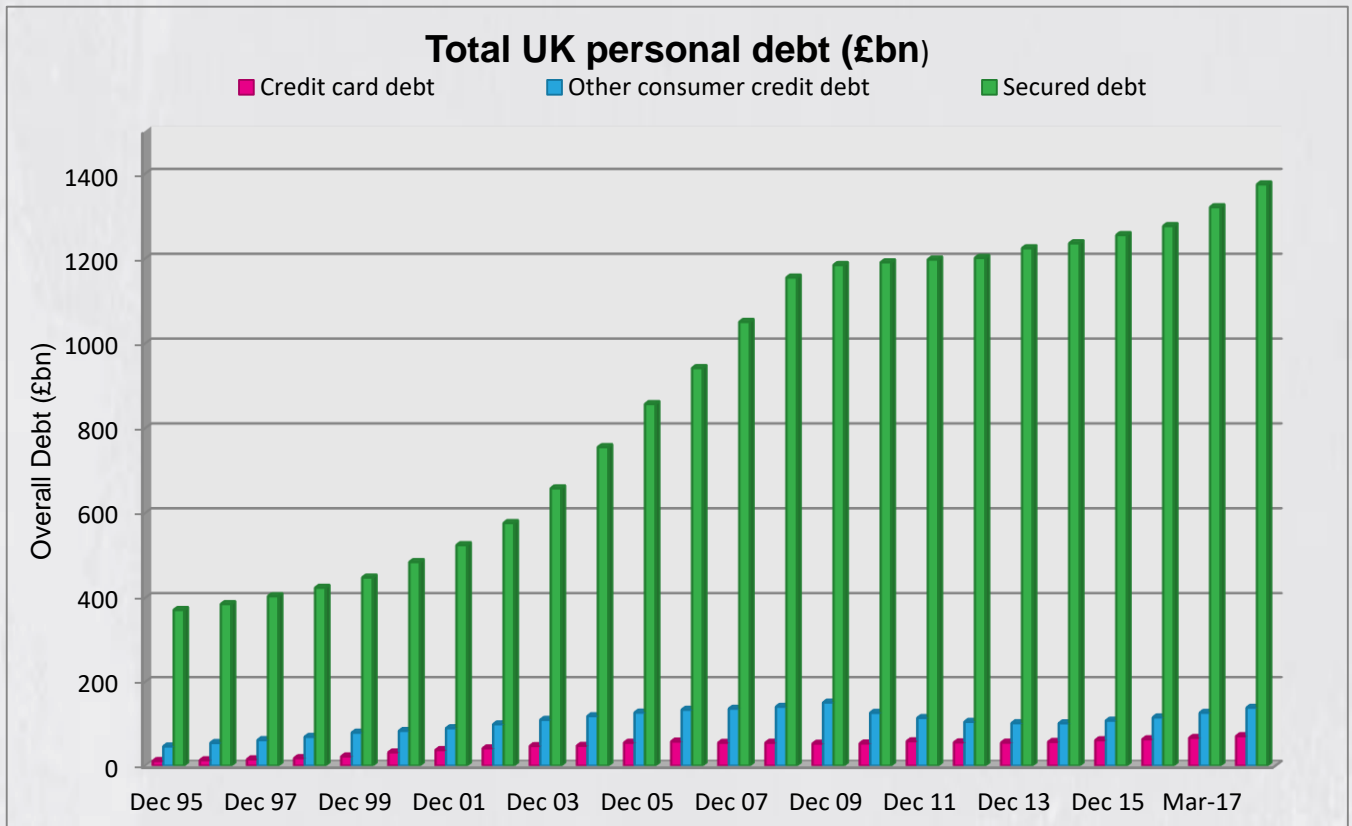
2. Personal debt in the UK

Note: The Bank of England altered the treatment of some secured credit series in May 2015, so figures here might not be directly comparable to historical Money Statistics figures

Net lending and write-offs

Total net lending to individuals by UK banks and building societies **rose by £0.3 billion** in March 2018– or **£9.68m a day**.

- Net mortgage lending grew by £0.3 billion in the month; net consumer credit lending rose by £0.1 billion as well.
- In Q4 2017 they wrote off £637 million (of which £459 million was credit card debt) amounting to a daily write-off of **£6.9 million**.



Based on Bank of England Data



2. Personal debt in the UK

Student loans

In 2016/17, the average maintenance loan awarded for full-time undergraduates from England was **£4,730**, and the average maintenance grant awarded to successful applicants was **£789**.

The average debt owed per student at the end of 2015/16 was **£16,849** (this is debt for English students and EU students in England, including loans for Further and Higher Education. It doesn't include 'mortgage-style' loans, as these were sold by Government in May 2013).

The average debt for the 2016 cohort which most recently entered repayment was **£32,220**.

Advice, insolvency, and the courts

Citizens Advice Bureaux across England and Wales dealt with **532,682** issues in March 2018.

Debt was the second largest advice category (behind benefits and tax credits) with 131,567 issues. This is down **13%** on the same month last year. Debt issues represented **25.6%** of all problems dealt with over the period.

Based on figures for March 2018, Citizens Advice Bureaux in England and Wales are dealing with **4,244** debt problems every day.

There were **27,388** individual insolvencies in England and Wales in Q1 2018. This is equivalent to **304** people a day or, one person **every 4 minutes 44 seconds**. This was up **6.8%** on the previous quarter and up **8.5%** on the same period a year ago.

Every day, on average, **47** people were made bankrupt, **72** Debt Relief Orders were granted, and **185** Individual Voluntary Arrangements were entered into.

In the 12 months ending Q1 2018, **101,369** individuals, **1 in 512 (0.2%** of the adult population) became insolvent.

3,118 Consumer County Court Judgements (CCJs) were issued every day in the 2017. The average value of a Consumer CCJ in 2017 was **£1,493**.



3. Mortgages, rent, and housing

Note: The Bank of England altered the treatment of some secured credit series in May 2015, so figures here might not be directly comparable to historical Money Statistics figures

Mortgage debt

Outstanding mortgage lending stood at **£1.375 trillion** at the end of April.

- This is up from £1.33 trillion a year earlier.

That means that the estimated average outstanding mortgage for the 11.1m households with mortgage debt was **£123,870** in April.

The average mortgage interest rate was **2.51%** at the end of April. Based on this, households with mortgages would pay an average of **£3,109** in mortgage interest over the year.

For new loans, the average mortgage interest rate was **2.06%**. Using the latest figures from UK Finance, this means new mortgages would attract an average of **£2,874** in interest over the year.

According to UK Finance, gross mortgage lending in March totalled an estimated **£20.5 billion**.

- This is up **7.3%** on March 2018, and a **2.3%** decrease from a year ago.

The Financial Conduct Authority reports that 60.84% of mortgage lending in Q4 2017 was for 75% or less of a property's value.

- 4% of lending was for mortgages for over 90% of a property's value.

There were 25,200 loans approved for house purchase for first-time buyers and home movers in February 2018, according UK Finance, **2.4%** higher than last year. The average loan approved for house purchase stood at £139,500 for a first-time buyer, and £194,300 for home movers. This is an increase of **1.1%** and **3.2%** since last year respectively.

The average mortgage loan to value of the house stood at **72.3%** in February 2018, down **0.1%** on the previous month.



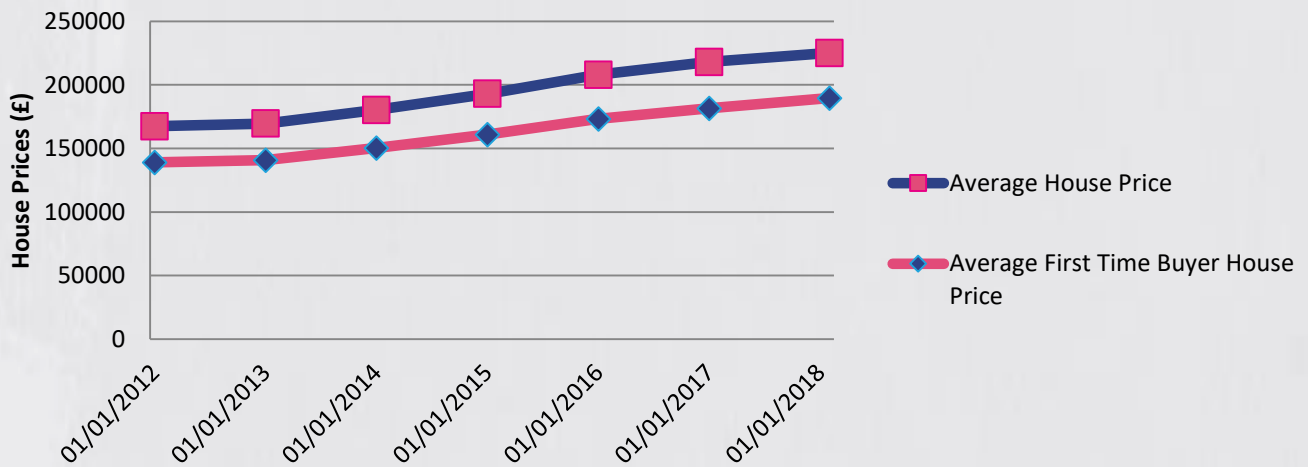
3. Mortgages, rent, and housing

House prices

Nationwide estimate that house prices increased by 0.2% during April 2018, up 2.6% on 12 months ago.

Halifax said that average house prices fell by **£6,909** in April 2018, to £220,962. This is a decrease of 3.1% on last months; falling by 0.1% over the quarter but rose by 2.2% over the year.

UK House Prices



Data from ONS

First-time buyers

The Office of National Statistics say that the average house price for first-time buyers was **£189,584** in February 2018, which is an annual increase of 4.0% but unchanged on last month.

According to UK Finance, the typical first-time buyer deposit in February was 17.5% (**around £33,177**) – **124% of an average salary**.

The average first-time buyer borrowed **3.41** 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 property types for the 12 months to December 2017 was £675, data from the Valuation Office Agency shows. In London this was £1,433.

For a single room, the average monthly rent was £377 – in London this was £600 (**63% higher**).

The average monthly rent for a two-bedroom house in England was £650 – in London this was £1,473 (**127% higher**).

According to the Office for National Statistics, private rental prices in Great Britain rose by 1.1% in the 12 months to February 2018, unchanged on the month before.

Rental prices increased in all the English regions over the year to February 2018, bar the North East which remained the same. The East Midlands saw the biggest increase (2.5%).

Figures from DCLG show that in 2016/17, private renter households spent an average of **£850** a month on rental payments.

- These figures are the mean payments, so can be skewed by very high figures.

Inclusive of all benefits, private renters spent an average of 34% of their income on rental payments. Owner-occupiers spent on average 18%. Weekly rents in the social housing sector were £102 for housing association renters and £95 for local authority renters.

34% of households owned their home outright, while **28%** were mortgagors. **20%** rent privately, and **17%** 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 Q4 2017 there were **189,865** mortgage loan accounts with arrears of more than 1.5% of the current loan balance.

- This is a slight dip on the previous quarter.

57.64% of payments due for loans in arrears were received in Q4 2017.

UK Finance reports that **82,800 (0.91%)** of mortgages had arrears equivalent to at least 2.5% of the outstanding mortgage balance in Q4, a small quarterly fall (from 83,300 in Q3). Since the end of Q4 2016, this figure has dropped by **16** a day.

UK Finances estimates that there were **1,700** properties were taken into possession in Q4.

This equates to **18** properties being repossessed every day, or one property being repossessed **every one hour, 17 minutes**.

Every day in Q4 2017, according to the MoJ, **47** mortgage possession claims were issued and **31** mortgage possession orders were made.

339 landlord possession claims were issued and **268** landlord possession orders were made every day.



4. Savings and pensions

Savings

In Q4 2017, households saved an average of **5.3%** of their post-tax income, including benefits. This is down from 5.4% in Q4 2016.

The average interest rate for an instant access savings account – not including bonus interest payments – was 0.19% in March 2018. For a cash ISA, this was 0.88%.

If someone on the average salary saved 5.3% of their income in an average instant access savings account for a year, they would receive **£2.16** in interest after tax. If they saved it in an average cash ISA, they would receive **£12.22**.

It would take **18 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 **17 years**.

Around **9.79m** (36%) households have no savings, while a further **3.54m** (13%) have under £1,500. **19.31m** 71% have less than £10,000 in savings.

Pensions

The Pensions Regulator estimates that at least **9.614 million** employees had joined a pension scheme under auto-enrolment by the end of April 2018.

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%.

28% of employees were in an occupational Defined Benefit scheme in 2017, according to the Office for National Statistics. **23%** were in an occupational Defined Contribution scheme.

At the end of November 2017, there were 13 million claimants of State Pension, a fall of 73,000 on August 2016. 44% of claimants were male and 56% female.



5. Spending and loans

How we spend

During February this year, the outstanding overall amount on cards increased by **6.3%** whilst the use of loans and overdrafts continued to fall according to UK Finance.

Meanwhile, data from LINK shows that, on average, **90** cash machine transactions (including balance enquiries and rejected transactions) were made **every second** in April 2018;

- In total, cash machine transactions were worth an average of **£42** per transaction.
- LINK's transaction figures do not include transactions or withdrawals made by customers at their own bank's or building societies' ATMs.
- There were **2.598bn** cash withdrawals through Link in 2017, amounting to **82** withdrawals per second.

What we buy

In Q4 2017, households in the UK spent **£99.89m** a day on water, electricity and gas – or **£3.67** per household per day.

In March 2018 the average price of unleaded petrol dropped by 2.2p (pence per litre) to 119.7ppl.

- This meant it cost **£59.85** to fill a 50 litre unleaded tank - **£1.10** less than last month.
- The average price of diesel dropped by 1.8p to 122.6ppl.
- This meant it cost **£61.30** to fill a 50 litre diesel tank - **£0.90** less than last month.
- The price difference between the two grew to 2.9ppl in March, growing to a difference of **£2.35** per 50 litre tank.

According to the AutoEurope, it costs **£2,618** a year to run a car, or roughly **£7.17** a day. If you drive an average of 12,000 miles a year, the average cost of petrol will amount to **£0.09** per mile.

Child Poverty Action Group's 'The Cost of a Child in 2017' report estimates that couple families now spend **£155,142** on raising a child to their 18th birthday - **£23.61 a day**. This is up 2.4% compared to last year, and has increased 8.7% since the study first began in 2012.

- The cost for a lone parent is **£187,120** – an increase of **2.5%** on 2016, **20.7%** since 2012.
- This comes to **£28.48 a day**
- The percentage of basic costs covered by child benefit has risen by **1.6%** since 2012 for couples, but fallen by **2.2%** for a lone-parent family.



5. Spending and loans

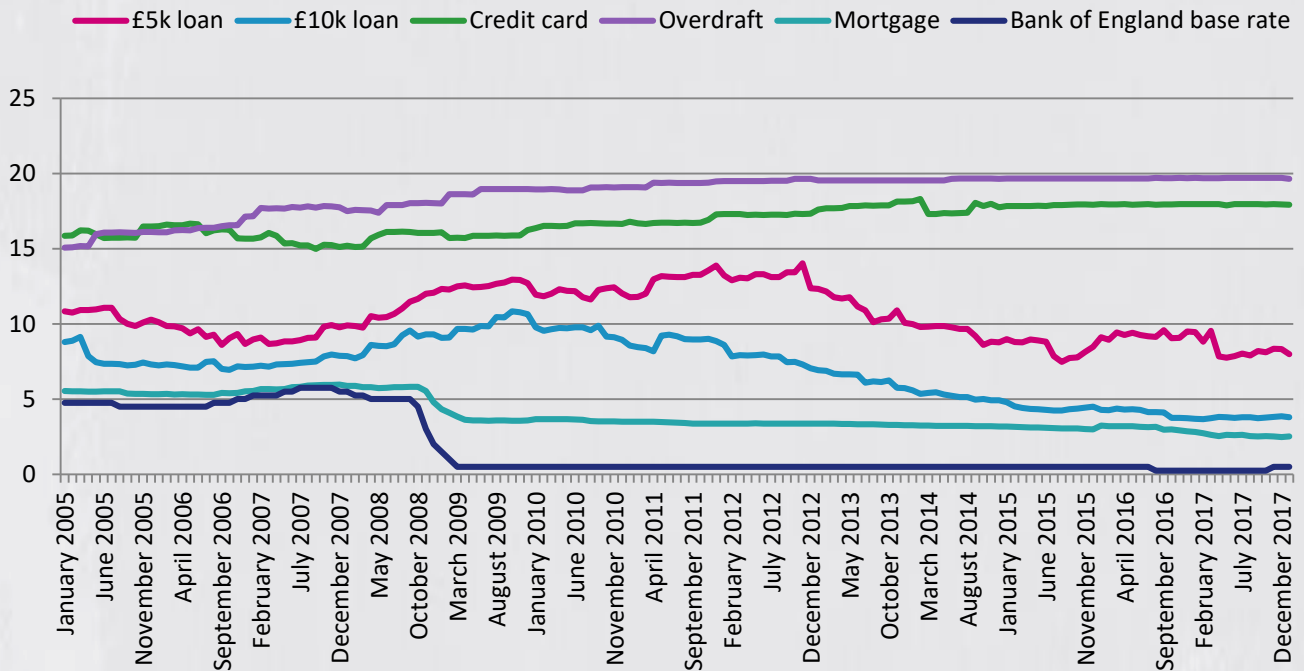
The cost of credit

The average interest rate on credit card lending bearing interest was **17.92%** in March. This is **17.42%** above the Bank of England Base Rate of 0.5%.

UK Finance figures show that 55.6% of credit card balances were bearing interest in Q3 2017.

The average APR for a £5,000 personal loan is 7.98%, according to the Bank of England. For a £10,000 loan it's 3.8%, while the average rate for an overdraft is 19.66%.

Interest rates (%)



Based on Bank of England Data



6. The bigger picture

The UK economy **grew by 0.1%** between January and March 2018, the lowest quarterly growth since Q4 2012, according to the latest estimates from the Office of National Statistics.

CPI (Consumer Prices Index) 12 month rate stood at **2.5%** in the year to March, down 0.2% from February.

The largest contributor to inflation over the last 12 months has been housing and household services (**adding 0.51% to our overall costs since last month**), while the lowest inflationary pressure has been on communication (**falling by 0.01% since last month**).

In the three months to February 2018 pay including bonuses was up by 2.8% from a year ago, and pay excluding bonuses also rose by 2.8%. Average weekly pay was £513, or £483 excluding bonuses – an annual salary of **£26,749**, or **£25,185** without bonuses. In real terms, wages increased by **0.3%** for total pay and regular pay.

The Bank of England Base Rate is currently set at **0.5%**.

Public Sector Net Borrowing (excluding public sector banks) was **£1.348bn** in March 2018, with a deficit standing at **-£5.949bn** meaning that the Government spent an average of **£191m** per day more than it took in during the month (equivalent to **£2,221** per second).

Public sector net debt excluding public sector banks was **£1,590.1bn (76.3% of GDP)**. This was £1,608bn at the end of March 2017, meaning public sector net debt fell by **£49m** a day in 2018.

According to the March 2018 Spring Statement analysis from the Office for Budget Responsibility, public sector net debt is forecast to peak at **85.6% of GDP** in 2017-18, before falling to **77.9% of GDP** in 2022-23.

The population of the UK grew by an estimated **1,474** people a day between 2015 and 2016.



6. The bigger picture

An estimated 4.16 million people will fall into the 40% income tax band in 364,000 will pay the 45% rate, which replaced the 50% rate in 2013/14.

Based on the latest figures, **1.84m** people in work would pay no income tax.

There were **6.8 million** working-age people claiming benefits in August 2017. This is a decrease of 85,000 in the year, or **233 a day**.

The number of people classed as unemployed between December and February was **1.42 million** (4.2%). This is down 16,000 from the previous quarter, and down by 136,000 from last year– **373 a day**.

- **353,000** people had been unemployed for over 12 months, down by 10,000 from the previous three months, and down by 37,000 (**101 a day**) from a year earlier.

The unemployment rate in Great Britain was highest in the West Midlands (5%), unchanged on the last three months and lowest in the South East and South West (3.4%), up **0.1%** on the last three months for the South East, and down **0.3%** for the South West.

399,000 18-24 year olds (10.3%) were unemployed between December and February 2018. This was 12,000 (**2.9%**) less than the previous three months. This is the lowest amount since 2004.

- Of these, 272,000 (**68%**) had been unemployed for over 6 months.
- **67,000** had been unemployed for over 12 months. This is a fall of 2,000 on the previous three months and a fall of 8,000 on a year earlier.

794,000 (11.2%) of 16 to 24-year-olds in England were not in education, employment or training (NEET), up by 5,000 from the previous quarter.

302,000 people aged over 50 were unemployed between October and December. This is up by 5,000 on the previous three months, and down 15,000 on a year earlier.

- **39.1%** of unemployed workers aged over 50 - a total of **118,000** people - have been out of work for over a year. **75,000** have been unemployed for more than two years.
- **1,183,000** (10.1%) people aged over 65 were in work, which is up 3,000 (0.2%) from the previous three months, and down 17,000 from the previous year.

97,000 people (**1,054 day**) reported they had become redundant over the three months, a decrease of 5,000 on the previous quarter.

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. So, we empower people across the UK to build the skills, knowledge, attitudes and behaviours, to make the most of their money throughout their lives.