

DEBT STATISTICS – DECEMBER 2012 SUMMARY

UK PERSONAL DEBT

Outstanding personal debt was **£1.421 trillion** at the end of October 2012.

- This is up from £1.406 trillion at the end of October 2011.
- At the end of October 2012, individuals owed nearly as much as the entire country produced during the whole of 2011.

Outstanding secured (mortgage) lending was **£1.264 trillion** at the end of October 2012.

- This is up from £1.243 trillion at the end of October 2011.

Outstanding unsecured (consumer credit) lending was **£156 billion** at the end of October 2012.

- This is down from £162 billion at the end of October 2011.

Average household debt in the UK (excluding mortgages) was **£5,934** in October.

- This down from a revised **£5,973** in September.

Average household debt in the UK (including mortgages) was **£53,912** in October.

- This is down from a revised **£53,944** in September.

The average amount owed per UK adult (including mortgages) was **£28,925** in October. This is down from a revised **£28,942** in September, 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 **£3,184** in October. This is down from a revised **£3,205** in September.

The estimated average outstanding mortgage for the 11.3m households that carry mortgage debt stood at **£111,592** in October.

Based on October 2012 trends, the UK's total interest repayments on personal debt over a 12 month period would have been **£60.7 billion**.

- This is equivalent to **£166 million** per day.
- This means that UK households would have paid an average of **£2,304** in annual interest repayments.

Statistical Note: In the past month the ONS updated their estimate for the number of households in the UK. As we use this in some of our calculations, some statistics may appear to have changed a lot compared to last month.

STRIKING NUMBERS

£53,912 was the average household debt (inc. mortgages) in October

£166m was the daily amount of interest paid on personal debt in October

8,465 new debt problems were dealt with by the CAB each working day over the year to June

1,399 people were made redundant every day between July and September

894,000 people had been unemployed for over a year between July and September

£11.38m of loans are written-off daily by UK Banks and Building Societies

Every 16 min 4 sec a property is repossessed

Every 4 min 42 sec someone is declared insolvent or bankrupt

£1.362 billion was the daily value of all plastic card purchases made in September

The Office for Budget Responsibility (OBR) predicted in March 2012 that total household debt will reach **£2.044 trillion** in Q1 2017.

- This would mean that average household debt would reach **£77,556** (assuming that the number of households in the UK remained the same between now and Q1 2017).

Net lending by UK Banks and Building Societies fell by **£0.3 billion** in total in October 2012.

- Net secured lending rose by £0.2 billion in the month.
- Net consumer credit lending fell by £0.5 billion.

UK Banks and Building Societies wrote-off **£5.0 billion** of loans to individuals over the 4 quarters to Q3 2012.

- In Q3 2012 itself they wrote-off £1.04 billion (of which £473 million was credit card debt) amounting to a daily write-off of **£11.38m**.

EVERY DAY IN THE UK

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

- **307** people are declared insolvent or bankrupt every day (based on Q3 2012 trends). This is equivalent to one person **every 4 minutes 42 seconds**.
- **1,556** Consumer County Court Judgements (CCJs) are issued every day (based on Q3 2012 trends). The average value of a Consumer CCJ in Q3 2012 was **£2,646**.
- Citizens Advice Bureaux in England and Wales dealt with **8,465** new debt problems every *working day* during the year ending June 2012.
- It costs an average of **£28.44** per day to raise a child from birth to the age of 21.
- **90** properties are repossessed every day (based on Q3 2012 trends).
- **71** new people a day became unemployed for over 12 months during the year ending September 2012.
- **1,399** people a day reported they had become redundant between July and September 2012.
- Public Sector Net Borrowing (excluding financial interventions) was **£8.6bn** in October, meaning that the Government borrowed an average of **£277,419,355** per day during the month (equivalent to **£3,211** per second).
- **155** mortgage possession claims are issued and **111** mortgage possession orders are made every day
- **426** landlord possession claims are issued and **281** landlord possession orders are made every day.
- The UK population is growing by an estimated **1,342 people a day**.
- **27.7m** plastic card purchase transactions were made every day in September 2012 with a total value of **£1.362 billion**.
- **8.7m** cash machine transactions were made every day in October with a total value of **£336m**.
- The average car costs **£18.33 per day** to run.
- It cost **£67.55** to fill a 50 litre tank with unleaded petrol in November.

NATIONAL STATISTICS

- The UK economy **grew by 1.0%** in the third quarter of 2012, according to the latest estimates from the Office of National Statistics, meaning the UK officially emerged from recession.
- The number of unemployed people in the three months between July and September 2012 was **2.51 million** (7.8%). This is down by 49,000 from the previous quarter, and down 110,000 from a year earlier.
- **128,000** people (**1,399 a day**) reported they had become redundant over the three months. This is down by 22,000 from the previous three months, and down by 19,000 from a year earlier.
- **894,000** people had been unemployed for over 12 months between July and September, a rise of 12,000 over the previous three months, and a rise of 26,000 (**71 a day**) from a year earlier.

SERVICING DEBT

- Based on *annual* figures to the end of June 2012, Citizens Advice Bureaux in England and Wales are dealing with **8,465** new debt problems every *working day*.
- According to the Council of Mortgage Lenders (CML), **8,200** properties were taken into possession in Q3 2012 (this is down from 8,500 in Q2 2012).
- This equates to **90** properties being repossessed every day, or one property being repossessed **every 16 minutes 4 seconds**.
- The Insolvency Service said there were **28,062** individual insolvencies in England and Wales in Q3 2012. This is equivalent to **307** people a day or, one person **every 4 minutes 42 seconds**.

PLASTIC CARDS AND PERSONAL LOANS

- Total credit card debt in October 2012 was **£55.1bn**.
- During September 2012 an average of **321** 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 **£1.362 billion** during September.

FOR MORE DETAILED FIGURES AND ADDITIONAL STATISTICS, DOWNLOAD A PDF OF THE FULL VERSION OF CREDIT ACTION'S DECEMBER 2012 DEBT STATISTICS FROM OUR WEBSITE

NOTES

Credit Action's Debt Statistics are compiled by John Davies ([johndavies@creditaction.org.uk](mailto: johndavies@creditaction.org.uk)).

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