creditaction
Better thinking about money

Debt Facts and Figures - Compiled July 2011

Note: This month we have started using a new method for calculating the number of debt problems dealt with by the CAB every working day, in order to provide a more accurate statistic. This means that the relevant headline figure appears to have dropped compared to last month. However, this decrease is simply a result of the new method we are using to calculate the figure, and should not be taken to reflect any underlying trend.

Total UK personal debt

Total UK personal debt at the end of May 2011 stood at **£1,452bn**. The twelve-month growth rate remained unchanged at 0.8%. **Individuals currently owe nearly as much as the entire country has produced over the last 4 quarters (Q2 2010 to Q1 2011).**

Total lending in May 2011 rose by £1.3bn; secured lending increased by £1.1bn in the month; consumer credit lending increased by £0.2bn (t*otal lending in Jan 2008 grew by £8.4bn).*

Total secured lending on dwellings at the end of May 2011 stood at **£1,242bn**. The twelve-month growth rate remained unchanged at 0.7%.

Total consumer credit lending to individuals at the end of May 2011 was **£210bn**. **The annual growth rate of consumer credit decreased 0.1 percentage points to 1.4%.**

UK banks and building societies wrote off £9.5bn of loans to individuals in the 4 quarters to end Q1 2011. In Q1 2011 they wrote off £1.89bn (£866m of that was credit card debt). **This amounts to a write-off of £20.71m a day.**

Average household debt in the UK is ~ **£8,076** (excluding mortgages). This figure increases to **£15,531** if the average is based on the number of households who actually have some form of unsecured loan.

Average household debt in the UK is ~ **£55,862** (including mortgages).
If you add to this the March 2010 budget report figure for public sector net debt (PSND) expected in 2015-16 (excluding financial interventions) then this figure rises to £106,477 per household.

Average owed by every UK adult is ~ £29,839 (including mortgages). This is 124% of average earnings.
Average outstanding mortgage for the 11.4m households who currently have mortgages now stands at ~ £109,138.

Britain's interest **repayments on personal debt were £65.0bn** in the last 12 months. The average interest paid by each household on their total debt is approximately **£2,500** each year.

Average consumer borrowing via credit cards, motor and retail finance deals, overdrafts and unsecured personal loans has risen to **£4,314** per average UK adult at the end of May 2011.

The Office for Budget Responsibility (OBR) predicts that household debt will be £2,126bn by end 2015. This would take the average household debt to £84,365 per household.

Striking numbers

9,072
number of new debt problems dealt with by CAB each working day (as at March 2011)

1,271 people
made redundant daily

829,000
unemployed for > 12 months

£55,862
average household debt (including mortgages)

£178m
personal interest paid in UK daily

£20.71m
daily write-offs of loans by banks & building societies

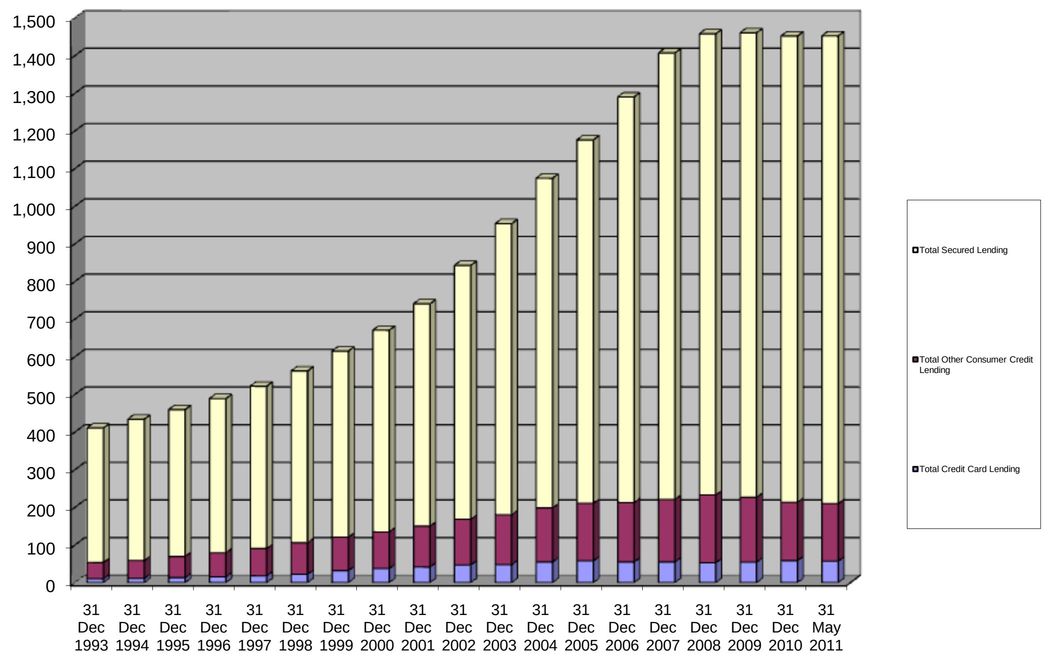
every 14 minutes
a property is repossessed

every 4.36 minutes
someone will be declared insolvent or bankrupt

£334,000,000
daily increase in Government national debt (PSDN)

£1,156,000,000
total value of all purchases made using plastic cards today

Total UK Personal Debt £bn



Statistical Sources - Unless otherwise indicated statistics in the "Total UK personal debt" section are calculated by Credit Action - primarily using the Bank of England's debt figures.

Today in the UK:

- **331 people every day of the year** will be declared insolvent or bankrupt. This is equivalent to **1 person every 60 seconds during a working day.**
- 1,577 Consumer County Court Judgements (CCJs) were issued every day during Q1 2011 and the average judgement amount was £3,118.
- Citizen Advice Bureaux dealt with **9,072 new debt problems** every working day in England and Wales during the year ending March 2011.
- The average cost of raising a child from birth to the age of 21 is £27.50 a day.
- **100 properties were repossessed every day during Q1 2011**
- **126 new people became unemployed for more than 12 months every day** during the 12 months to end April 2011
- **1,271 people reported they had become redundant every day** during 3 months to end April 2011
- £334,000,000 is the amount that the Government Public Sector Net Debt (PSDN), including financial interventions, will grow today **(equivalent to £3,865 per second).**
- **£149,590,000** is the interest the Government has to pay each day on the UKs net debt of £2299.8bn (which includes financial interventions). This is estimated to rise to £182m a day in 2015-16.
- 220 mortgage possession claims will be issued and 160 mortgage possession orders will be made today
- 382 landlord possession claims will be issued and 265 landlord possession orders will be made today.
- The UK population is projected to grow by 1,205 people a day over the next decade
- 24.1m plastic card purchase transactions will be made today with a total value of £1.156bn.
- 7.7m cash withdrawals will be made today with a total value of £528m
- The average car will cost £16.08 to run today
- It costs £68.05 on average to fill a car with a 50 litre tank with unleaded petrol.

Other key national statistics:

The UK economy **grew by 0.5%** in the first quarter of 2011, according to the latest estimates from the Office of National Statistics.

There were 5.7 million working age benefit claimants at November 2010. This is a decrease of 172,000 in the year.

UK base rate fell to a 315 year low when the official bank rate was reduced to 0.5% on 5th March 2009 **and has been held at that level for 28 months in a row.**

There were 4,121 compulsory liquidations and creditors' voluntary liquidations in total in England and Wales in the first quarter of 2011 (on a seasonally adjusted basis). This was an increase of 3.7% on the previous quarter and an increase of 2.1% on the same period a year ago. In the twelve months ending Q1 2011, **approximately 1 in 139 active companies (or 0.7%) went into liquidation,** which is comparable with the previous quarter, when this figure stood at 1 in 138. Additionally, there were 1,314 other corporate insolvencies in Q1 2011 (not seasonally adjusted) comprising 349 receiverships, 782 administrations and 183 company voluntary arrangements. In total these represented a decrease of 2.2% on the same period a year ago.

In May 2011 the **public sector net debt (PSND) <u>including financial interventions</u> was £2299.8bn**, equivalent to **151.4%** of Gross Domestic Product. This compares to £2177.9bn (150.3% of GDP) as at the end of May 2010. Meanwhile, **public sector net debt <u>excluding financial interventions</u> was £920.9bn** (60.6% of GDP), up from £778.9bn at the end of May 2010 (53.8% of GDP). ***The Office of National Statistics now includes complete data from the Royal Bank of Scotland and Lloyds Banking Group, which were part-nationalised in 2008, in its calculations for PSND including financial interventions.***

According to the **Coalition's March 2011 Budget report** the public sector net debt will peak at 70.9% of GDP in 2013-14, before declining to 70.5% of GDP in 2014-15 and 69.1% of GDP in 2015-16.

The number of **unemployed people in the three months to April 2011 was 2.43 million (7.7%). This is down 88,000** from the previous three months and down 57,000 from a year earlier. **116,000 people (1,271 a day) reported they had become redundant** in the three months, down 27,000 on the previous three months and down 56,000 from a year earlier.

The number of people unemployed for more than 12 months decreased by 16,000 (1.9%) over the quarter and increased 46,000 (126 a day) over the year to reach 829,000. The number of economically inactive people aged from 16 to 64 rose by 39,000 over the quarter but fell by 41,000 over the year to reach 9.37 million in the three months to April 2011.

Public sector employment decreased by 24,000 in the first quarter of 2011, to 6.162 million, compared with the previous quarter.

The Office for Budget Responsibility (OBR) March 2011 forecast for the number of general Government employees estimates a reduction from 5.67m in 2010/11 to 5.28m in 2015/16. They estimate that between 2010 and 2015 total employment will rise by around 900,000, reaching 30.1m by the final quarter of 2015.

In the year to May, the consumer prices index (CPI) rose by 4.5%, unchanged from April. **The Retail Prices Index rose by 5.2% in the year to May, also unchanged from April.**

There were 150,431 new car registrations in May. This is a decrease of just 1.7% (2,664 units) on May 2010.

UK retail sales values decreased 2.1% on a like-for-like basis from May 2010, when sales had risen 0.8%. On a total basis, sales were down 0.3%, against a 3.0% increase in May 2010.

Servicing Debt: Research by the Co-operative Bank has found that 80% of the UK population are worried about the state of their finances. Utility/energy bill prices (21%), personal debt (21%) and fuel price rises (15%) are causing the most concern. Furthermore, 32% of UK adults do not feel confident that they can pay their bills every month. 28% of those in this group admit to missing some bill payments completely. Of those who have missed payments, 33% had done so for more than one month.

Figures released by the Consumer Credit Counselling Service (CCCS) suggest that their average client has to work until 4pm on a Wednesday each week just to earn enough money to repay their unsecured debts. The average person contacting CCCS in 2010 owed a total of £22,476 in unsecured debt, and faced a monthly bill of £675.52 simply to meet repayments. This made up an alarming 58% of CCCS clients' average monthly earning of £1,173.23 after tax.

Quarterly research by R3 has found that 8 million people were due to go into their overdraft in June, with 2 million believing that they would go into an unauthorised overdraft position. R3 also suggest that 6 million people are behind with some of their bills and payments, a jump of 2 million on the previous quarter.

Citizens Advice Bureaux across England and Wales advised 0.57 million clients with new problems in the three months between January and March 2011. Debt was the largest advice category with 595,841 enquiries (32% of all problems – including enquiries about mortgage and rent arrears, benefit overpayment debts – and a 9% decrease on the same period last year). Based on annual figures to the end of March 2011, Citizens Advice Bureaux in England and Wales are currently dealing with **~ 9,072 new debt problems every working day.**

Mortgage lenders took 9,100 properties into possession in Q1 2011, up from 7,900 in Q4 2010 according to the Council of Mortgage Lenders, but 10% down on the same period a year ago. This equates to **100 properties being repossessed every day or 1 property being repossessed every 14 minutes.**

In terms of payment difficulties, 166,900 mortgages ended Q1 2011 with arrears equivalent to at least 2.5% of the outstanding mortgage balance. This was down from 170,000 at the end of Q4 2010.

The only arrears band where a worsening was experienced was where arrears exceeded 10% of the mortgage balance. This band increased slightly in number to 27,700 in Q1 2011, up from 27,400 in Q4 2010.

The CML's current forecasts are for a 2011 outturn of 40,000 repossessions and 180,000 mortgages in arrears. This already anticipates the short-term pressure on household finances as a result of the expected squeeze on incomes. Overall, the CML believes that the prospect of low interest rates for a protracted period should limit the adverse impact on keeping up with mortgage payments, despite the increased tax and inflation burden on households.

The FSA estimate that at the end of Q1 2011 there were **337,000 loan accounts in reportable arrears (> 1.5% of current loan balance)**, a decrease of 7% from Q1 2010. At the end of Q1 2011, loans in arrears represented 2.88% of the value of the residential loan book.

The Insolvency Service said there were 30,162 individual insolvencies in England and Wales **(331 people a day or 1 every 4.36 minutes)** in Q1 2011. This was a decrease of 1.7% on the previous quarter and a **decrease of 15.5%** on the same period a year ago.

However, these figures do not include the number of people using informal insolvency solutions such as Debt Management Plans. R3 estimate that there may be as many as 700,000 people using these.

R3 have also previously suggested that there are another 574,000 who are struggling financially but have contacted their creditors informally. More worrying is another group further down comprising of 961,000 individuals who are struggling with debts but have not sought help. This group could find themselves in formal insolvency procedures unless they take swift action.

A study by Scottish Widows has estimated that 33% of households (equivalent to nearly 8.5 million households across the UK) could not cope financially if their main income was lost. Only 26% of households said they would be financially secure in the long-term. The research also suggested that 44% of households (equivalent to 11.4 million nationally) are reliant on two salaries, rising to 49% of households with children. 56% said that paying bills was their main financial priority, and 37% said that this was making ends meet.

Research by unbiased.com has revealed that a striking 22% of homeowners don't know what would happen to their mortgage repayments if the Bank of England base rate were to rise from its record low of 0.5%. According to the findings, 16% of those on a standard variable rate mortgage and 13% of those on a tracker rate mortgage did not know that their repayments would go up if the base-rate increased.

Figures released by Finance & Leasing Association (FLA) show new consumer credit lending fell by 4% in April 2011. The High Street continues to be the hardest hit as new purchases on store cards were down by 21% and new instalment credit taken out in shops was also down by 16%.

Plastic card / Personal Loans: According to a report by AXA, 17% of consumers 'spent more' on clearing some or all of the money on a credit card or loan in the three months between January and March 2011, up from 14% on the previous quarter. Furthermore, 8% of consumers with debts of between £5,000 and £10,000 prioritised paying their monthly credit card bill (which stood at between £150 and £200 on average) straight after rent and bills.

Data released by Defacto illustrates that borrowing on the average credit card has become more expensive over the past four years, despite the falling base rate. According to Defacto's figures, the average representative APR for credit cards was 18.7% in June 2011 (when the base rate was 0.5%) compared to an average APR of 16.6% in July 2007 (when the base rate was 5.75%). This means that the difference between the Bank of England base rate and average APR has increased from 10.85% in July 2007 to 18.20% in June 2011.

Fraud losses on UK cards were at their lowest level since 2000 last year at £365.4m. This is a 17% reduction compared with losses in 2009, and significantly down from the all-time high of £610m recorded in 2008.

Research by moneysupermarket.com has found that 46% of credit card holders do not pay off their balance in full at the end of the month, with the average debt being held for 10 months before being paid off – as a result of this, credit card users are wasting a massive £2.3bn a year in interest payments simply by letting debt sit on their existing card.

There were 147.6m debit, credit or charge cards in circulation in the UK at the end of 2010, according to an initial estimate by the UK Payments Council. **An average 279 plastic card purchases were made in the UK every second** during Q4 2010 using debit and credit cards (equal to £13,381 /second). 89 cash withdrawals were made every second (equal to £6,115 / second) from UK's 63,137 cash machines during Q4 2010.

There are **more credit cards in the UK than people** according to the UK Payments Council. At the end of 2010 there were an estimated 63.0m credit and charge cards in the UK compared with around 62m people in the country.

Total credit card debt in May 2011 was **£57.2bn.**

The average interest rate on credit card lending is currently **18.55%, which is 18.05% above base rate (0.5%).**

According to the BBA the proportion of credit card balances bearing interest is just under two-thirds.

Young people - the IPOD generation: Recently released figures by Citizens Advice suggest that their Bureaux dealt with 700,000 problems from people under the age of 25 in the year between April 2010 and May 2011. Housing benefit was the problem that under 25s sought most advice on during the period (27,841 issues). Meanwhile, disability related benefits saw the biggest increases in problems for young people, with enquiries about Employment and Support Allowance increasing 42%, and problems with Disability Living Allowance going up 18%.

A survey of young people aged 25-35 by Fidelity has examined their attitudes to retirement, finding that 60% believe that the buck stops with them when it comes to ensuring financial security in retirement, with only 23% believing it is the State's responsibility. However, 62% of those surveyed admitted that they did not currently save enough for retirement, with paying off debt, saving for a home deposit, and saving up to travel all rated above retirement as priorities for this group.

A survey by Aviva has found that young people feel a strong sense of financial responsibility towards their parents, with all under-21s questioned saying that they would be prepared to give up a proportion of their income to support older family generations if they could afford to do so. 19% said they would give up a quarter of their income to help their parents, and over 40% said they would sacrifice at least 10% of their income to help out.

A survey by Triodos Bank has found that parents are keen to pass on values such as good money sense to their children. Faced with a lack of personal financial education in schools, 78% of parents are teaching their children how to be sensible with money, making it the number one principle parents want to pass on. Furthermore, 44% of parents say that having children has encouraged them to become more sensible with their own money.

Unemployment amongst economically active 18 to 24 year olds decreased by 67,000 (8.9%) in the 3 months ending April 2011, to reach 692,000**. This means that 17.0% of all economically active 18 to 24 year olds are unemployed.** 306,000 (44%) have been unemployed for > 6 months. 184,000 **have been out of work for over 12 months** which is a decrease of 15,000 (7.6%) over the last 3 months and a decrease of 9,000 (4.9%) over the last 12 months.

The number of 18-24 year olds not in education, employment or training (NEET) at the end Q1 2011 was 844,000 (17.7%). The number of 16-18 year NEETs stood at 159,000 (8.3%) at the end of Q1 2011. **The total of 16 – 24 classed as NEETS now stands at 925,000.**

Pensioners / Pensions: Figures from the Alliance Trust Research Centre show that those in the 65-74 age range faced inflation at 5.2% in May (16% above the headline inflation rate of 4.5%). This was largely the result of food price inflation, which accelerated from 3.7% to 5.3% in May. Meanwhile, over 75s faced inflation of 4.9%, and 50-64 year olds faced inflation at 5.1%.

An annual study by Scottish Widows has found that of those who could and should save (defined as being people aged between 30 and state pension age who earn over £10,000), 49% are making inadequate plans for retirement. This figure has never been lower than 46% in the last five years. Moreover, 20% are failing to save anything at all. Despite this, 73% of those surveyed said they recognised the need to take personal responsibility for retirement planning, suggesting that awareness of the importance of saving for retirement is not translating into action.

Research by Prudential has found that 79% of UK pensioners with private or company pension schemes are taking tax-free lump-sums out of their pension funds upon retirement. The average lump-sum withdrawn at the point of retirement is £21,500 – this has fallen 11% since 2008, when the average lump-sum taken was £24,154, which Prudential suggest is a result of the effects of the recession on pension funds and pay-outs.

A report from Age UK reveals that one in five women aged between 50 or 53 wrongly expect to receive their state pension when they turn 60. Under current rules they will in fact have to wait until 65, and if proposals in the Pensions Bill go ahead this will increase further to 66 by April 2020. 68% said they were concerned about plans to raise the state pension age. Of these, nearly a quarter said they had health problems which would prevent them working longer.

Meanwhile, a separate study from Age UK has found that cheques are particularly important to older people, with 73% using them as a means of payment. Age UK's research shows that many older people have trouble finding safe ways to pay. 31% of over 65s use a cheque to pay for services in the home, nearly one in five use other people to draw cash out for them, and only 43% say using a cash machine in the street was their preferred method of drawing cash.

A study by Prudential has found that only 52% of people who are planning to retire in 2011 feel confident that they will be able to leave an inheritance to relatives after funding their own retirement. 26% have already ruled out being able to leave an inheritance, and 22% are unsure whether their savings would be sufficient to see them through their retirement. Moreover, 9% say they will cancel plans to leave an inheritance in order to boost their own retirement income.

A report by HSBC has suggested that 49% of Britons expect to be worse off in retirement than their parents (with just 27% saying they expect to be better off). 17% say that they do not know what their main source of retirement income will be, and a further 21% say they will rely on the state pension. Strikingly, HSBC calculate that those who have made a financial plan have retirement savings and investments worth over four times as much as non-planners.

The number of unemployed people aged 50+ during the three months to end April was 398,000, which is an increase of 1.9% over the previous quarter and an increase of 5.4% (20,000) over the previous year. The number of people over 65 in work decreased by 11,000 in the three months to the end of April to 887,000, **a rise of 96,000 (12.1%) over the previous year.**

Two in five 50-plus unemployed workers (44.0%) - a total of 175,000 people - have been out of work for over a year. 95,000 have been unemployed for more than two years.

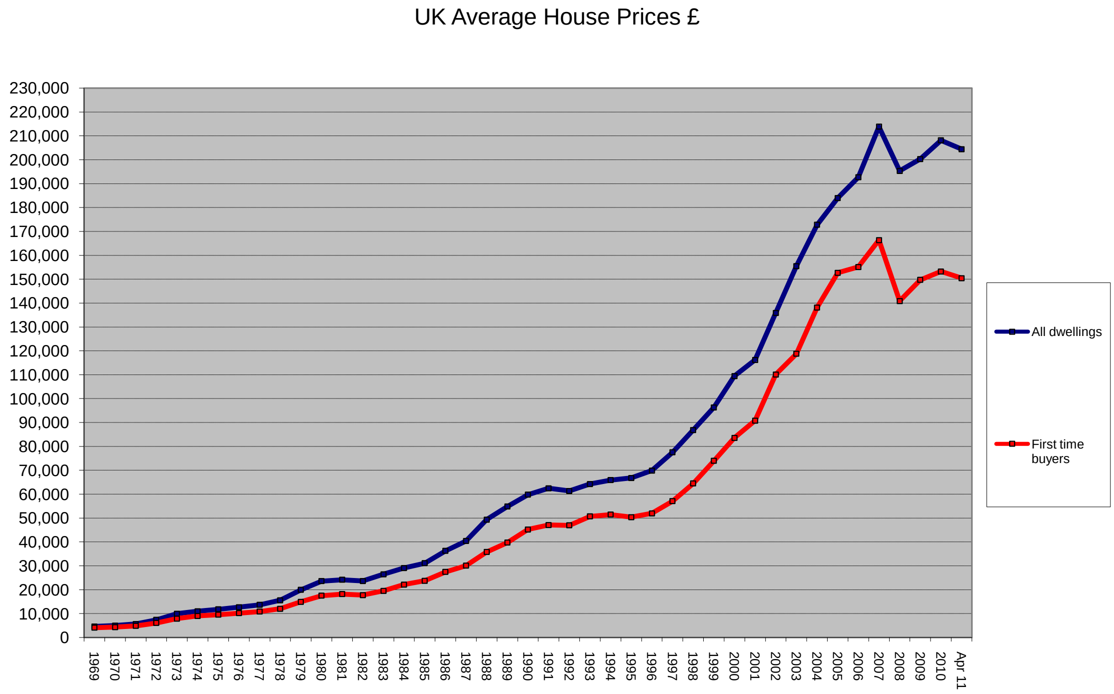
At November 2010, there were 12.8m people of state pension age claiming a DWP benefit, an increase of 125,000 since November 2009. Of these, 67% were claiming State Pension (SP) only.

The proportion of retired households in the population rose from 22% in 1977 to 26% in 2008/09.There are 8.6m pensioner units in the UK (single pensioners over state pension age or pensioner couples, married or cohabiting pensioners, where one or more are over state pension age). In 2008/09, pensioner couples received average income of **£564 per week**, compared with £304 per week for single men pensioners and £264 per week for single women pensioners.

Pensions provide modest levels of annual income for many pensioner households. In 2008/09, 53% of single pensioners had total pension income (state benefit income and private pension income) of **less than £10,000**, while 36% of pensioner couples had less than £15,000.

Housing: According to the Department for Communities and Local Government (DCLG) the average house price in the UK in April 2011 stood at **£204,439** (£212,473 in England). Over the year to April 2011, UK house prices decreased by 0.9%. **Average house prices in London increased by 3.6% in the year to April 2011.**

Average UK house prices were 0.3% lower over the quarter to April 2011, compared to a quarterly decrease of 0.4% over the quarter to January (seasonally adjusted).



The average Mortgage Interest rate is 3.47%.

Gross mortgage lending totalled an estimated £11.3 billion in May, up 12% from April (£10.1 billion) and up 1% from May 2010 (£11.2 billion).

Halifax said that house prices rose by £126 in May 2011. **This is a monthly rise of 0.1%.** Prices fell 1.2% over the quarter and fell 4.2% over the year.

Nationwide estimate that house prices rose by 0.3% during May 2011, and fell 1.2% over the year.

The May RICS Housing Market Survey conveys a slightly weaker tone than in April, with surveyors suggesting this may in part be due to the unusual succession of Bank Holidays at the end of April/start of May, although there are continuing concerns over the outlook for the economy and availability of mortgage finance. The Survey shows that 28% more surveyors report prices falling rather than rising, which is the lowest reading since the beginning of the year (although the survey also shows that of those respondents reporting price falls, 82% reported declines within the 0-2% margin). New buyer enquiries (demand) declined slightly in May having stabilised in April, while new vendor instructions (supply) continued to rise robustly, but the pace of increase slowed.

Hometrack monthly survey of 5,100 agents and surveyors showed that demand for housing fell by 0.5% in May, the first time this has declined in 3 months. Hometrack suggest that weaker demand is in part related to the Easter and May Bank Holidays, but also reflects weaker consumer confidence over recent months. The supply of homes for sale increased by 3% in May. Over the last 3 months supply has grown by 14% while demand has increased by 7%. House prices fell 0.1% in May. Lower prices were reported across 28% of the country in May, while 5.6% of the country reported price rises.

Rightmove said new sellers raised average asking prices by 0.6% (£1,520) to an average of £240,394 in June.

According to the NAEA the number of house-hunters registered per branch decreased on average from 277 in April to 275 in May, the number of sales agreed per branch remained the same with an average of 8 in April and in May and the average number of properties available for sale per branch decreased from 69 in April to 68 in May.

House purchase approvals (30,509) were slightly higher in May than in April according to the British Bankers Association, but were 15% lower than in May 2010. The average loan approved for house purchase in May was **£147,700 which is 1.9% lower than a year ago**.

Existing home sales across the United States (including single-family, townhomes, condominiums and co-ops) decreased 3.8% over last month and fell 15.3% year on year in May 2011. The **average price decreased 4.6% year on year** to $166,500. RealtyTrac® said that a total of 214,927 foreclosure filings — default notices, auction sale notices and bank repossessions — were reported on U.S. properties in May 2011, a 2% decrease in total properties from last month and a 33% decrease from May 2010. Foreclosure activity is now at a 42 month low. The report shows that one in every 605 of all U.S. housing units received a foreclosure filing during the month.

Data from Halifax suggests that, in the ten local areas which recorded the biggest rise in economic activity between 1998 and 2008, the average house price rose 219% over the course of the decade (from £67,178 in 1998 to £214,162 in 2008). This was 34% higher than the increase in the average house price in the ten local areas which experienced the smallest rise in economic activity over the same period.

A major study by Shelter has revealed England's repossession "hotspots", those areas with the highest proportion of people who have been issued with possession orders and are therefore at serious risk of having their home repossessed. Corby in the East Midlands is the top hotspot with the highest number of at risk homeowners, followed by Barking and Dagenham and Newham in London, Knowsley in the North West and Thurrock in the East of England. Unemployment is a key factor, having risen at more than double the rate in hotspots compared to the least at risk areas.

Research by Santander Mortgages has found that one in ten UK homeowners now rents out a spare room to a lodger. Collectively they accumulate over £3.9 billion per year in rental payments, an average of £182 per month. 35% of those who rent out a room do so to help a friend or family member, 18% do so because they need additional income to meet their outgoings, whilst 17% need the money to supplement their disposable income.

Housing First Time Buyers (FTB) & Buy-to-let: The average house price in the UK in April 2011 for first time buyers now stands at **£150,419** which is an **annual decrease of 1.6%.**

As at the end of March, there were 1,313,200 buy-to-let mortgages outstanding, worth a total of £152 bn. By value, buy-to-let mortgages accounted for 12.3% of all mortgages.

The typical first-time buyer deposit in April was **20% (£30,063)**. The average first-time buyer borrowed 3.13 times their income and the average first-time buyer loan was £120,253.

According to the RICS Residential Lettings Survey for April 2011, tenant demand continued to increase in the three months to April, and at a marginally quicker pace than the in the last period. 35% of surveyors reported a rise in demand.

Money Education: AXA suggest that a significant proportion of people on low incomes are not using any source of financial information to help them manage their money. This applies to almost 1 in 4 of a group AXA term 'The Stretched' (20-30s on a low income with few financial assets) and to 30% of those its calls 'Under-funded Seniors' (retired people living in sheltered accommodation who have low incomes and no savings and are therefore dependent on the state).

A survey by Gocompare has found that 23% of UK consumers have never switched providers for any of the 20 most common financial products including car and home insurance, energy provider, bank account, and mortgage or credit card provider. Taking products individually, 31% of consumers said they have never switched bank accounts, 15% have never switched mortgage lender, 14% have never switched savings accounts, and 8% have never switched energy provider.

The Post Office has suggested that people learn savings habits from an early age, with 72% of respondents to a survey saying that they were encouraged to save by their parents. The research also showed that it is becoming harder to save across generations, with 31% of over 55s believing that it is harder for them to save than it was for their parents. This figure increases to 60% amongst under 35s.

A study by Standard Life has revealed that a worrying 51% of British adults have not drawn up a will. Two-thirds (60%) of people aged between 35 and 44 do not have a will in place. This is also the case for 38% of those aged 45-54, and 32% of those aged 55-64. Furthermore, Standard Life found that, astonishingly, more than a fifth (22%) of over 65s do not currently have a will. Of those who do not have a will, 56% said this was simply because they had not got around to making one. Less than 4% said it was because it was too expensive.

Spending: According to AXA, 40% of consumers (equivalent to 20 million people nationwide) made significant spending cutbacks in their daily lives during the three months between January and March 2011. During this period, 40% of consumers say they chose to go out less (up 5% on the previous quarter), 27% reduced their car usage (up 10%), a similar number said they cut back on food shopping, and 35% spent less on alcohol and take aways. Furthermore, AXA suggest that between Q1 2010 and Q1 2011, the number of people feeling financially confident fell from 23% to 16%.

Research by the Institute of Fiscal Studies has revealed that poor households have experienced significantly higher inflation than rich households over the past decade. This has become particularly marked since 2008 (the beginning of the recession and economic downturn) – between 2008 and 2010, the poorest fifth of households experienced average annual inflation at 4.3%, while the richest fifth experienced inflation of just 2.7%.

Family Investments has found that families are spending an additional £276 million this year to meet rising childcare costs compared to 12 months ago. One in five mums with a child under 18 are paying for some form of child care, and across the country are paying an average of £15.33 more each month for this compared to 12 months ago. Collectively this adds up to an additional £23 million per month (or £276 million per year).

Research by moneysupermarket.com has found that 22% of Brits say they are now so stretched they have reached their "affordability tipping point" and can no longer make ends meet as the cost of living has now become too high for them. Moreover, 30% of those surveyed suggested that if their monthly outgoings increased by less than £100 they would be unable to meet everyday living costs. 40% of adults said that the soaring cost of petrol had had the most significant effect on their spending and budgeting over the last 12 months.

A survey by Santander has found that three quarters of motorists (equivalent to 29 million people nationwide) admit they are now using their cars less, with 62% blaming the rising cost of motoring. As a result, Santander suggests that many drivers are now spending more in their local communities, with 29% buying more from local shops, 12% going for dinner and drinks nearer to where they live, and 7% making greater use of local amenities such as leisure centres.

The average British couple will spend £16,569 on their wedding, according to research by Clydesdale and Yorkshire Banks. This is £4,331 less than last year's average.

An annual report by LV has calculated that the cost of raising a child to their 21st birthday now stands at £210,000. This is up 4.5% from last year, and has increased 50% since 2003. Childcare and education represent the biggest areas of expenditure, costing parents £67,430 and £55,660 over the course of their children's childhoods. The cost of education (including school uniforms, after-school clubs and university tuition fees) increased 5.3% over the year.

The average new family car now costs £5,869 annually to keep on the road, equating to £112.87 per week or 48.91p per mile.

The AA calculate that in June 2011 the average price of unleaded petrol fell by 0.8ppl (pence per litre) to 136.1ppl. **This means it costs £68.05 to fill a 50 litre unleaded tank**. The average price of diesel fell by 1.7ppl to 139.8ppl. The UK currently has the 12th highest unleaded price in Europe and the 2nd highest diesel price.

Savings: A report by Scottish Provident has found that 37% of British adults describe themselves as stressed or very stressed, with a lack of financial stability identified as a key factor in causing this. 49% of those with no existing savings describe themselves as either stressed or very stressed, as do 47% of those who cannot afford to put any money away each month. 59% of people say that having no income would increase their stress levels, but this has not translated into people building a stronger financial safety net, as 25% of Britons would face money troubles within a week of losing their income.

Figures from Unbiased.co.uk suggest that there was a surge in savings levels in Q1 2011, with the total amount of money being put away increasing by over £25 billion (the highest increase since Q2 2009). Meanwhile, Unbiased.co.uk also believe that Brits repaid 7p of debt for every £1 saved during Q1 2011, and that the amount that we paid back on our debts during the period was the lowest since Q3 2009.

Figures from NS&I suggest that Britons currently spend around £500 a year attending milestone events such as wedding anniversaries, 21st birthdays and christenings (on average Brits attend four such events each year and spend approximately £120 each time). However, 73% of the population do not save to help finance this spending, and only 22% have a "fun fund".

According to HSBC, someone who becomes unemployed will require savings of £1,667.25 a month on average to maintain the same standard of living as when they were in work. HSBC suggest that 29% of people are concerned that their job is not secure over the next 12 months, rising to 37% when looking ahead over the next 3 years.

Figures released by Halifax show that the nation's biggest savers live in Richmond upon Thames and Aberdeen. Halifax have broken down savings balances by UK postal area, and found that those in the TW10 6 area of Richmond upon Thames had the highest average balance in the UK (£29,765, which is 380% above the London average). This was followed by the AB15 4 area of Aberdeen, which had an average savings balance of £26,130 (350% above the average balance for Scotland).

Compiled monthly by John Davies. johndavies@creditaction.org.uk. ***If you would like to receive regular monthly updates of these statistics then please register using the "Register to receive Debt Statistics" link at http://www.creditaction.org.uk/debt-statistics.html Note: new / changed statistics are at the start of each section.***

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