

DEBT STATISTICS – JULY 2012 SUMMARY

UK PERSONAL DEBT

Outstanding personal debt stood at **£1.460 trillion** at the end of May 2012.

- This is up from £1.451 trillion at the end of May 2011.
- Individuals owed nearly as much as the entire country produced during the whole of 2011.

Outstanding secured (mortgage) lending stood at **£1.252 trillion** at the end of May 2012.

- This is up from £1.241 trillion at the end of May 2011.

Outstanding unsecured (consumer credit) lending stood at **£208 billion** at the end of May 2012.

- This is down from £210 billion at the end of May 2011.

Average household debt in the UK (excluding mortgages) was **£7,891** in May.

- This is up from a revised **£7,879** in April.

Average household debt in the UK (including mortgages) was **£55,514** in May.

- This is up from a revised **£55,485** in April.

The average amount owed per UK adult (including mortgages) was **£29,722** in May. This was around **122%** of average earnings.

Average consumer borrowing (including credit cards, motor and retail finance deals, overdrafts and unsecured loans) per UK adult was **£4,225** in May.

The estimated average outstanding mortgage for the 11.3m households that carry mortgage debt stood at **£111,261** in May.

Based on May 2012 trends, the UK's total interest repayments on personal debt over a 12 month period would have been **£63.1 billion**.

- This is equivalent to **£172 million** per day.
- This means that UK households would have paid an average of **£2,399** in annual interest repayments.

STRIKING NUMBERS

£55,514 was the average household debt (inc. mortgages) in May

£172m was the daily amount of interest paid on personal debt in May

8,551 new debt problems were dealt with by the CAB each working day over the year to March

1,694 people were made redundant every day between Feb and April

886,000 people had been unemployed for over a year between Feb and April

£14.03m of loans are written-off daily by UK Banks and Building Societies

Every 13 min 44 sec a property is repossessed

Every 4 min 35 sec someone is declared insolvent or bankrupt

£1.392 billion was the daily value of all plastic card purchases made in April

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

- This would mean that average household debt would reach **£77,719** (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 rose by **£1.3 billion** in total in May 2012.

- Net secured lending rose by £0.6 billion in the month.
- Net consumer credit lending rose by £0.7 billion.

UK Banks and Building Societies wrote-off **£6.3 billion** of loans to individuals over the 4 quarters to Q1 2012.

- In Q1 2012 itself they wrote-off £1.28 billion (of which £568 million was credit card debt) amounting to a daily write-off of **£14.03m**.

EVERYDAY IN THE UK

Based on the latest available data, Credit Action estimates that every day in the UK:

- **314** people are declared insolvent or bankrupt every day (based on Q1 2012 trends). This is equivalent to **1 person every 63 seconds** during each *working day*.
- **1,443** Consumer County Court Judgements (CCJs) are issued every day (based on Q1 2012 trends). The average value of a Consumer CCJ in Q1 2012 was **£2,866**.
- Citizens Advice Bureaux in England and Wales dealt with **8,551** new debt problems every *working day* during the year ending March 2012.
- It costs an average of **£28.44** per day to raise a child from birth to the age of 21.
- **105** properties are repossessed every day (based on Q1 2012 trends).
- **156** new people a day became unemployed for over 12 months during the year ending April 2012.
- **1,694** people a day reported they had become redundant between February and April 2012.
- The Government's Public Sector Net Debt (including financial interventions) will fall by an average of **£2,700,000** today, equivalent to **£32** per second (based on May 2012 data).
- The Government pays an estimated **£159,450,000** of interest each day on the UK's Public Sector Net Debt of £2246.3bn (including financial interventions).
- **182** mortgage possession claims are issued and **141** mortgage possession orders are made every day
- **400** landlord possession claims are issued and **277** landlord possession orders are made every day.
- The UK population is growing by an estimated **1,342 people a day**.
- **28.4m** plastic card purchase transactions were made every day in April 2012 with a total value of **£1.392 billion**.
- **8.3m** cash machine transactions were made every day in April with a total value of **£325m**.
- The average car costs **£18.33 per day** to run.
- It cost **£66.90** to fill a 50 litre tank with unleaded petrol in June.

NATIONAL STATISTICS

- The UK economy **contracted by 0.3%** in the first quarter of 2012, according to the latest estimates from the Office of National Statistics.
- The number of unemployed people in the three months between February and April 2012 was **2.61 million** (8.2%). This is down by 51,000 from the previous three months, but up by 185,000 from a year earlier.
- **155,000** people (**1,694 a day**) reported they had become redundant over the three months. This is down by 18,000 from the previous three months, but up by 39,000 from a year earlier.
- **886,000** people had been unemployed for over 12 months between February and April, a rise of 30,000 over the previous three months, and a rise of 57,000 (**156 a day**) from a year earlier.

SERVICING DEBT

- Based on *annual* figures to the end of March 2012, Citizens Advice Bureaux in England and Wales are dealing with **8,551** new debt problems every *working day*.
- According to the Council of Mortgage Lenders (CML), **9,600** properties were taken into possession in Q1 2012 (this is up from 8,700 in Q4 2011, but the same as in Q1 2011).
- This equates to **105** properties being repossessed every day, or one property being repossessed **every 13 minutes 44 seconds**.
- The Insolvency Service said there were **28,723** individual insolvencies in England and Wales in Q1 2012. This is equivalent to **314** people a day or, one person **every 4 minutes 35 seconds**.

PLASTIC CARDS AND PERSONAL LOANS

- Total credit card debt in May 2012 was **£54.8bn**.
- During April 2012 an average of **329** 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 **£1.392 billion** during April.

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

NOTES

Credit Action's Debt Statistics are compiled by John Davies (johndavies@creditation.org.uk).

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