creditaction
Better thinking about money

Debt Facts and Figures - Compiled November 2011

In January 2012 we will be giving the Debt Facts and Figures a New Year revamp! We will continue to provide exactly the same key statistics, but will be improving the way that some sections of the report are presented to make them easier to use.

Total UK personal debt

Total UK personal debt at the end of September 2011 stood at **£1,451bn**. **Individuals owe nearly as much as the entire country produced in the four quarters between Q2 2010 and Q1 2011.**

Total secured lending on dwellings at the end of September 2011 stood at **£1,242bn**.

Total consumer credit lending to individuals at the end of September 2011 was **£209bn**.

Net lending in September 2011 rose by £1.0bn; net secured lending increased by £0.3bn in the month; net consumer credit lending increased by £0.6bn.

UK banks and building societies wrote off £8.0bn of loans to individuals in the 4 quarters to end Q2 2011. In Q2 2011 they wrote off £2.06bn (£1.15bn of that was credit card debt). **This amounts to a write-off of £22.54m a day.**

Average household debt in the UK is ~ **£8,025** (excluding mortgages). This figure increases to **£15,432** 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 ~ **£55,795** (including mortgages).

Average owed by every UK adult is ~ £29,532 (including mortgages). This is 122% of average earnings.
Average outstanding mortgage for the 11.3m households who currently have mortgages now stands at ~ £109,643.

Britain's interest **repayments on personal debt were £63.4bn** in the last 12 months. The average interest paid by each household on their total debt is approximately **£2,440** each year.

Striking numbers

£55,795
average household debt (including mortgages)

£174m
personal interest paid in UK daily

8,910
number of new debt problems dealt with by CAB each working day (as at June 2011)

1,644 people
made redundant daily

867,000
unemployed for > 12 months

£22.54m
daily write-offs of loans by banks & building societies

every 14.6 minutes
a property is repossessed

every 4.31 minutes
someone will be declared insolvent or bankrupt

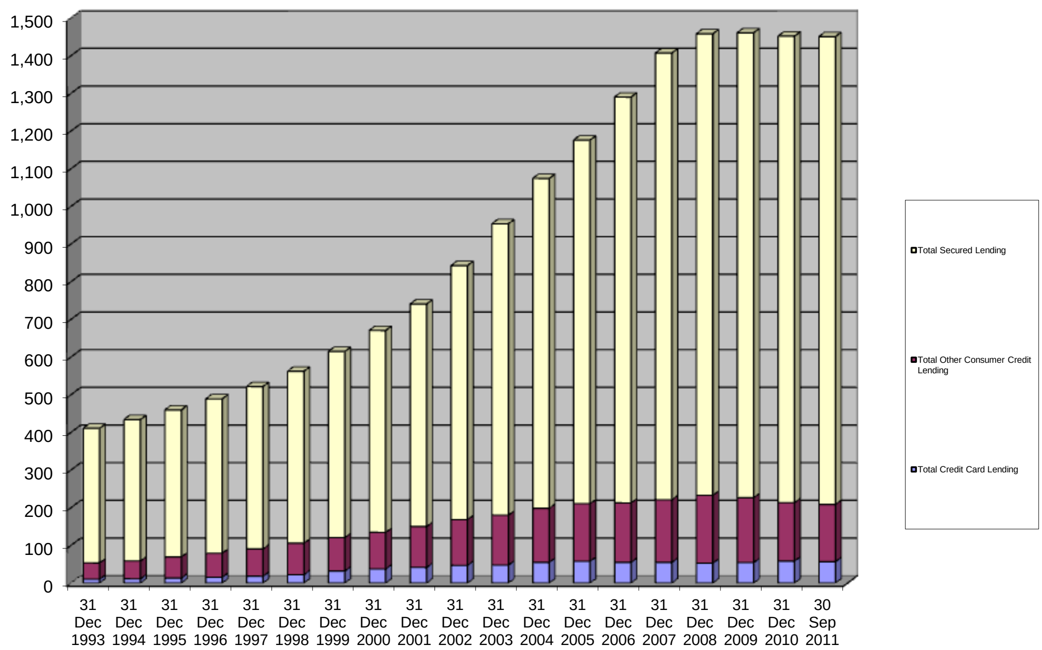
£130,700,000
daily increase in Government national debt (PSDN)

£1,278,000,000
total value of all purchases made using plastic cards today

Average consumer borrowing via credit cards, motor and retail finance deals, overdrafts and unsecured personal loans has risen to **£4,247** per average UK adult at the end of September 2011.

The Office for Budget Responsibility (OBR) predicts that household debt will be £2,126bn by the end of 2015. This would take the average household debt to £81,769 per household (if the figure is based on the current estimate for the number of UK households).

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:

- **334 people every day of the year** will be declared insolvent or bankrupt. This is equivalent to **1 person every 59 seconds during a working day.**
- 1,391 Consumer County Court Judgements (CCJs) were issued every day during Q2 2011 and the average judgement amount was £3,345.
- Citizen Advice Bureaux dealt with **8,910 new debt problems** every working day in England and Wales during the year ending June 2011.
- The average cost of raising a child from birth to the age of 21 is £27.50 a day.
- **99 properties were repossessed every day during Q2 2011**
- **132 new people became unemployed for more than 12 months every day** during the 12 months to end August 2011
- **1,644 people reported they had become redundant every day** during 3 months to end August 2011
- £130,700,000 is the amount that the Government Public Sector Net Debt (PSDN), including financial interventions, will grow today **(equivalent to £1,513 per second).**
- **£132,050,000** is the interest the Government has to pay each day on the UKs net debt of £2278.6bn (which includes financial interventions). This is estimated to rise to £182m a day in 2015-16.
- 197 mortgage possession claims will be issued and 154 mortgage possession orders will be made today
- 383 landlord possession claims will be issued and 258 landlord possession orders will be made today.
- The UK population is projected to grow by 1,205 people a day over the next decade
- 25.2m plastic card purchase transactions will be made today with a total value of £1.278bn.
- 8.0m cash withdrawals will be made today with a total value of £530m
- The average car will cost £16.08 to run today
- It costs £67.25 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 third quarter of 2011, according to initial estimates from the Office of National Statistics.

There were 5.8 million working age benefit claimants at February 2011. This is a decrease of 152,000 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 32 months in a row.**

There were 4,233 compulsory liquidations and creditors' voluntary liquidations in total in England and Wales in the second quarter of 2011 (on a seasonally adjusted basis). This was an increase of 2.7% on the previous quarter and an increase of 4.4% on the same period a year ago. In the twelve months ending Q2 2011, **approximately 1 in 139 active companies (or 0.7%) went into liquidation,** which is unchanged from the previous quarter. Additionally, there were 1,232 other corporate insolvencies in Q2 2011 (not seasonally adjusted) comprising 350 receiverships, 695 administrations and 187 company voluntary arrangements. In total these represented a decrease of 6.0% on the same period a year ago.

In September 2011 the **public sector net debt (PSND) <u>including financial interventions</u> was £2278.6bn**, equivalent to **147.6%** of Gross Domestic Product. This compares to £2230.9bn (151.7% of GDP) as at the end of September 2010. Meanwhile, **public sector net debt <u>excluding financial interventions</u> was £966.8bn** (62.6% of GDP), compared to £833.0bn at the end of September 2010 (56.6% 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 August 2011 was 2.57 million (8.1%). This is up 114,000** from the previous three months and up 113,000 from a year earlier. **150,000 people (1,644 a day) reported they had become redundant** in the three months, up 6,000 on the previous three months and from a year earlier.

The number of people unemployed for more than 12 months increased by 60,000 (7.4%) over the quarter and increased 48,000 (132 a day) over the year to reach 867,000. The number of economically inactive people aged from 16 to 64 rose by 26,000 over the quarter and rose by 75,000 over the year to reach 9.35 million in the three months to August 2011.

Public sector employment decreased by 111,000 in the second quarter of 2011, to 6.037 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 September, the consumer prices index (CPI) rose by 5.2%, up from 4.5% in August. CPI annual inflation last stood at 5.2% in September 2008, and has never been higher.

The Retail Prices Index rose by 5.6% in the year to September, up from 5.2% in August. This is the highest rate of RPI annual inflation in 20 years (the last time it was higher was in June 1991 when it was 5.8%).

There were 332,476 new car registrations in September, a decrease of just 0.8% compared to September 2010.

In September 2011 UK retail sales values increased by 0.3% on a like-for-like basis from September 2010, when sales had risen 0.5%. On a total basis, sales were up 2.5%, against a 2.2% increase in September 2010.

Servicing Debt: A survey by moneysupermarket.com has found that the rising cost of living will force 71% of British consumers to use savings, credit cards or overdrafts in order to meet the cost of bills. Increases in the cost of food and energy were identified as the key causes – according to moneysupermarket.com's figures, recent energy price rises added an average of 17.4% to the cost of gas and 10.8% to the cost of electricity, meaning the average annual standard bill is now £1,287. Previous research by moneysupermarket.com revealed that 26% of people (equivalent to 13 million people nationwide) now instantly get worried or stressed whenever they receive a bill.

Meanwhile, a study by uSwitch has indicated that 28% of households are currently struggling to afford their energy bills, and 32% of consumers think household energy is already unaffordable in the UK. uSwitch believe that there is an 'affordability tipping point' of £1,500 per year. Once bills exceed this level, 77% of households will be rationing their energy use, 59% will go without adequate heating, and 36% will be forced to turn off their heating entirely.

Legal & General's latest MoneyMood Survey suggests that the number of 'financially stable' households (who say that they have some money left over after paying bills each month) has fallen by a million in the space of a year. Legal & General go on to say that in September 2007 six out of ten households described themselves as 'stable' in this way, but by September 2011 this had fallen to just 45% of households, a decline of 3 million in 4 years.

Citizens Advice Bureaux across England and Wales advised 0.49 million clients with new problems in the three months between April and June 2011. Debt was the largest advice category with 529,000 enquiries (32% of all problems – including enquiries about mortgage and rent arrears, benefit overpayment debts – and a 7% decrease on the same period last year). Based on annual figures to the end of June 2011, Citizens Advice Bureaux in England and Wales are dealing with **~ 8,910 new debt problems every working day.**

A survey by Unbiased.co.uk has found that 32% of UK adults (equivalent to 15 million people nationwide) would struggle to cope financially if they lost their job. This has increased from 24% in 2010. Those aged 35-54 felt most at risk, with 39% saying they would struggle if their main source of income disappeared (up from 30% last year). Meanwhile, 34% of 18-34 year olds were also in this position.

Mortgage lenders took 9,000 properties into possession in Q2 2011, down from 9,100 in Q1 2011 according to the Council of Mortgage Lenders. This equates to **99 properties being repossessed every day or 1 property being repossessed every 14.6 minutes.** The total number of repossessions in the first 6 months of 2010 was 18,100, which is 7% down on the 19,500 recorded in the first 6 months of 2010.

In terms of payment difficulties, 164,500 mortgages ended Q2 2011 with arrears equivalent to at least 2.5% of the outstanding mortgage balance. This was down from 166,700 at the end of Q1 2011.

The CML's current forecasts are for a 2011 outturn of 40,000 repossessions and 180,000 mortgages in arrears. The CML also forecasts a repossession rate of 0.4% for 2012, equating to 45,000 repossessions next year.

The FSA estimate that at the end of Q2 2011 there were **332,700 loan accounts in reportable arrears (> 1.5% of current loan balance)**, a decrease of 6% from Q2 2010. At the end of Q2 2011, loans in arrears represented 2.81% of the value of the residential loan book.

The Insolvency Service said there were 30,513 individual insolvencies in England and Wales **(334 people a day or 1 every 4.31 minutes)** in Q2 2011. This was an increase of 1.2% on the previous quarter and a **decrease of 12.2%** 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.

Figures released by Finance & Leasing Association (FLA) for August show a slight increase in the level of consumer credit lending compared to the same month last year. The total amount of new consumer finance in August 2011 was 3% higher than in August 2010. However, lending during the 12 months to August 2011 was down 2%. The FLA says that the slight increase for August is likely to be due to holiday spending. Lending through store cards, credit cards and in-store instalment credit remains low.

Plastic card / Personal Loans: Analysis by Defaqto has revealed that since the Bank of England base rate fell to 0.5% in March 2009, the average APR for unsecured loans has increased across all loan values. For example, Defaqto's figures suggest that the average APR for a £10,000 loan was 11.2% in September 2011, up from 9.8% in March 2009. However, Defaqto also say that despite this trend, the lowest available rates for unsecured loans have in fact generally fallen over the past two years.

Figures from Financial Fraud Action UK show that fraud losses on UK cards decreased in the first half of 2011. Such losses totalled £169.8m between January and June 2011, a 9% reduction on the first half of 2010. This half-year total is the lowest for 11 years and the third consecutive decrease. However, losses due to cheque fraud and telephone banking fraud both increased during the period.

Research by moneysupermarket.com has found that just 60% of Brits are paying their credit card bill off in full each month. Nearly 7% say they only pay off the minimum amount, while 13.5% say that the amount they pay off varies depending on what they can afford. Meanwhile, moneysupermarket.com have also found that 41% of Brits choose their credit cards based on the cash back, rewards and Air Miles offered by providers. Interestingly, only 11% of respondents said that APR was the most important factor when choosing a card.

A separate moneysupermarket.com survey has revealed that the majority of Brits (56%) use their debit cards to purchase items worth less than £10. Those in this group undertake an average of 3.2 such "small transactions" every week, with an average value of £6.34. This means that consumers are funding a total of £560 million worth of small purchases every week using their debit cards.

There were 146.8m debit, credit or charge cards in circulation in the UK at the end of 2010, according to the UK Payments Council. **An average 292 plastic card purchases were made in the UK every second** during Q2 2011 using debit and credit cards (equal to £14,789 /second). 92 cash withdrawals were made every second (equal to £6,137 / second) from UK's 64,232 cash machines during Q2 2011.

There are **about as many credit cards in the UK as there are people** according to the UK Payments Council. At the end of 2010 there were an estimated 62.2m credit and charge cards in the UK, compared with around 62.3m people in the country.

Total credit card debt in September 2011 was **£56.9bn.**

The average interest rate on credit card lending is currently **18.41%, which is 17.91% above base rate (0.5%).**

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

Young people - the IPOD generation: A survey by the Association of Investment Companies (AIC) has revealed that 74% of parents with children under 16 are still unaware of the Junior ISA scheme. However, 23% of parents do know about Junior ISAs, and of these 32% say they are likely to open one. Interestingly, AIC also say that 58% of parents with children under 16 agree that the Junior ISA should be included in financial education in the classroom, with 85% of this group believing it would help their children manage their money when they are older.

Figures released by the Consumer Credit Counselling Service (CCCS) suggest that a large number of 18-19 year old “inbetweeners” are starting adult life in serious debt, and that a lack of financial capability may be a significant cause. In 2010, 753 young people aged between 18 and 19 contacted CCCS for help, holding an average of £2,254 in unsecured debt. One in ten of them blamed their problems on an inability to budget, compared to 5% of clients across all age groups.

A Student Finance Report by Lloyds TSB has found that a significant number of students are struggling with their finances. 17% say they do not have enough money to make it through the month, and a further 40% are only just managing to make ends meet. Furthermore, 51% of students say that they are concerned about the amount of debt that they are taking on.

A survey by Halifax has revealed that the amount of pocket money children receive every week has increased by 36p this year. This is the first time since 2003 that pocket money has increased, ending a seven year decline. This takes the total average amount that kids receive in pocket money to £6.25 per week, compared to £5.89 in 2010. Over the course of a year, this means children will earn an additional £18.72 compared to 2010.

Unemployment amongst economically active 18 to 24 year olds increased by 70,000 (9.8%) in the 3 months ending August 2011, to reach 785,000**. This means that 19.1% of all economically active 18 to 24 year olds are unemployed.** 370,000 (47%) have been unemployed for > 6 months. 227,000 **have been out of work for over 12 months** which is an increase of 48,000 (26.6%) over the last 3 months and an increase of 18,000 (8.8%) over the last 12 months.

The number of 18-24 year olds not in education, employment or training (NEET) at the end Q2 2011 was 885,000 (18.4%). The number of 16-18 year NEETs stood at 186,000 (9.8%) at the end of Q2 2011. **The total of 16 – 24 classed as NEETS now stands at 979,000.**

Pensioners / Pensions: The Alliance Trust Research Centre has released figures which show that those aged 65-74 faced annual inflation at a rate of 6.1% in September 2011 (this is the highest rate of inflation they have experienced since September 2008). Over-75s also faced an inflation rate of 6.1% (the highest rate they have encountered since November 2008). Rising gas and electricity prices are key factors, with Alliance Trust saying that these age groups spend a disproportionate amount on such utilities.

A survey by Prudential has revealed that nearly 3 million working age adults will prioritise going on holiday over continuing to save for a pension as they look to make cutbacks as their incomes are squeezed. Furthermore, an estimated 2.5 million people (representing 10% of all those who have started to save for retirement) would continue to spend on nights out with friends and trips to the cinema ahead of maintaining payments into their pensions.

A report by HSBC suggests that the amount of inheritance left to beneficiaries will peak in 2047. HSBC estimate that those inheriting in 2047 will receive a collective £1.1 trillion (this compares with £194 billion in 2015). However, after 2047 there will be a steep drop, with collective inheritance halving back to £552 billion in 2062. Several factors, including rising life expectancy (which means more prospective inheritance will be spent simply on the cost of living) are responsible for this drop.

Research by Zurich has found that 22% of people who work for companies which provide pension schemes don’t take them up. A further 14% aren’t aware of them and 8% are unsure of whether or not they are enrolled. Of those who don’t join their scheme, 50% say they can’t afford it, 25% say retirement is too far away to think about and 22% would prefer to invest in something else. However, 52% also say that they do not believe the state pension will be sufficient or available when they retire.

Analysis by AXA has demonstrated the extent of the impact that volatility in the stock market is having on pension savers, with the month in which someone chooses to retire potentially having a huge impact on their pension income.

Looking over the past 12 months, August 2010 was the worst month in which to retire with annuity rates providing an annual income of £14,978. However, those retiring just seven months later in March 2011 would have received an income of £21,515, a 44% increase.

A report by the Chartered Insurance Institute (CII) suggests that there is very low public awareness of the real cost of long-term care. CII calculate that the average length of stay in a care home is two years, and that the typical bill for this is £52,000. However, CII say that 80% of people have no idea how much their long-term care will cost, and are therefore unlikely to be making any provision – indeed, a worrying 50% of people wrongly think that long-term care is actually free.

The number of unemployed people aged 50+ during the three months to end August was 384,000, which is a decrease of 1.5% over the previous quarter and a decrease of 0.5% (2,000) over the previous year. The number of people over 65 in work decreased by 74,000 in the three months to the end of August to 822,000, **a fall of 24,000 (2.8%) over the previous year.**

Two in five 50-plus unemployed workers (41.3%) - a total of 159,000 people - have been out of work for over a year. 100,000 have been unemployed for more than two years.

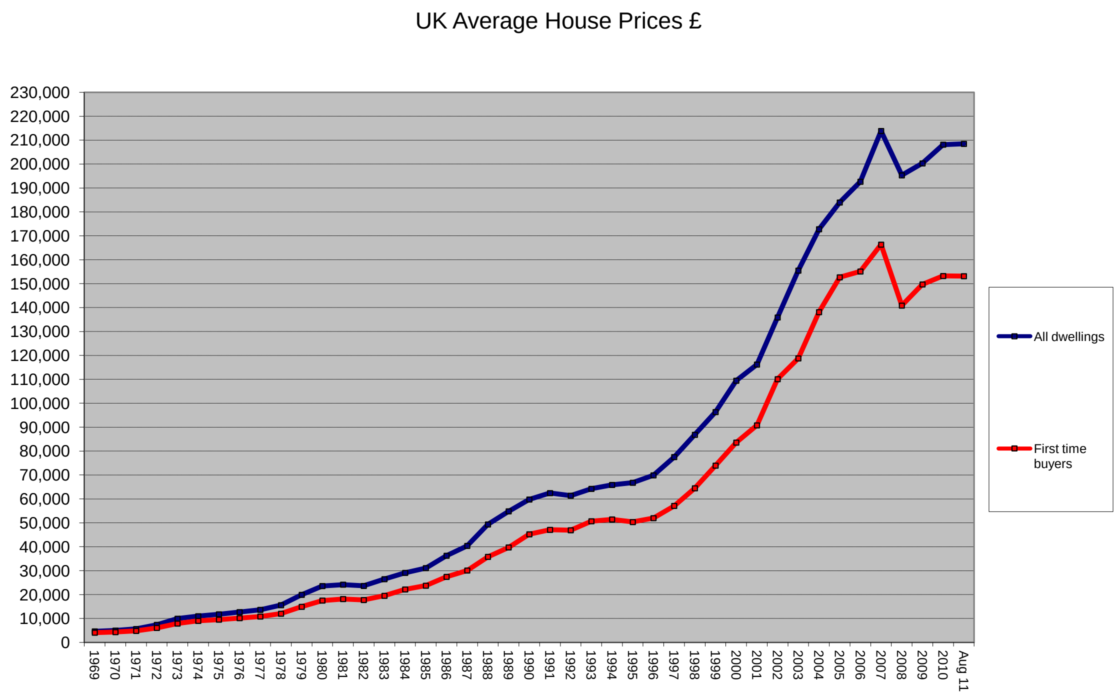
At February 2011, there were 12.8m people of state pension age claiming a DWP benefit, an increase of 73,000 since February 2010. Of these, 67% were claiming State Pension (SP) only.

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 August 2011 stood at **£208,476** (£216,196 in England). Over the year to August 2011, UK house prices decreased by 1.3%. **Average house prices in London increased by 3.2% in the year to August 2011.**

Average UK house prices remained unchanged over the quarter to August 2011, compared to a quarterly decrease of 0.2% over the quarter to May (seasonally adjusted).



The average Mortgage Interest rate is 3.36%.

Gross mortgage lending totalled an estimated £12.9 billion in September. Gross mortgage lending in September was down 2% from August (£13.1 billion) but up 4% from September 2010 (£12.4 billion).

Gross lending for the third quarter of 2011 was an estimated £38.6 billion. This is up 15% from the second quarter (£33.5 billion) and up 2% from the third quarter of 2010 (£37.9 billion).

Halifax said that house prices fell by £794 in September 2011. **This is a monthly fall of 0.5%.** Prices rose 0.1% over the quarter and fell 2.3% over the year.

Nationwide estimate that house prices rose by 0.1% during September 2011, and fell 0.3% over the year.

The September RICS Housing Market Survey shows that 23% more surveyors report prices falling rather than rising, unchanged from last month, with three quarters of those reporting price falls saying these were in the 0-2% range. Activity levels remain subdued – new buyer enquiries (demand) edged up in September, while new vendor instructions (supply) declined on the month.

Hometrack's monthly survey of agents and surveyors showed that demand for housing fell 2.6% in September compared to a fall of 1.2% in August. The supply of homes for sale decreased by 0.6% in September (following a 1.7% increase in August). Hometrack suggest that a shift in the balance between supply and demand is beginning to emerge, with the number of buyers falling for the second consecutive month in September. This is in contrast to the first half of the year when demand had been steadily rising. House prices fell 0.1% in September. Lower prices were reported across 25% of the country in September, while 8% of the country reported price rises. Hometrack suggest that demand is likely to slip further in the final months of the year as economic uncertainty at home and in the Eurozone dents consumer confidence. As the gap between supply and demand widens, there is likely to be an acceleration in price falls.

Rightmove said new sellers raised average asking prices by 2.8% (£6,533) to an average of £239,672 in October. Prices rose 1.2% compared to October 2010. However, Rightmove say that these national rises are masking a two-tier property market – asking prices in the South have risen 4.7% to set new records, while in the North they have fallen back by 0.7%. Average property prices in the South (£336,743) are now more than double those in the North (£164,347).

According to the NAEA the number of house-hunters registered per branch increased on average from 304 in August to 308 in September (this is the highest this figure has been since September 2007 when it stood at 326), the average number of sales agreed per branch was unchanged across August and September at 8, and the average number of properties available for sale per branch increased from 65 in August to 72 in July.

House purchase approvals (33,130) were lower in September than in August according to the British Bankers Association, but 8% higher than in September 2010. The average loan approved for house purchase in September was **£142,600 which is about the same as a year ago**.

Existing home sales across the United States (including single-family, townhomes, condominiums and co-ops) decreased 3.0% over last month but rose 11.3% year on year in September 2011. The **average price decreased 3.5% year on year** to $165,400. RealtyTrac® said that a total of 214,855 foreclosure filings — default notices, auction sale notices and bank repossessions — were reported on U.S. properties in September 2011, a 6% decrease in total properties from last month and a 38% decrease from September 2010. September was the 12th consecutive month where foreclosure activity decreased on a year-by-year basis. Across the third quarter as a whole foreclosure filings were reported on 610,337 properties, equivalent to one in every 213 U.S. housing units.

Research by Shelter has revealed that average private rents are now unaffordable for ordinary families in 55% of English local authorities. Rents in an area are generally regarded as being unaffordable when they exceed one third of average take-home pay. Shelter also point to significant regional variation in affordability – while rents are highest in London boroughs, some rural areas (for example north Devon or Herefordshire) are more expensive than cities such as Manchester, Liverpool and Birmingham

Figures from Halifax suggest that the North has outperformed the South in terms of property sales over the past year. Bury in Greater Manchester was the country's sales hotspot, with sales increasing by 44% over the first six months of 2011 compared to the same period in 2010. It was followed by Leigh, Rugeley and Houghton Le Spring, three other northern towns. Meanwhile, nine of the ten towns recording the biggest decline in property sales in the last year were in the South.

Housing First Time Buyers (FTB) & Buy-to-let: The average house price in the UK in August 2011 for first time buyers now stands at **£153,158** which is an **annual decrease of 1.8%.**

As at the end of June, there were 1,342,200 buy-to-let mortgages outstanding, worth a total of £154.5 bn. By value, buy-to-let mortgages accounted for 12.4% of all mortgages.

The typical first-time buyer deposit in August was **20% (£31,579)**. The average first-time buyer borrowed 3.20 times their income and the average first-time buyer loan was £126,316.

According to the RICS Residential Lettings Survey for Q2 2011, tenant demand moderated in the three months to July, although it remained firmly in positive territory overall. 25% more surveyors reported a rise in demand than a fall.

Money Education: A survey by Nationwide suggests that online banking has made 58% of people more aware of their personal finances. Moreover, 33% of people have become more aware of their household's financial situation because they are doing their banking online. 23% of people also say that they have become more aware of different products such as ISAs, credit cards and mortgages as a direct result of online banking.

Research by Unbiased.co.uk has revealed that 60% of adults (29.5m people nationally) do not have a will. 84% of 18-34 year olds are in this position, as are 65% of 35-54 year olds and, worryingly, 35% of over-55s. Furthermore, 48% of married adults do not have a will, despite the fact that under current rules a spouse may only inherit £250,000 if there is no will in place and there are children and grandchildren.

A study by Triodos Bank has revealed that 85% of UK savers want more information on what banks actually do with their money – indeed, 25% of savers have never received any information from their bank about how their money is being used. 74% of savers said that banks should do more to proactively help society, while 54% said they would consider changing providers if they found their savings were being invested in industries such as tobacco or weapons production.

A survey by the UK Payments Council has found a notable lack of knowledge around the meaning of some of the most common financial terms. Only 36% of people understand that the term "APR" relates to payments. This falls further to 31% amongst young people aged 18-34. This compares with the widespread use of text-speak acronyms such as "LOL" and "OMG" – four in five 18-34 year olds say they use these when communicating, as do 69% of 35-54 year olds and almost half of over 55s.

Spending: Analysis by the Institute for Fiscal Studies (IFS) has shown that household spending fell by 5% between the first quarter of 2008 and the second quarter of 2009 (during which time the UK was officially in recession). By comparison, the recessions of the 1980s and 1990s saw household spending fall 3%. Furthermore, by this stage in previous cycles household spending had already returned to its pre-recession peak. However the IFS suggest that on current forecasts, household spending will not return to pre-recession levels until at least the first quarter of 2013.

Lloyds TSB's latest Spending Power Report suggests that September was the third straight month in which the annual growth of discretionary spending power declined. The report suggests that September saw incomes fall in real terms, whilst spending on essential items rose. As a result, discretionary spending power grew by just 0.3% on an annual basis, once inflation was taken into account. This figure stood at 1.5% in June, but has fallen in every month since.

Research by the UK Payments Council's PayYOURway.org.uk campaign has found that despite the effects of the economic downturn, and overwhelming 86% of Brits are donating to charity. The average donation equates to £100 per year. Furthermore, a third of people (33%) say they plan to maintain the same level of giving next year despite the current financial challenges, while less than a quarter (23%) say they will be cutting back.

A survey by Santander suggests that the rising cost of living and financial concerns are making Britain a less romantic country. People in relationships are cutting back on the amount they spend on their partners by an average of 20%, spending a cumulative £8 billion less overall. 22% of those surveyed were looking for cheaper dating alternatives, and 16% said they were buying fewer gifts. Furthermore, 2% of people said they had been put off being in a relationship because of the financial cost involved.

Research by the Co-operative indicates that the average cost of getting onto the road for the first time now stands at £4,459. This includes the cost of driving lessons, road tax, driving tests, insurance and buying a first car. The Co-operative say that the average 18 year-old owns a Vauxhall Corsa worth £1,450 and pays more than £2,000 in insurance alone. However, 53% of 17-25 year olds rely on relatives to buy them their first car – by comparison, 77% of their parents' generation (over 45s) bought their first car themselves.

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 October 2011 the average price of unleaded petrol fell by 1.1ppl (pence per litre) to 134.5ppl. **This means it costs £67.25 to fill a 50 litre unleaded tank**. The average price of diesel was unchanged at 139.6ppl. The UK has the eleventh highest petrol price in Europe and the second highest diesel price.

Savings: The latest NS&I Savings Survey has revealed that Britons who set themselves a savings goal are likely to save 44% (£42.50) more per month than those who don't – this adds up to an additional £500 saved every year. On average, those with regular savings goals manage to set aside £139.79 each month, compared to £97.28 for those without a goal. Despite this however, NS&I suggest that only 29% of the population say that they actually set themselves a goal and save for something specific.

Research by Norwich and Peterborough Building Society has suggested that a third of Britons (31%) have no accessible savings, putting them at considerable risk if illness, unemployment or an emergency should hit. Furthermore, nearly half of the population (48%) have less than £1,000 in accessible savings, and a striking 23% of over-55s have no savings available whatsoever. The survey also suggests that Cardiff is the UK city with the highest number of people with no savings (46%).

With inflation hitting 5.2% in September, HSBC have examined the rate of return achieved by savers in 1991, when annual inflation also breached the 5% barrier. In 1991 the average savings rate (9.7%) was almost double the rate of inflation (5.9%), meaning savers received a real return on their savings. However, HSBC say that the average savings rate was just 1.1% in September, below the inflation rate of 5.2%, meaning the real value of savings is now declining.

Meanwhile, research by Yorkshire Building Society suggests that inflation has cost Britain's savers nearly £2,500 over the last decade. Yorkshire say that the average savings account stands at £11,648 – if this amount was put into a basic easy access savings account a decade ago, Yorkshire estimate that the account holder would have earned £1,624 in interest over 10 years, leaving them with £13,272. However, in order to have the same spending power as when they originally invested their money, their savings would actually need to have grown to £15,700 – a difference of £2,428.

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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