

DEBT STATISTICS – OCTOBER 2012 SUMMARY

UK PERSONAL DEBT

Outstanding personal debt stood at **£1.412 trillion** at the end of August 2012.

- This is up from £1.407 trillion at the end of August 2011.
- Individuals owed nearly as much as the entire country produced during the whole of 2011.

Outstanding secured (mortgage) lending stood at **£1.256 trillion** at the end of August 2012.

- This is up from £1.242 trillion at the end of August 2011.

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

- This is down from £165 billion at the end of August 2011.

Average household debt in the UK (excluding mortgages) was **£5,949** in August.

- This down from a revised **£5,971** in July.

Average household debt in the UK (including mortgages) was **£53,706** in August.

- This is down from a revised **£53,736** in July.

The average amount owed per UK adult (including mortgages) was **£28,754** in August. This is down from a revised **£28,770** in July, 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 **£3,185** in August. This is down from **£3,197** in July.

The estimated average outstanding mortgage for the 11.2m households that carry mortgage debt stood at **£111,793** in August.

Based on August 2012 trends, the UK's total interest repayments on personal debt over a 12 month period would have been **£60.1 billion**.

- This is equivalent to **£164 million** per day.
- This means that UK households would have paid an average of **£2,284** in annual interest repayments.

STRIKING NUMBERS

£53,706 was the average household debt (inc. mortgages) in August

£164m was the daily amount of interest paid on personal debt in August

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

1,552 people were made redundant every day between May and July

904,000 people had been unemployed for over a year between May and July

£12.52m of loans are written-off daily by UK Banks and Building Societies

Every 15 min 30 sec a property is repossessed

Every 4 min 49 sec someone is declared insolvent or bankrupt

£1.357 billion was the daily value of all plastic card purchases made in July

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 fell by **£0.4 billion** in total in August 2012.

- Net secured lending fell by £0.3 billion in the month.
- Net consumer credit lending was broadly unchanged.

UK Banks and Building Societies wrote-off **£5.3 billion** of loans to individuals over the 4 quarters to Q2 2012.

- In Q2 2012 itself they wrote-off £1.15 billion (of which £567 million was credit card debt) amounting to a daily write-off of **£12.52m**.

EVERYDAY IN THE UK

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

- **299** people are declared insolvent or bankrupt every day (based on Q2 2012 trends). This is equivalent to one person **every 4 minutes 49 seconds**.
- **1,170** Consumer County Court Judgements (CCJs) are issued every day (based on Q2 2012 trends). The average value of a Consumer CCJ in Q2 2012 was **£3,217**.
- 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.
- **93** properties are repossessed every day (based on Q2 2012 trends).
- **145** new people a day became unemployed for over 12 months during the year ending July 2012.
- **1,552** people a day reported they had become redundant between May and July 2012.
- Public Sector Net Borrowing (excluding financial interventions) was **£14.4bn** in August, meaning that the Government borrowed an average of **£464,516,129** per day during the month (equivalent to **£5,376** per second).
- **164** mortgage possession claims are issued and **127** mortgage possession orders are made every day
- **396** landlord possession claims are issued and **279** landlord possession orders are made every day.
- The UK population is growing by an estimated **1,342 people a day**.
- **28.0m** plastic card purchase transactions were made every day in July 2012 with a total value of **£1.357 billion**.
- **8.7m** cash machine transactions were made every day in August with a total value of **£349m**.
- The average car costs **£18.33 per day** to run.
- It cost **£70.10** to fill a 50 litre tank with unleaded petrol in September.

NATIONAL STATISTICS

- The UK economy **contracted by 0.4%** in the second quarter of 2012, according to the latest estimates from the Office of National Statistics. This is the third consecutive quarter of negative growth.
- The number of unemployed people in the three months between May and July 2012 was **2.59 million** (8.1%). This is down by 7,000 from the previous three months, but up by 61,000 from a year earlier.
- **142,000** people (**1,552 a day**) reported they had become redundant over the three months. This is down by 13,000 from the previous three months, and down by 20,000 from a year earlier.
- **904,000** people had been unemployed for over 12 months between May and July, a rise of 22,000 over the previous three months, and a rise of 53,000 (**145 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), **8,500** properties were taken into possession in Q2 2012 (this is down from 9,600 in Q1 2012, and is the lowest quarterly total since Q4 2010).
- This equates to **93** properties being repossessed every day, or one property being repossessed **every 15 minutes 30 seconds**.
- The Insolvency Service said there were **27,390** individual insolvencies in England and Wales in Q2 2012. This is equivalent to **299** people a day or, one person **every 4 minutes 49 seconds**.

PLASTIC CARDS AND PERSONAL LOANS

- Total credit card debt in August 2012 was **£54.4bn**.
- During July 2012 an average of **324** 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 **£1.357 billion** during July.

FOR MORE DETAILED FIGURES AND ADDITIONAL STATISTICS, DOWNLOAD A PDF OF THE FULL VERSION OF CREDIT ACTION'S OCTOBER 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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