Better thinking about money

Debt Facts and Figures - Compiled September 2011

Total UK personal debt

Total UK personal debt at the end of July 2011 stood at **£1,451bn**. The twelve-month growth rate increased 0.1 percentage points to 0.9%. **Individuals currently owe nearly as much as the entire country produced between Q2 2010 and Q1 2011.**

Total lending in July 2011 rose by £0.9bn; secured lending increased by £0.7bn 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 July 2011 stood at **£1,242bn**. The twelve-month growth rate increased 0.1 percentage points to 0.8%.

Total consumer credit lending to individuals at the end of July 2011 was **£209bn**. **The annual growth rate of consumer credit remained at 1.7%.**

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 ~ **£8,055** (excluding mortgages). This figure increases to **£15,491** 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 ~ **£55,814** (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 £106,429 per household.

Average owed by every UK adult is ~ £29,542 (including mortgages). This is 123% of average earnings.
Average outstanding mortgage for the 11.4m households who currently have mortgages now stands at ~ £109,076.

Striking numbers

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

1,688 people
made redundant daily

838,000
unemployed for > 12 months

£55,814
average household debt (including mortgages)

£176m
personal interest paid in UK daily

£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

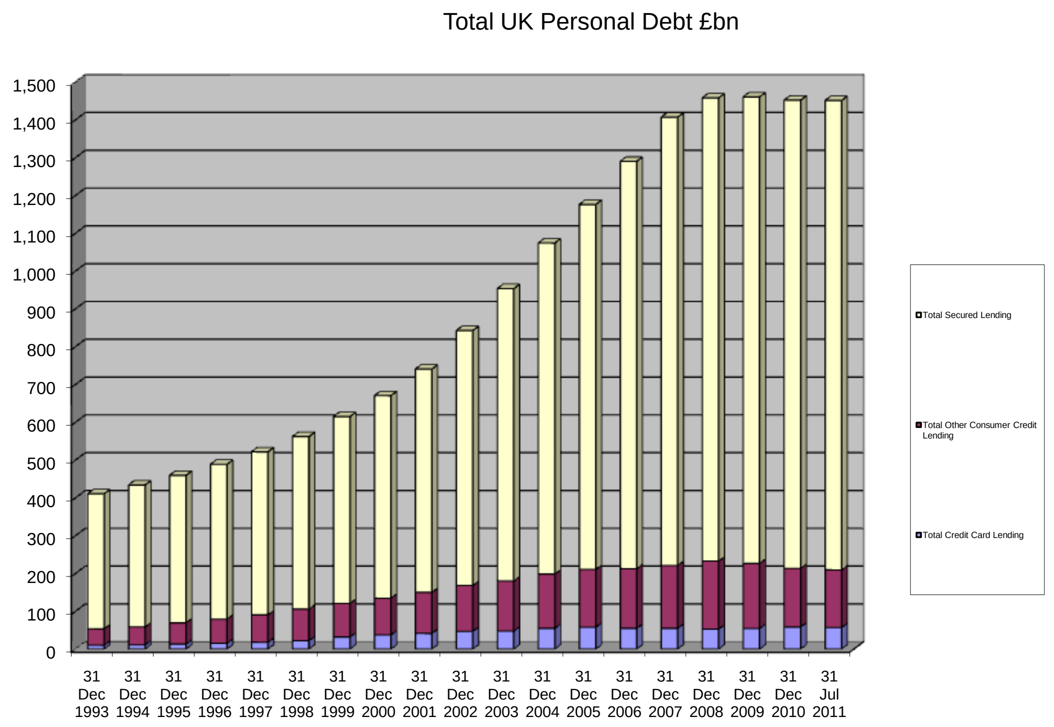
£248,500,000
daily increase in Government national debt (PSDN)

£1,182,000,000
total value of all purchases made using plastic cards today

Britain's interest **repayments on personal debt were £64.1bn** in the last 12 months. The average interest paid by each household on their total debt is approximately **£2,467** each year.

Average consumer borrowing via credit cards, motor and retail finance deals, overdrafts and unsecured personal loans has risen to **£4,264** per average UK adult at the end of July 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).



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 **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.
- **99 properties were repossessed every day during Q2 2011.**
- **112 new people became unemployed for more than 12 months every day** during the 12 months to end June 2011.
- **1,688 people reported they had become redundant every day** during 3 months to end June 2011
- £248,500,000 is the amount that the Government Public Sector Net Debt (PSDN), including financial interventions, will grow today **(equivalent to £2,876 per second).**
- **£144,600,000** is the interest the Government has to pay each day on the UKs net debt of £2266.3bn (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.
- 24.1m plastic card purchase transactions will be made today with a total value of £1.182bn.
- 7.3m cash withdrawals will be made today with a total value of £478m.
- The average car will cost £16.08 to run today.
- It costs £67.85 on average to fill a car with a 50 litre tank with unleaded petrol.

Other key national statistics:

The UK economy **grew by 0.2%** in the second quarter of 2011, according to latest 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 30 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 July 2011 the **public sector net debt (PSND) <u>including financial interventions</u> was £2266.3bn**, equivalent to **148.0%** of Gross Domestic Product. This compares to £2175.6bn (149.1% of GDP) as at the end of July 2010. Meanwhile, **public sector net debt <u>excluding financial interventions</u> was £940.1bn** (61.4% of GDP), up from £805.5bn at the end of July 2010 (55.2% 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 June 2011 was 2.49 million (7.9%). This is up 38,000** from the previous three months and up 32,000 from a year earlier. **154,000 people (1,688 a day) reported they had become redundant** in the three months, up 32,000 on the previous three months and up 4,000 from a year earlier.

The number of people unemployed for more than 12 months decreased by 12,000 (1.4%) over the quarter and increased 41,000 (112 a day) over the year to reach 838,000. The number of economically inactive people aged from 16 to 64 fell by 23,000 over the quarter and fell by 44,000 over the year to reach 9.30 million in the three months to June 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 July, the consumer prices index (CPI) rose by 4.4%, up from 4.2% in June. **The Retail Prices Index rose by 5.0% in the year to July, unchanged from June.**

There were 131,634 new car registrations in July. This is a decrease of 3.5% compared to July 2010.

In July 2011 UK retail sales values increased by 0.6% on a like-for-like basis from July 2010, when sales had risen 0.5%. On a total basis, sales were up 2.5%, against a 2.6% increase in July 2010.

Servicing Debt: A quarterly survey by R3 suggests that 47% of people are concerned about their debts – this is a 7% rise compared to this time last year. Amongst those in this group, 53% say that credit card debt dominates their fears, up 5% on the last quarter. This quarter has also seen an increase in the number of people concerned about debts on payday or short term loans (up 2%), hire purchase (up 3%) and store cards (up1%).

Research by moneysupermarket.com has found that 18% of parents expect that paying for family days out over the summer holiday period will push them into debt. Of this group, 76% will use a credit card or overdraft facility to fund activities, but an alarming 22% say that they will be taking a loan out this summer in order to cover the costs.

According to research by Which, 72% of people are worried about mortgage rates, with 14% saying that they are struggling with their repayments. Which suggest that if mortgage repayments increased by £50 a month it would affect three quarters of households, with 37% having to cut back on regular spending and 20% reducing the amount they save. 9% would not have enough for essentials. However, the study also found that only 36% of those who are struggling with mortgage repayments had actually approached their lender for help.

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 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 30,513 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.

Analysis conducted for the Consumer Credit Counselling Service (CCCS) has identified 6.2 million households as ‘financially vulnerable’. This includes 3.2 million households which are ‘already in financial difficulty’ (either three months behind with a debt repayment or subject to some form of debt action such as insolvency), and a further 3 million who are ‘at risk’ of getting into financial difficulty because they are finding it hard to make ends meet and struggling with increasing household bills.

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 dealing with **~ 9,072 new debt problems every working day.**

Figures released by Finance & Leasing Association (FLA) show that while new consumer credit lending fell by 3% in June 2011, and by 1% in Q2 2011, compared with the same periods last year. The FLA say that the drop reflects low consumer confidence on the High Street. Store instalment credit in June 2011 fell 14% compared with June 2010, while store card spending remained level.

Plastic card / Personal Loans: Research by moneysupermarket.com suggests that UK consumers are currently more inclined to dip into their savings than spend on their credit cards to make up the shortfall at the end of the month when their current account runs dry. 26% said that they would utilise an authorised overdraft in this situation, while 19% would dip into their savings pots. Only 8% would use their credit card to cover costs, roughly the same proportion of people as would borrow from friends and family.

Figures released by the UK Payments Council indicate that debit cards continued to be UK consumers’ payment method of choice during the first three months of 2011. Spending on debit cards increased 10.1% compared to the same period in 2010 (by contrast, credit card spending increased just 1.5%, and cash withdrawals declined 0.3%). Last year, debit cards became the most popular payment method for the first time, with £26bn more spent using debit cards than notes or coins in 2010.

Moneysupermarket.com suggest 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.

Moneysupermarket.com have also 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 146.7m debit, credit or charge cards in circulation in the UK at the end of 2010, according to the UK Payments Council. **An average 279 plastic card purchases were made in the UK every second** during Q1 2011 using debit and credit cards (equal to £13,686 /second). 85 cash withdrawals were made every second (equal to £5,532 / second) from UK’s 63,414 cash machines during Q1 2010.

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 62.1m credit and charge cards in the UK, compared with around 62.3m people in the country.

Total credit card debt in July 2011 was **£57.1bn.**

The average interest rate on credit card lending is currently **18.24%, which is 17.74% 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 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.

Analysis by Santander has found that young people have faced ‘kidflation’ at a significantly higher rate than headline RPI. Looking specifically at the goods and services typically purchased by 10-16 year olds, Santander found that the price of items routinely bought by children rose by 14.3% between June 2008 and June 2011, compared to an 8.5% growth in RPI inflation over the same period. This includes increases in the cost of sweets (24.0%), soft drinks (16.2%), children’s clothing (17.4%), entertainment and other recreation costs (13.6%) and telephone costs (10.4%).

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%.

Unemployment amongst economically active 18 to 24 year olds increased by 20,000 (2.7%) in the 3 months ending June 2011, to reach 744,000**. This means that 18.0% of all economically active 18 to 24 year olds are unemployed.** 334,000 (45%) have been unemployed for > 6 months. 204,000 **have been out of work for over 12 months** which is an increase of 6,000 (2.8%) over the last 3 months and an increase of 17,000 (9.0%) 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: Figures from the Alliance Trust Research Centre show that during July people aged between 65 and 74 continued to encounter the highest rate of inflation of any age group. They faced annual inflation at 5.1%, well above the headline CPI rate of 4.4%. July was the third successive month that 65-74 year olds had faced the highest inflation levels. It is suggested that this is partly due to the fact that annual food price inflation is very high, which particularly affects elderly households.

Meanwhile, Age UK say that since 2008 over 55s have faced additional living costs of £984.28 per year compared to the rest of the population, because they have encountered levels of inflation which are above the headline rate of RPI. Age UK suggest that this gap in inflation rates is partly due to the impact of a low interest rate environment – this has reduced mortgage repayments for the majority of homeowners, but benefitted those in later life less as they are less likely to carry mortgage debt.

Figures released by the Consumer Credit Counselling Service (CCCS) show that, of the 4,300 pensioners who came to them for help in the first 6 months of 2011, 54% faced minimum monthly debt repayments which were higher than the amount they received from their state pension. Pensioners owed an average of £20,831 in unsecured debt and faced average minimum repayments of £664 per month, almost one-and-a-half times the basic state pension of £443 per month.

Research by Barings Asset Management suggests that 38% of British adults (equivalent to 13.6 million people nationally) do not have a pension. Alarmingly, Barings believe that 1.4 million over 55s do not currently have a pension in place. This is also the case for 47% of 25-34 year olds. The number of men without pension provision has increased since 2010 (from 28% to 30%), while the number of women in this position has decreased over the same period (from 47% to 44%).

A study by Skipton Financial Services has found that one in five Brits has already received all or part of their inheritance. The most common reasons that young adults seek an advance on their legacy are that they require cash deposits for property, help with paying off mounting debts, or assistance through periods of unemployment. When parents give their children a chunk of their inheritance early, the average amount is £34,000, which is provided to children at the age of 28.

A survey of people aged over 50 by Saga has found that only 63% of respondents would shop around for a will or probate provider following the loss of a loved one. Saga suggest that those who do not compare prices could lose out financially as a result, with some will and probate providers charging as much as 5% of the value of the estate for their services – Saga estimate that 5% equates to roughly £7,200 for the average estate.

The number of unemployed people aged 50+ during the three months to end June was 384,000, which is a decrease of 3.2% over the previous quarter and a decrease of 1.1% (4,000) over the previous year. The number of people over 65 in work decreased by 4,000 in the three months to the end of June to 881,000, **a rise of 61,000 (7.5%) over the previous year.**

Two in five 50-plus unemployed workers (41.5%) - a total of 159,000 people - have been out of work for over a year. 98,000 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.

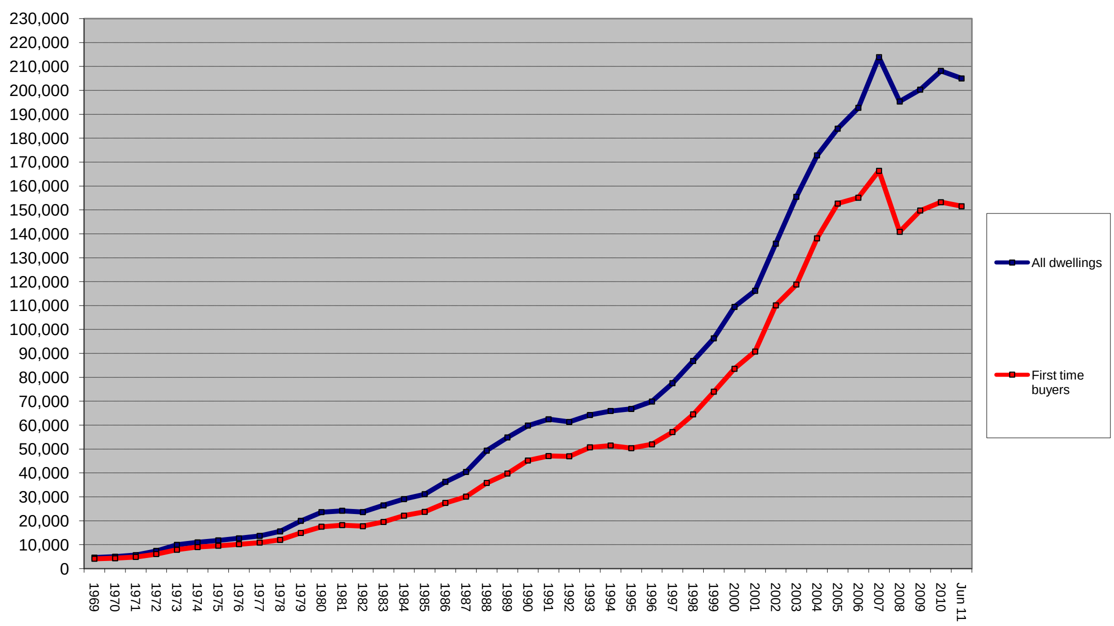
The proportion of retired households in the population rose from 22% in 1977 to 26% in 2008/09.There are 8.6m pensioner units in the UK (single pensioners over state pension age or pensioner couples, married or cohabiting pensioners, where one or more are over state pension age). In 2008/09, pensioner 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 June 2011 stood at **£204,981** (£212,508 in England). Over the year to June 2011, UK house prices decreased by 2.0%. **Average house prices in London increased by 1.5% in the year to June 2011.**

Average UK house prices were 0.5% lower over the quarter to June 2011, unchanged from the quarter to March (seasonally adjusted).

UK Average House Prices £



The average Mortgage Interest rate is 3.42%.

Gross mortgage lending totalled an estimated £12.6 billion in July. Gross mortgage lending in July was down just 1% from June (£12.68 billion) but down 6% from July 2010 (£13.3 billion).

Halifax said that house prices rose by £551 in July 2011. **This is a monthly rise of 0.3%.** Prices rose 0.5% over the quarter and fell 2.6% over the year.

Nationwide estimate that house prices rose by 0.2% during July 2011, but fell 0.4% over the year.

The July RICS Housing Market Survey shows that 22% more surveyors report prices falling rather than rising, although 82% of those reporting price falls said these were in the 0-2% range. Overall activity levels remained quite flat (and depressed) in July with little movement recorded – new buyer enquiries (demand) only edged up slightly in July while new vendor instructions (supply) fell slightly.

Hometrack's monthly survey of 5,000 agents and surveyors showed that demand for housing rose 1.1% in July compared to a rise of 1.9% in June. The supply of homes for sale increased by 1.9% in July (following a 3.5% increase in June). Hometrack also say that the balance between supply and demand has improved significantly over the past 6 months largely due to a steady growth in demand since the beginning of the year. This improved supply/demand balance, together with a rising number of sales agreed (up 20% in the last 2 months) leads Hometrack to suggest that current pricing levels are broadly sustainable. House prices fell 0.1% in July. Lower prices were reported across 27% of the country in July, while 8.0% of the country reported price rises (primarily in London).

Rightmove said new sellers dropped average asking prices by 2.1% (£5,054) to an average of £231,543 in August. Prices fell 0.3% compared to August 2010 – this is the first time that there has been a year-on-year decrease since September 2009.

According to the NAEA the number of house-hunters registered per branch increased on average from 263 in June to 299 in July (the highest such figure since May 2009), the number of sales agreed per branch decreased on average from 9 in June to 7 in July, and the average number of properties available for sale per branch decreased from 74 in June to 70 in July.

House purchase approvals (33,417) were higher in July than in June according to the British Bankers Association, and slightly higher than in July 2010. The average loan approved for house purchase in July was **£151,500 which is 2% higher than a year ago**.

Existing home sales across the United States (including single-family, townhomes, condominiums and co-ops) decreased 3.5% over last month but rose 21.0% year on year in July 2011. The **average price decreased 4.4% year on year** to $174,000. RealtyTrac® said that a total of 212,764 foreclosure filings — default notices, auction sale notices and bank repossessions — were reported on U.S. properties in July 2011, a 4% decrease in total properties from last month and a 35% decrease from July 2010. This is the lowest monthly total for foreclosure filings since November 2007, and July was the tenth straight month where foreclosure activity decreased on a year-over-year basis. The report shows that one in every 611 of all U.S. housing units received a foreclosure filing during the month of July.

With the new football season now underway, Halifax have found that the value of properties in the 20 postal districts which contain a Premier League stadium has increased by an average of 168% (£221,363) over the course of the decade between June 2001 and June 2011. This is equivalent to a rise of £61 per day. House prices in the postal district of Manchester City's Etihad Stadium rose the most during the period, having increased by 350% over the last 10 years.

Housing First Time Buyers (FTB) & Buy-to-let: The average house price in the UK in June 2011 for first time buyers now stands at **£151,563** which is an **annual decrease of 2.2%.**

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.

June saw the highest number of mortgages taken out by first-time buyers in 10 months (18,100). The typical first-time buyer deposit in June was **20% (£30,387)**. The average first-time buyer borrowed 3.22 times their income and the average first-time buyer loan was £121,547.

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.

Research by the Post Office has revealed that the average age of first time buyers has been steadily increasing since the 1960s. The average age of someone buying their first home in the early 1960s was 23. Today however the expected average age of a first time buyer is 35. The Post Office also found that, of would-be buyers aged 25-34, 53% don't believe they will ever be able to afford a property, and 50% say they won't be able to afford a deposit unless their circumstances change.

A survey by the National Landlords Association has shown that the majority of private landlords would be affected by a rise in buy-to-let interest rates. If rates increased 2%, the survey found that 89% of landlords believed they would be negatively affected. 53% concluded that the impact would be significant. A further 8% would be forced to re-evaluate their future as a landlord, with 6% having to reduce their portfolios or leave the private-rented sector altogether.

Money Education: Research by Unbiased.co.uk suggests that low income families and pensioners are set to miss out on a total of £8.5bn in unclaimed benefits in 2011/12. Unbiased.co.uk estimate that 3% of entitled families (475,000 nationally) will fail to claim child benefit, missing out on a collective £394m. Furthermore, £2.2bn in child tax credit and £3.6bn in working tax credit will go unclaimed, as will £2.3bn of pension credit.

According to moneysupermarket.com, only 35% of credit card users say that they consider the impact on their finances and budget every time they use their card to make a purchase. Meanwhile, 29% admit that a purchase would need to be in excess of £100 before they thought about the affect it would have on their finances.

A study by HSBC has revealed that young people are more apathetic about their savings than other age groups, sharpening calls to educate them about personal finance. 89% of under-25s surveyed by HSBC said they did not know the interest rate on their savings account, and 65% did not know their current balances. Moreover, 14% admitted that they never actually checked their savings accounts.

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.

Spending: Figures from LV have revealed that the cost of sending kids 'back to school' has increased compared to last year. Parents will spend a total of £736m on supplies such as uniforms, stationery, sportswear and school books, which equates to an average family cost of £125 or £77 per child. Overall, this represents a £27m increase on spending in 2010. 56% of parents say they feel under pressure to spend more than last year, and 53% plan to buy 'budget' uniforms and stationery.

A survey by Gocompare has revealed that only 39% of holidaymakers believe that what they paid for their holiday was money well spent. 31% of those surveyed said that things had cost more on holiday than they expected, and 13% admitted that they had spent too much.14% said that they came home feeling tired or stressed, and almost a fifth believe they will still be paying off the costs of their 2011 summer holiday in 2012.

Meanwhile, Santander have suggested that the average family holiday costs 43% more during the summer than it does during school term-time. Having compared the prices of holidays taken between 22 and 29 August to the costs of the same vacations taken between 12 and 19 September, Santander calculate that a family of four planning a trip during the school break can expect to pay an average of £790 more than they would do in the weeks that follow.

Research by Sainsbury's Finance suggests that 1.3 million motorists have given up driving over the past 12 months because of the rising cost, and that in total 76% of motorists have changed their driving habits in the past year in order to save money. 26% have stopped filling up their tanks fully (and instead purchase specific values of fuel, such as making £20 or £50 visits). Furthermore, 45% of motorists (16.5 million people) are driving less, and 7% have started to car share.

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%.

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 August 2011 the average price of unleaded petrol rose by 0.1ppl (pence per litre) to 135.7ppl. **This means it costs £67.85 to fill a 50 litre unleaded tank**. The average price of diesel rose by 0.2ppl to 139.9ppl.

Savings: Legal & General's latest MoneyMood Survey has questioned savers about what they will do if the Bank of England raises interest rates. It found that while 35% said they will "add to their savings", 11% said they would “withdraw from their savings”. Of those who said they would withdraw money, 30% said the main reason for this would be to pay household bills, while a further 28% said they would do so in order to pay increased mortgage payments.

Research conducted for the Consumer Credit Counselling Service (CCCS) suggests that over 5 million households hold worryingly low levels of savings. The research identified 4.3 households with no savings at all and 1.1 million households with savings of under £1,000. CCCS say that low savings are one of the main causes of falling into unmanageable debt, pointing to the fact that only 5.4% of those who come to them for help have any savings whatsoever.

Meanwhile, a survey by moneysupermarket.com has found that the average age at which people start saving in the UK is 25. However, the research also revealed that 40% of Brits are not currently saving – of these, two-fifths have never saved at all. Strikingly, 64% of those who say they have never saved also admit that they did not know when they will be able to start, or don’t ever expect to start saving at all.

Research by Halifax has identified a link between the levels of savings balances in an area and house prices. It suggests that there are five areas in the UK – Kensington and Chelsea, Mole Valley, Chiltern, Elmbridge, and Richmond-upon-Thames – which feature in the top ten lists for both average savings balances and highest average house prices. There are some exceptions however. The London Boroughs of Hackney, Newham, Lewisham and Southwark are all amongst the five areas with the lowest savings balances, but each has an average house price significantly above the national average.

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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