

DEBT STATISTICS – SEPTEMBER 2013 SUMMARY

UK PERSONAL DEBT

Outstanding personal debt stood at **£1.426 trillion** at the end of July 2013.

- This is up from £1.421 trillion at the end of July 2012.

Outstanding secured (mortgage) lending stood at **£1.268 trillion** at the end of July 2013.

- This is up from £1.264 trillion at the end of July 2012.

Outstanding unsecured (consumer credit) lending stood at **£158.3 billion** at the end of July 2013.

- This is up from £157.3 billion at the end of July 2012.

Average household debt in the UK (excluding mortgages) was **£6,005** in July.

- This is up from a revised **£5,931** in June.

Average household debt in the UK (including mortgages) was **£54,110** in July.

- This is up from a revised **£54,014** in June.

The average amount owed per UK adult (including mortgages) was **£28,614** in July. This is up from a revised **£28,563** in June and was around **116%** of average earnings.

Average consumer borrowing (including credit cards, motor and retail finance deals, overdrafts and unsecured loans) per UK adult was **£3,176** in July. This is up from a revised **£3,136** in June.

The estimated average outstanding mortgage for the 11.3m households that carry mortgage debt stood at **£112,604** in July.

Based on July 2013 trends, the UK's total interest repayments on personal debt over a 12 month period would have been **£59.9 billion**.

- This is equivalent to **£164 million** per day.
- This means that UK households would have paid an average of **£2,272** in annual interest repayments.

STRIKING NUMBERS

£54,110 was the average household debt (inc. mortgages) in July

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

7,824 debt problems were dealt with by the CAB each working day over the year to March

1,348 people were made redundant every day between April and June

909,000 people had been unemployed for over a year, April and June

£7.61m of loans are written-off daily by UK Banks and Building Societies

Every 17 min 4 sec a property is repossessed

Every 5 min 7 sec someone is declared insolvent or bankrupt

£1.432 billion was the daily value of all plastic card purchases made in June

The Office for Budget Responsibility (OBR) predicted in March 2013 that total household debt will reach **£1.931 trillion** in Q1 2018.

- This would mean that average household debt would reach **£73,284** (assuming that the number of households in the UK remained the same between now and Q1 2018).

Total net lending to individuals by UK Banks and Building Societies **rose by £1.3 billion** in July 2013.

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

UK Banks and Building Societies **wrote-off £3.67 billion** of loans to individuals over the four quarters to Q2 2013.

- In Q2 2013 itself they wrote-off £694 million (of which £371 million was credit card debt) amounting to a daily write-off of **£7.61m**.

EVERY DAY IN THE UK

Based on the latest available data, Credit Action estimates that:

- **282** people are declared insolvent or bankrupt every day (based on Q2 2013 trends). This is equivalent to one person **every 5 minutes 7 seconds**.
- **1,317** Consumer County Court Judgements (CCJs) are issued every day (based on Q2 2013 trends). The average value of a Consumer CCJ in Q2 2013 was **£2,766**.
- Citizens Advice Bureaux in England and Wales dealt with **7,824** new debt problems every *working day* during the year ending March 2013.
- It costs an average of **£29.02** per day to raise a child from birth to the age of 21.
- **84** properties are repossessed every day (based on Q2 2013 trends).
- An additional **77** people a day became unemployed for over 12 months during the year ending June 2013.
- **1,348** people a day reported they had become redundant between April and June 2013.
- Public Sector Net Borrowing (excluding financial interventions) was **£62 million** in July 2013, meaning that the Government borrowed an average of **£2m** per day during the month (equivalent to **£23** per second).
- **141** mortgage possession claims are issued and **113** mortgage possession orders are made every day
- **431** landlord possession claims are issued and **319** landlord possession orders are made every day.
- The UK population grew by **1,123** people a day between 2001 and 2011.
- **29.3m** plastic card purchase transactions were made every day in June 2013 with a total value of **£1.432 billion**.
- **8.93m** cash machine transactions were made every day in July with a total value of **£360m**.
- A new car in £13,000 - £18,000 bracket travelling 10,000 miles per year costs **£16.23** per day to run.
- It cost **£68.75** to fill a 50 litre tank with unleaded petrol in July.

NATIONAL STATISTICS

- The UK economy **grew by 0.7%** in the second quarter of 2013, according to latest estimates from the Office of National Statistics.
- The number of unemployed people in the three months between April and June 2013 was **2.51 million** (7.8%). This is down by 4,000 from the previous three months, and down by 49,000 from a year earlier.
- **123,000** people (**1,348 a day**) reported they had become redundant over the three months. This is down by 17,000 from the previous three months, and down by 28,000 from a year earlier.
- **909,000** people had been unemployed for over 12 months between April and June, up 7,000 from the previous three months, and up 28,000 (**77 a day**) from a year earlier.

SERVICING DEBT

- Based on *annual* figures to the end of March 2013, Citizens Advice Bureaux in England and Wales are dealing with **7,824** debt problems every *working day*.
- According to the Council of Mortgage Lenders (CML), **7,700** properties were taken into possession in Q2 2013 (this is down from 8,000 in Q1 2013 and represents 0.07% of all outstanding mortgages).
- This equates to **84** properties being repossessed every day, or one property being repossessed **every 17 minutes 4 seconds**.
- The Insolvency Service said there were **25,717** individual insolvencies in England and Wales in Q2 2013. This is equivalent to **282** people a day or, one person **every 5 minutes 7 seconds**.

PLASTIC CARDS AND PERSONAL LOANS

- Total credit card debt in July 2013 was **£57.2bn**.
- During June 2013 an average of **340** 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 **£1.432 billion** during June.

FOR MORE DETAILED FIGURES AND ADDITIONAL STATISTICS, DOWNLOAD A PDF OF THE FULL VERSION OF CREDIT ACTION'S SEPTEMBER 2013 DEBT STATISTICS FROM OUR WEBSITE

NOTES

Credit Action's Debt Statistics are compiled by Liz Dunscombe (lizdunscombe@creditaction.org.uk).

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