

PERSONAL DEBT **FIRST HALF 2016**

Statistics Mid-Yearbook

An in-depth look at 300,000 people with £2.4bn of debt in the first half of 2016

Main findings from the first half of 2016



Demand for debt advice

More people contacted StepChange Debt Charity in the first half of 2016 than any previous six-month period. 313,679 people contacted StepChange Debt Charity for help between January and June 2016, up 11% on the same period in 2015.

London is the region with the most clients, over 50,000 Londoners contacted us in the first half of 2016. The North East now has the most clients per local population.

The first half of 2016 has seen 1.7 million visits to the charity's website, a 114% increase on three years ago.

313,679 people contacted the charity for help from 1 January to 30 June 2016 and 176,347 became new clients.

Mid-year 2016 figures are based on data from the 176,347 new clients, apart from overall demand figures on p.3.

What debts do people have?

The average unsecured debt of our clients in the first six months of 2016 was £13,826¹. Clients have on average 5.7 debts. Credit cards continue to be the most common unsecured debt, and levels of arrears on essential household bills remain elevated. A notable growth area for our clients' debt is loans from family and friends; 28% of clients now have such debts compared to 20% in the first half of 2014.

Who's seeking advice?

Clients are younger, more likely to be renting and more likely to be working. More of our clients are in work than in any period since 2011. However, the proportion of clients in part-time work or self-employed is steadily increasing. The number of clients who rent their homes continues to grow, now at 77% of all clients. This compares to a little over 50% five years ago. Clients are on average younger than ever; 59% of clients are under 40, from 51% five years ago.

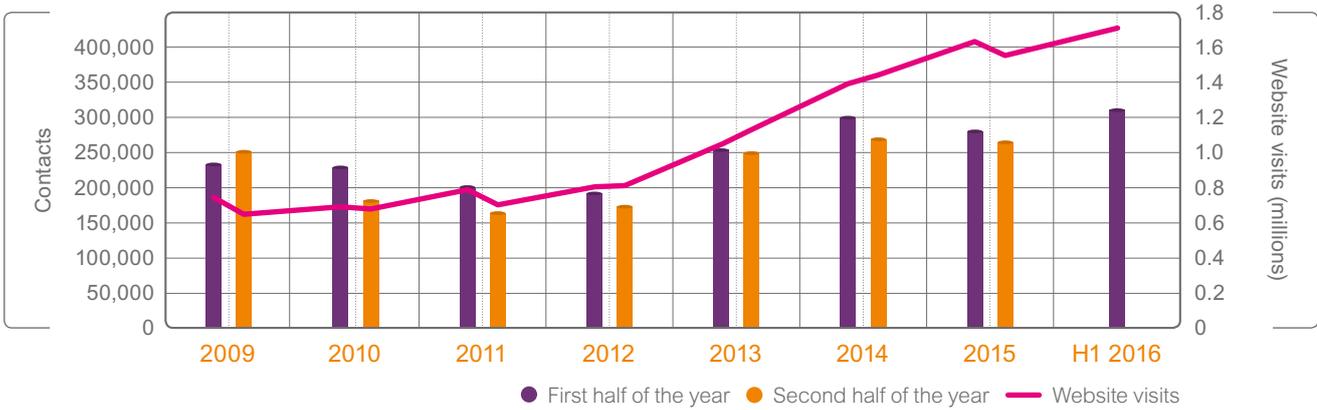
A change to income or employment is still the most common reason for our clients falling into debt. One in five clients fell into problem debt due to losing their job, and 15% due to injury or illness.

Average (mean) take home income stands at £16,650. The number of clients with a negative budget left at the end of the month has risen. This is to say that after completing our debt advice and budgeting process, over 50,000 clients (29%) had insufficient income to make ends meet.

¹ Not including arrears on essential household bills or loans from family and friends.

Demand for debt advice

OVERALL DEMAND



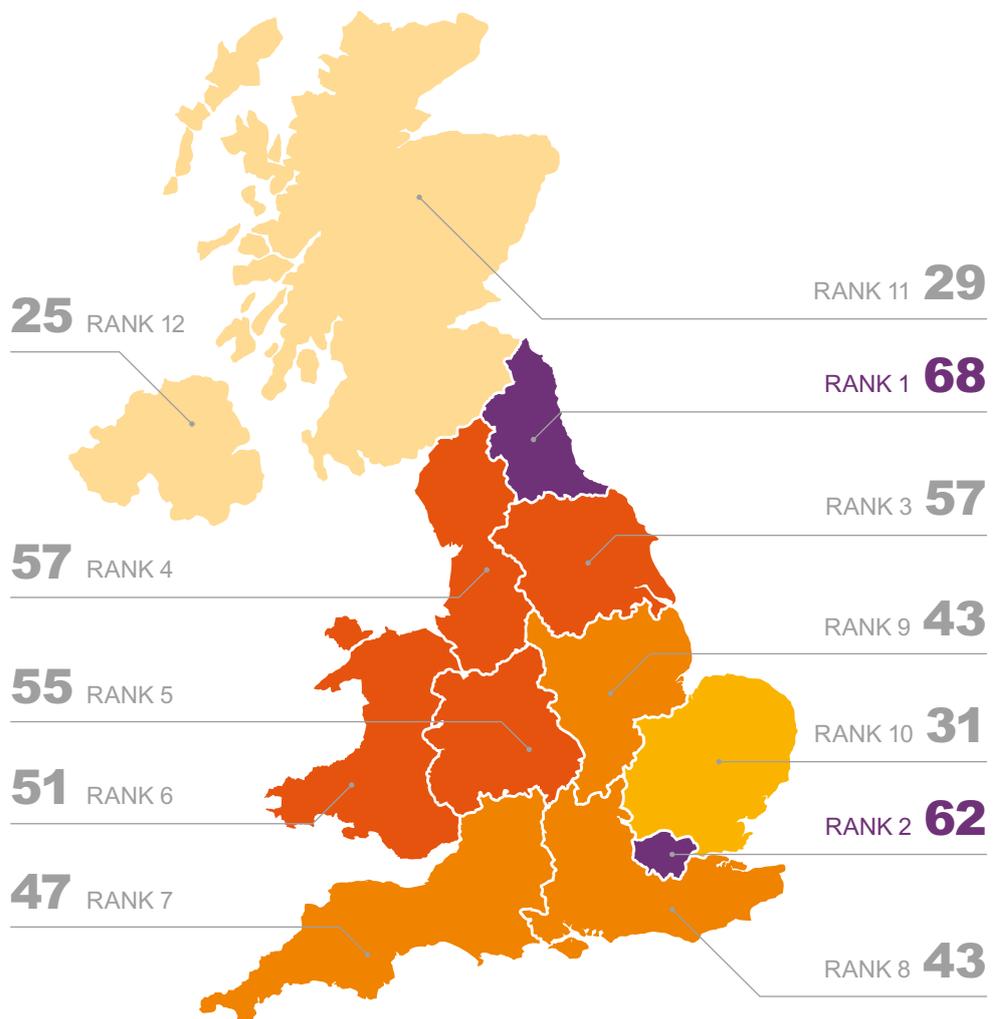
REGIONAL DEMAND

The highest level of demand now comes from the North East, with the first half of 2016 seeing 68 clients per 10,000 local population, overtaking London.

The highest number of clients continues to come from London, with over 50,000 in the first half of 2016.

Clients per 10,000 population in the first half of 2016

- 21-30
- 31-40
- 41-50
- 51-60
- 61-70

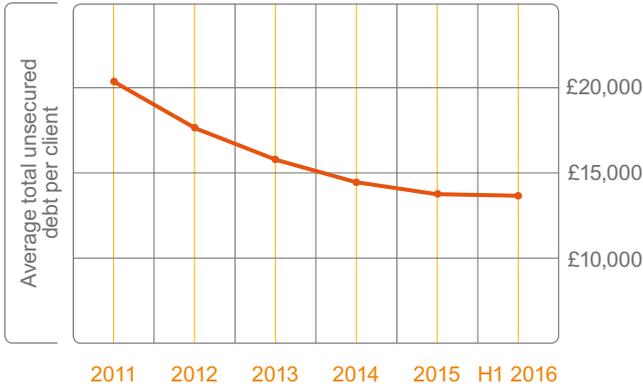


Source: ONS mid-2015 Population Estimates, 2016

Unsecured debts

UNSECURED DEBT OVER TIME

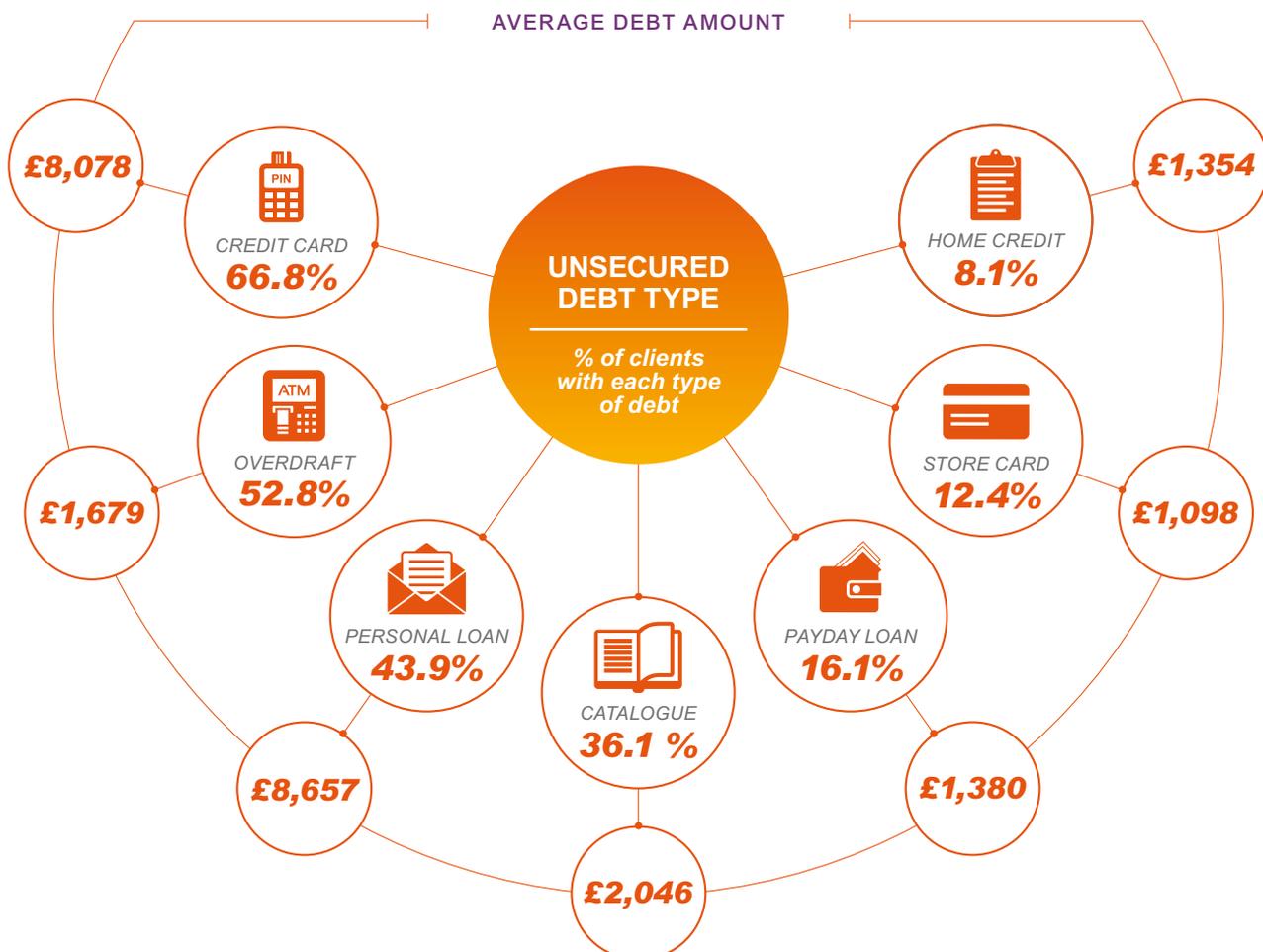
LOANS FROM FAMILY & FRIENDS



	AVERAGE DEBT	% OF CLIENTS DEBT ADVISED
H1 2014	£3,176	20%
H2 2014	£3,372	23%
H1 2015	£3,570	26%
H2 2015	£3,772	27%
H1 2016	£4,046	28%

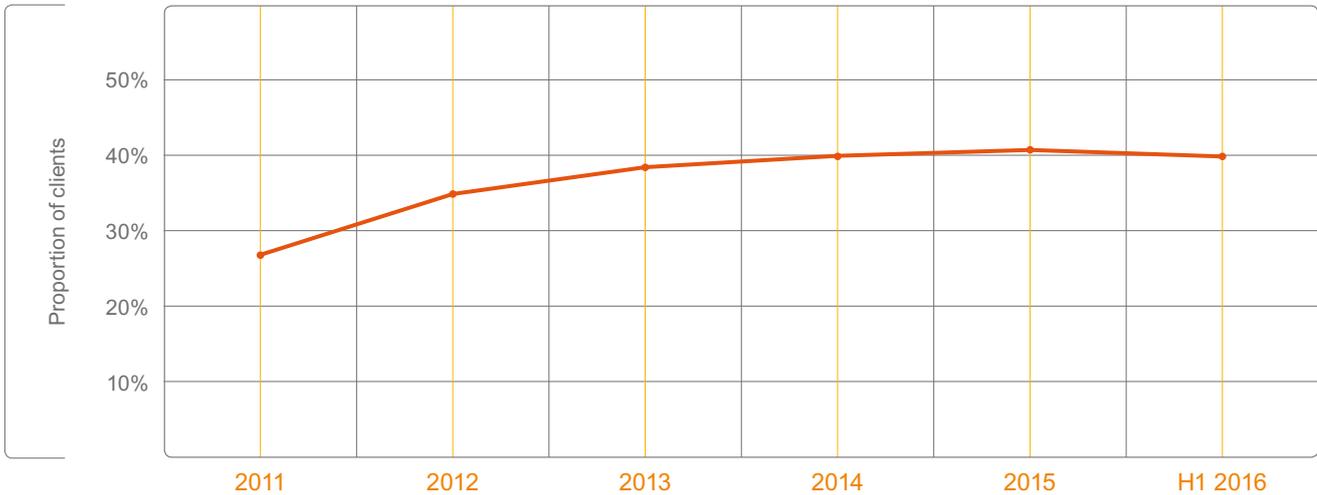


UNSECURED DEBTS

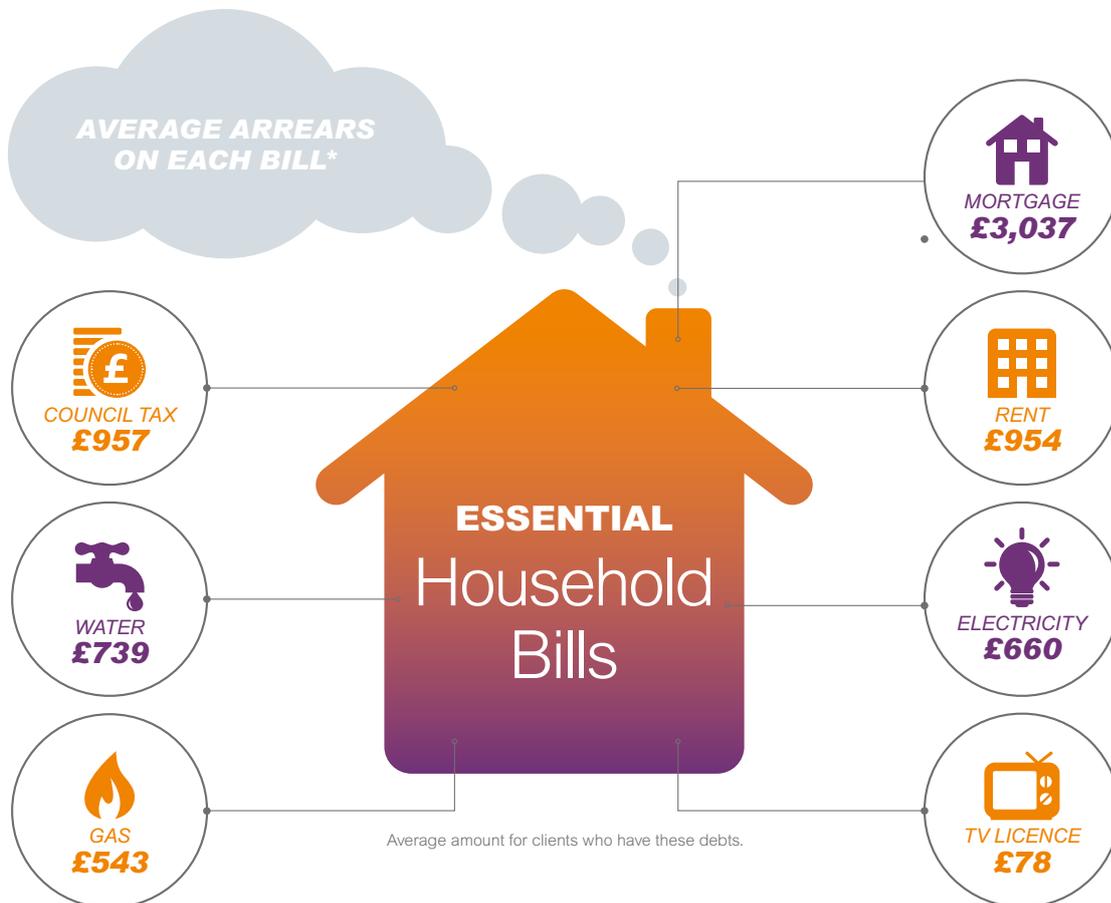


Arrears on household bills

CLIENTS WITH ARREARS ON ESSENTIAL HOUSEHOLD BILLS



ARREARS ON ESSENTIAL HOUSEHOLD BILLS H1 2016



*Average arrears amounts are additional to the £13,826 average unsecured debt.

Arrears on household bills



ARREARS ON ESSENTIAL HOUSEHOLD BILLS OVER TIME

		proportion of clients*					
		2011	2012	2013	2014	2015	H1 2016
	Council Tax	14.0%	21.8%	25.1%	28.3%	30.1%	30.1%
	Electricity	8.3%	11.5%	13.3%	14.2%	13.8%	13.4%
	Gas	8.2%	11.2%	12.9%	13.6%	12.7%	11.8%
	Mortgage	24.2%	28.3%	29.9%	27.1%	24.1%	23.4%
	Rent	14.5%	20.6%	23.6%	25.0%	24.9%	23.5%
	TV Licence	3.4%	5.3%	6.9%	7.0%	7.6%	7.8%
	Water	10.9%	15.8%	19.9%	22.4%	24.2%	24.2%

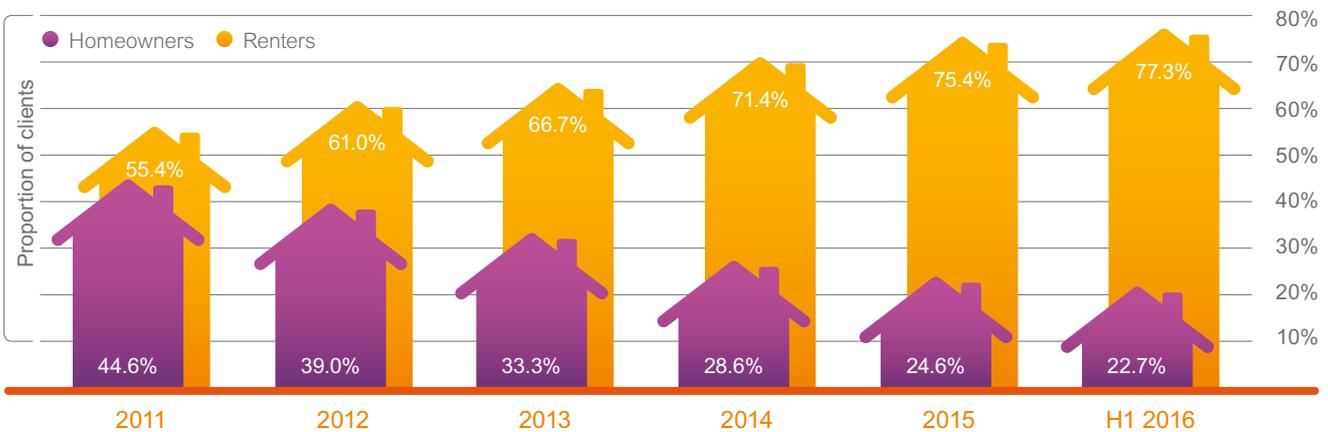
*Based on clients with this type of expenditure only

A picture of those in debt

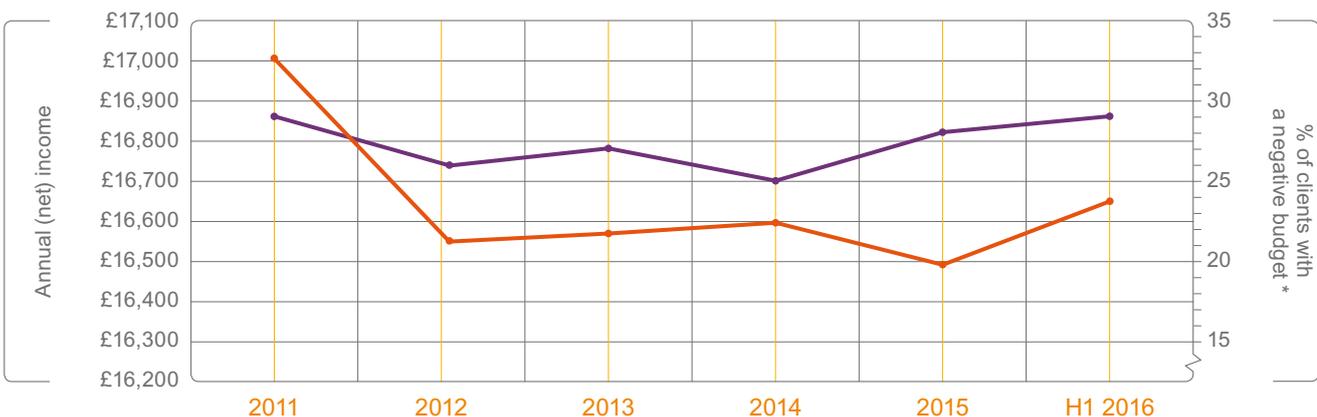
EMPLOYMENT STATUS



HOUSING TENURE



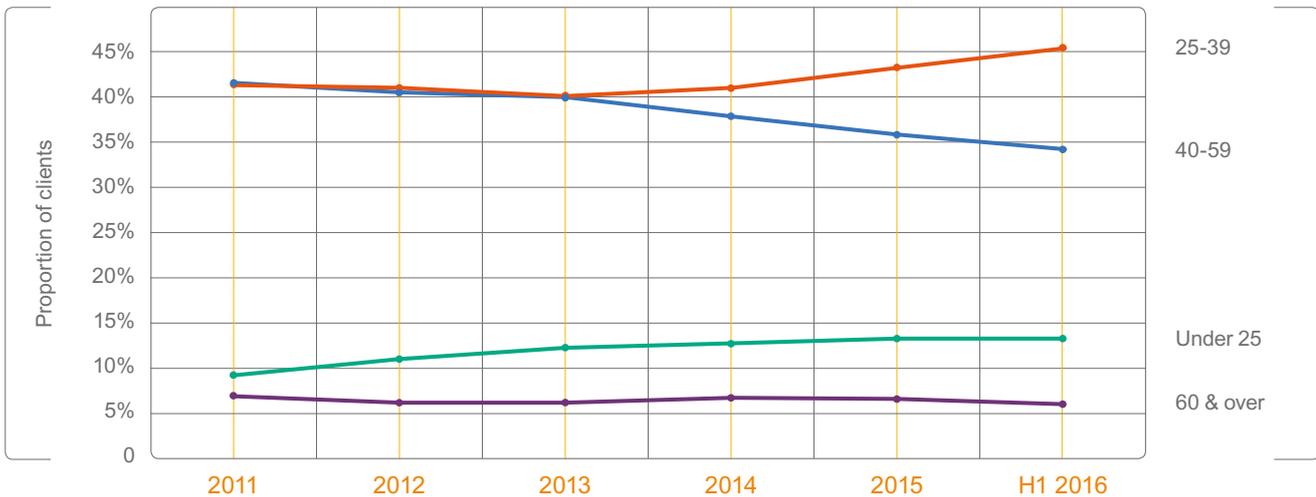
INCOME AND SURPLUS



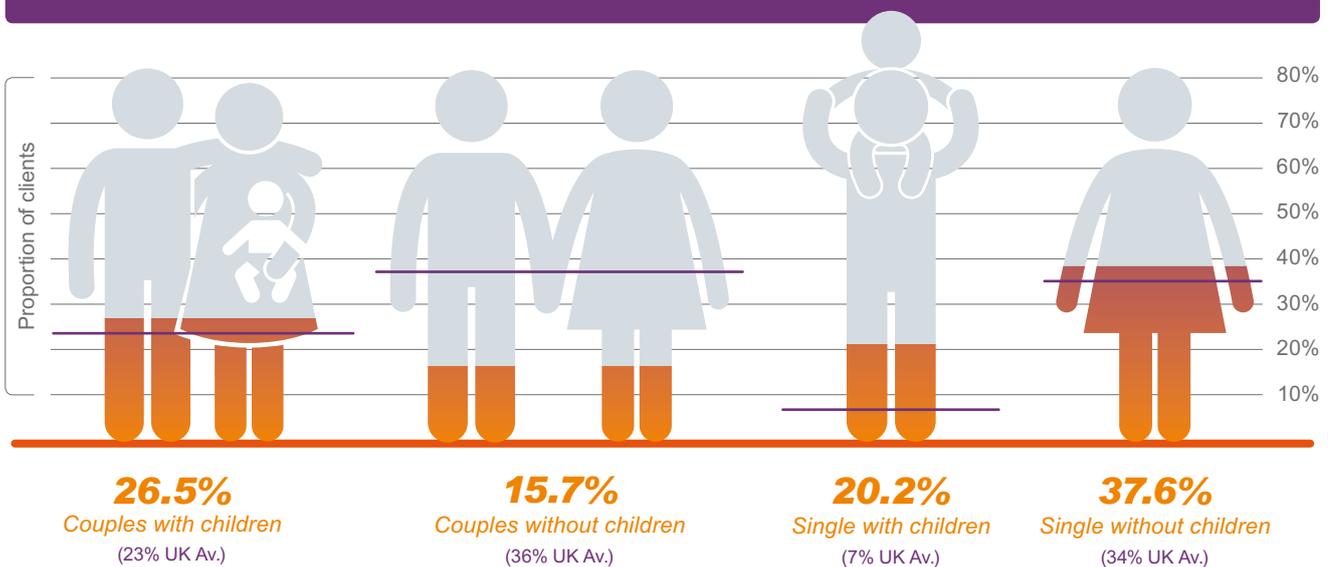
*The proportion of clients who, after undertaking the debt advice and budgeting process, have a negative balance at the end of each month.

● Annual (net) income ● % of clients with a negative budget

AGE



FAMILY COMPOSITION H1 2016



Source: ONS Families and Households, 2015

— UK Average

Editor: Henry Hall

For data tables, including additional raw data, visit the StepChange Debt Charity website [here](#)

For help and advice with problem debts call (Freephone) 0800 138 1111 Monday to Friday 8am to 8pm and Saturday 8am to 4pm, or use our online debt advice tool, [Debt Remedy](#).

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