

# London in the red



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An analysis of problem debt in the capital

CONSUMER CREDIT *Counselling Service*

A Registered Charity

Consumer Credit Counselling Service (CCCS) – May 2012



## Introduction

Research conducted for debt charity Consumer Credit Counselling Service (CCCS) by the Financial Inclusion Centre at the beginning of 2012 identified London as the most over-indebted region in Great Britain, uncovering a 'tale of two cities' in the capital. The Debt and the Regions report found that while Londoners have higher than average earnings, relatively high savings and low levels of mortgage difficulty, a very large number of households in the capital are financially vulnerable.

In the light of these findings, CCCS has used its extensive database to analyse problem debt in London on a borough-by-borough basis. This analysis is based on the 11,015 Londoners who were counselled by the charity's telephone helpline in 2011, and reveals the capital's complex and multi-faceted personal debt landscape.

The report examines three themes – the scale of the personal debt problem, level of housing-related debts and the incidence of payday loan borrowing in each borough.

### Key findings

1. Demand for debt advice is particularly high in a ring of inner London boroughs including Hackney, Newham, Greenwich and Lewisham, but the highest levels of demand exists in the south London boroughs of Croydon and Sutton.
2. In only two London boroughs, Islington and Westminster, were debtors seeking advice in a financial position to cover their basic living expenses, much less debt repayments, each month.
3. An analysis of Londoners' debt repayment burden reveals above-average repayment commitments in relation to income in Kensington and Chelsea and Hammersmith and Fulham – areas that are traditionally viewed as among the most affluent in the capital.
4. Hammersmith and Fulham, Tower Hamlets and Haringey have been identified as the capital's rent arrears hotspots, with both above-average proportions of residents of these boroughs in arrears and above-average amounts owed in missed rent payments.
5. North East London tops the capital's mortgage arrears league table, with the highest proportion of debtors in mortgage arrears living in Barking and Dagenham, Havering and Redbridge.
6. The highest proportion of payday loan borrowing amongst CCCS clients in the capital came from south of the River Thames, with Lewisham, Bromley and Lambeth topping the payday loan borrowing league table.

# 1. Scale of debt problems

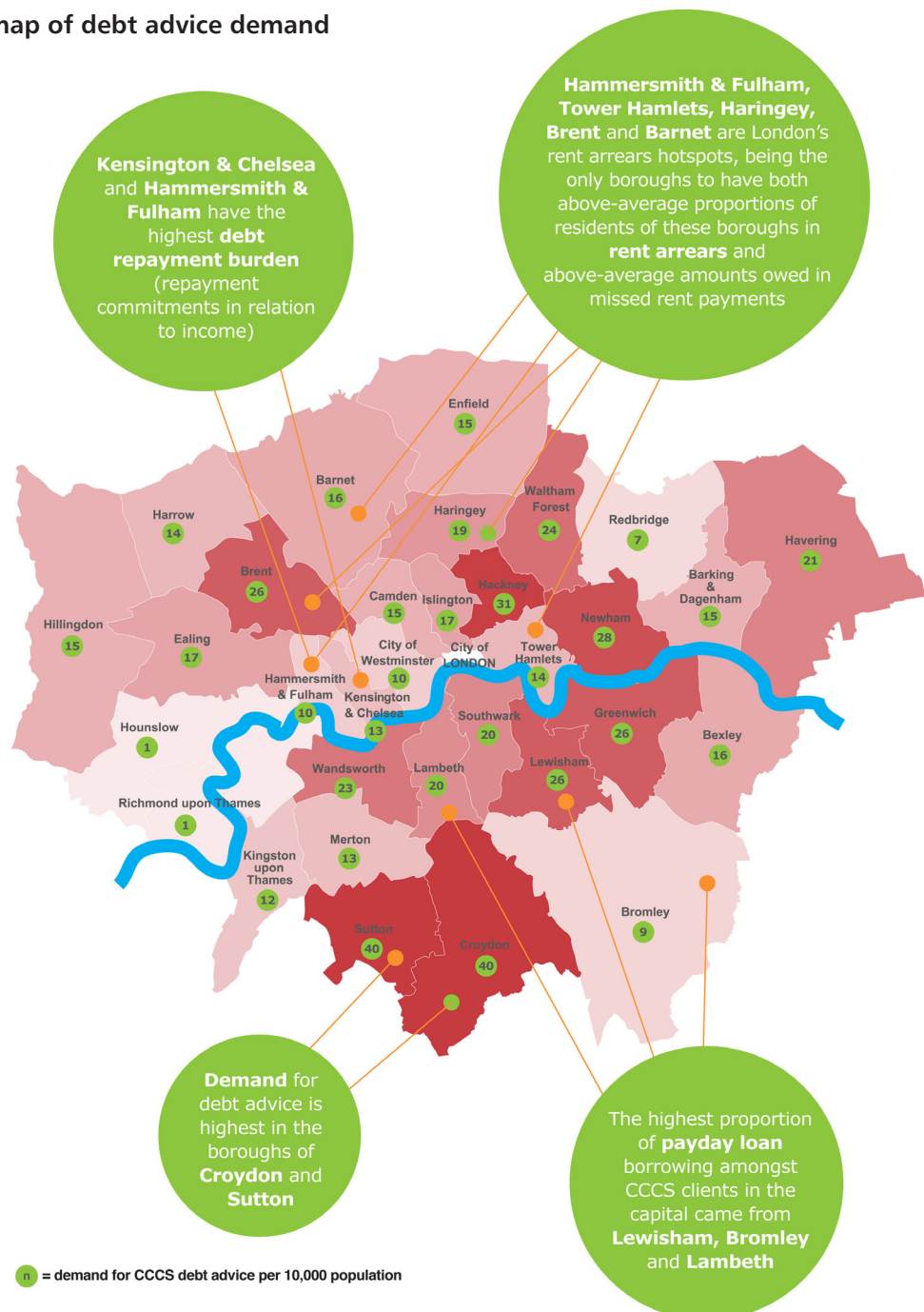
Four key measures have been selected to analyse the scale of unmanageable debt in each borough – 1) Demand for debt advice, 2) Levels of unsecured debt, 3) Budget positions, and 4) Contractual debt repayments in relation to income.

## 1.1 Demand for debt advice

Demand for debt advice varies drastically across the capital, ranging from just 1.1 per 10,000 of population in suburban Richmond, to 40 per 10,000 in Croydon and Sutton. CCCS data reveals stark divides between neighbouring boroughs such as Croydon – which has the highest demand for debt advice in the capital – and next-door Bromley, which has the fourth lowest at just 9 per 10,000 of population.

The ‘heat map’ below shows levels of demand for debt advice across the city and highlights Croydon, Sutton, Hackney, Newham and Lewisham as the five boroughs whose residents are in most need of debt help (note: the City of London has been excluded from this comparison).

### Heat map of debt advice demand



### Boroughs with the highest demand for debt advice

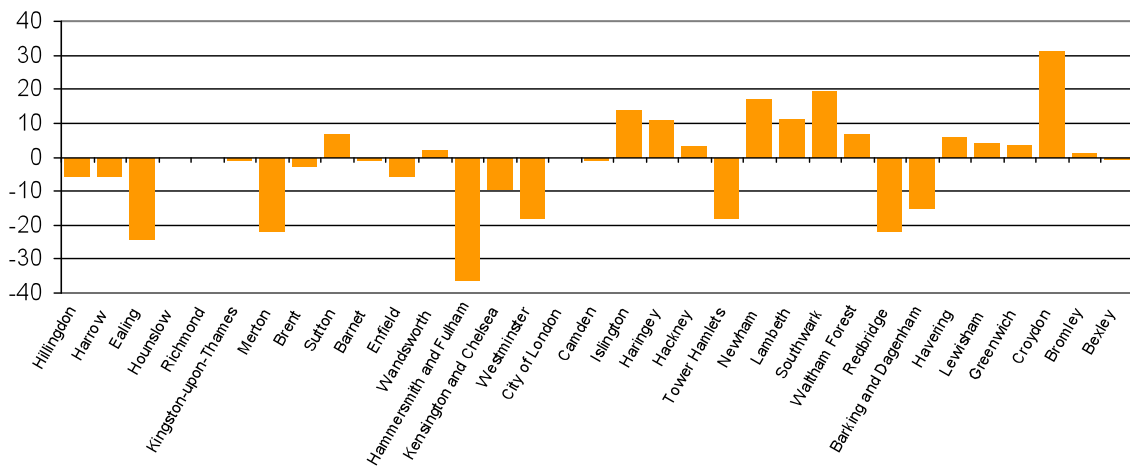
	Number of clients counselled	Demand per 10,000 population
1 Croydon	1,384	40.0
2 Sutton	773	39.8
3 Hackney	681	31.1
4 Newham	661	27.5
5 Lewisham	703	26.4

### Boroughs with the lowest demand for debt advice

	Number of clients counselled	Demand per 10,000 population
1 Richmond	21	1.1
2 Hounslow	28	1.2
3 Redbridge	178	6.6
4 Bromley	280	9.0
5 Hammersmith and Fulham	170	10.0

An analysis of changes in CCCS client data between 2010 and 2011 shows significant increases in demand for debt advice in Croydon, Southwark and Newham and sharp declines in Ealing, Merton and the central London boroughs of Hammersmith and Fulham, Kensington and Chelsea and Westminster.

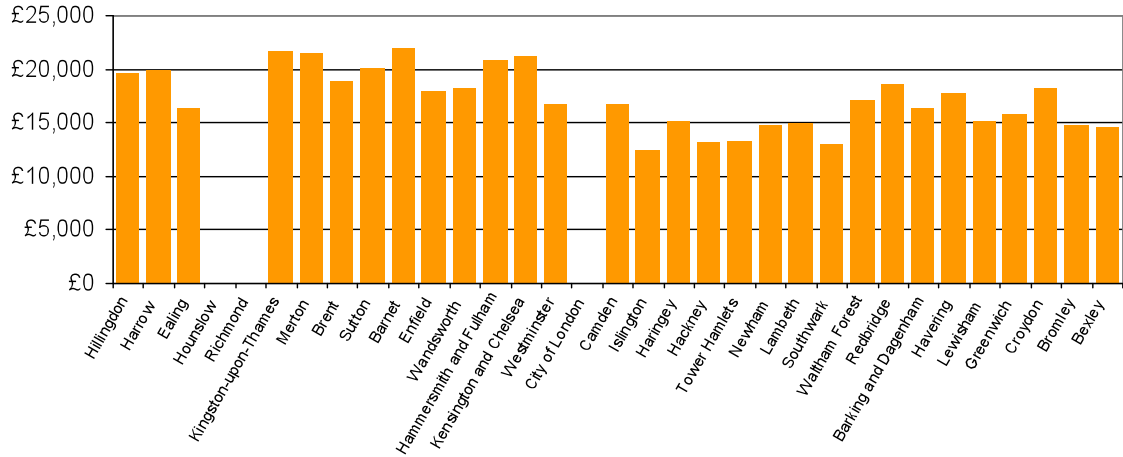
### Change in demand for debt advice 2010-2011



## 1.2 Debt levels

Across the capital, the average unsecured debt of CCCS clients in 2011 was £17,031, below the UK average of £20,023. On a borough-by-borough basis, debt levels ranged from £12,543 in Islington to £22,006 in Barnet.

### Level of unsecured debt



### Boroughs with the highest level of unsecured debt

	Average unsecured debt
1 Barnet	£22,006
2 Kingston-upon-Thames	£21,732
3 Merton	£21,508
4 Hounslow	£21,450
5 Kensington and Chelsea	£21,319

### Boroughs with the lowest level of unsecured debt

	Average unsecured debt
1 Islington	£12,543
2 Southwark	£13,088
3 Hackney	£13,189
4 Tower Hamlets	£13,337
5 Bexley	£14,611

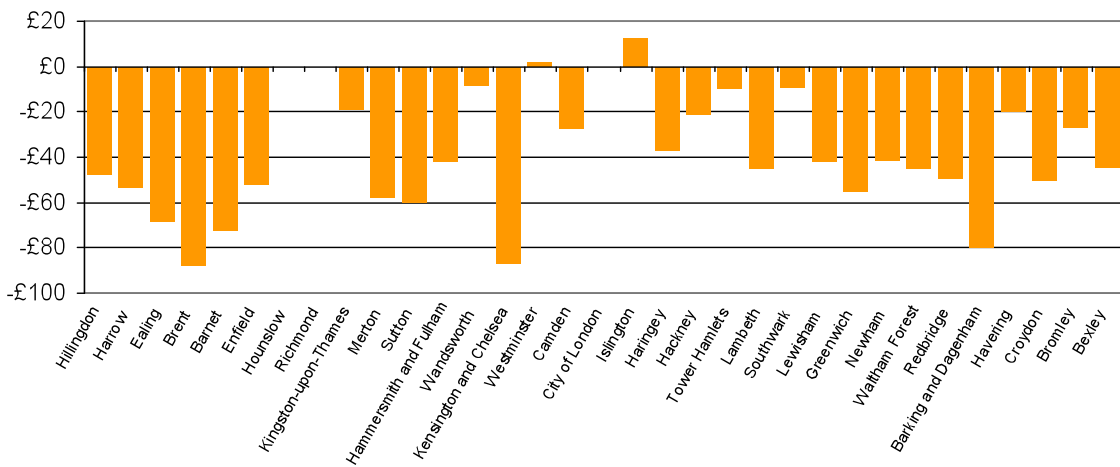
Please note: Hounslow, Richmond-on-Thames and the City of London have been excluded from this analysis due to insufficient sample sizes.

### 1.3 Financial position of clients

The ability of debtors to repay what they owe based on their current financial position is the third key statistic that has been examined on a borough-by-borough basis. The average Londoner contacting CCCS in 2011 was £47 short of the amount needed to cover basic living expenses, much less debt repayments, each month.

The average CCCS client had a budget surplus in only two London boroughs (Islington and Westminster), with average monthly surpluses of £12 and £2 respectively. At the other extreme, CCCS clients living in Barnet, Barking and Dagenham, Brent and, surprisingly, Kensington and Chelsea were in the worst financial position, all having an average monthly shortfall of more than £70 a month.

#### Monthly budget surplus/deficit



#### Boroughs with the worst financial position

	Average surplus/deficit
1 Brent	-£87.84
2 Kensington and Chelsea	-£86.68
3 Barking and Dagenham	-£79.67
4 Barnet	-£72.26
5 Ealing	-£68.41

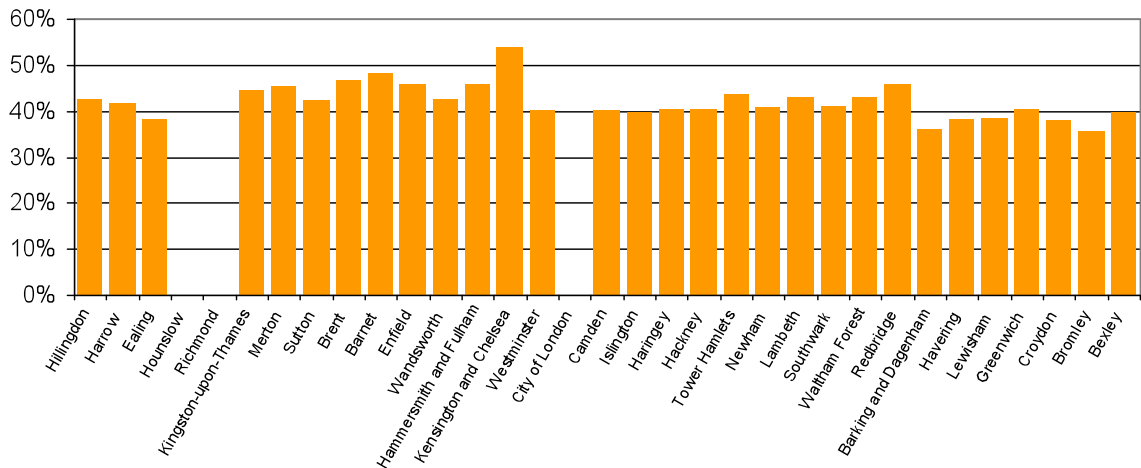
Please note: Hounslow, Richmond-on-Thames and the City of London have been excluded from this analysis due to insufficient sample sizes.

### 1.4 Burden of debt repayments

Against the backdrop of significant shortfalls for the average client in the vast majority of London boroughs, an analysis of the burden of debt repayments reveals a troubling picture of a large number of Londoners at risk of falling deeper and deeper into debt.

Overall, 42 percent of Londoners seeking help with their debts faced contractual repayments on credit cards, loans and other unsecured debts equal to more than half of their income. Almost one in five Londoners seeking help (18 percent) faced contractual repayments greater than their entire net monthly income.

### Contractual debt repayments as a proportion of income



### Debt burden of Londoners seeking debt advice

	Contractual debt repayments as a proportion of net monthly income
Under 25%	29%
26% - 50%	29%
51% - 75%	15%
76% - 100%	8%
Over 100%	18%

However, a borough-level comparison reveals large disparities in the debt repayment burden facing Londoners in different parts of the capital.

At the bottom end of the table, 36 percent of Bromley residents seeking help faced contractual repayments of more than half of their income. At the other extreme, more than half (54 percent) of debtors from Kensington and Chelsea had this level of repayment burden.

### Boroughs with the highest debt repayment burden

	Number of debtors with contractual payments > 50% of their net income
1 Kensington and Chelsea	54%
2 Barnet	48%
3 Brent	47%
4 Hammersmith and Fulham	46%
5 Redbridge	46%

## Boroughs with the lowest debt repayment burden

	Number of debtors with contractual payments > 50% of their net income
1 Bromley	36%
2 Barking and Dagenham	36%
3 Croydon	38%
4 Ealing	38%
5 Havering	38%

Please note: Hounslow, Richmond-on-Thames and the City of London have been excluded from this analysis due to low sample sizes.

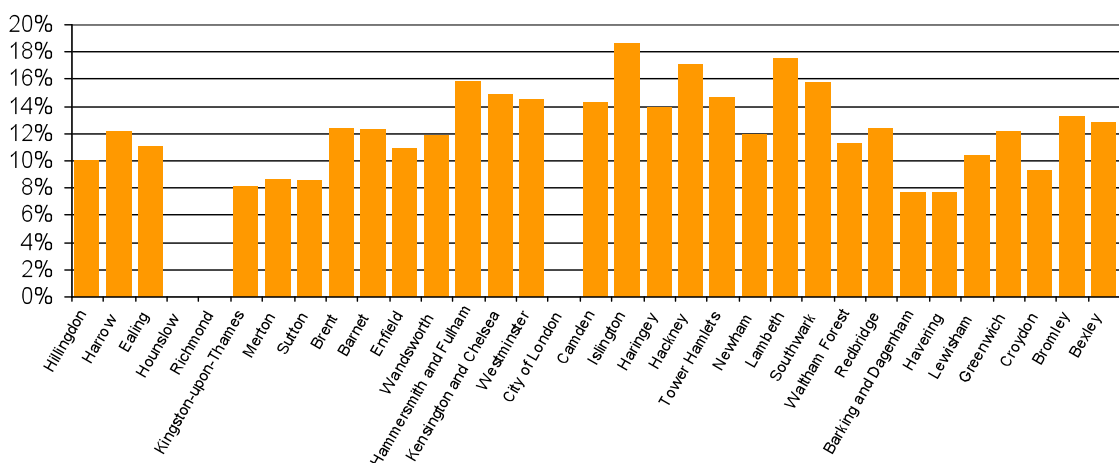
## 2. Housing-related debt

The wealth of data that CCCS collects on struggling debtors presents an opportunity for a more detailed inspection of an issue of particular relevance to London. Housing-related debts, in the form of arrears on rent or mortgage payments, are a key feature of London's debt landscape. Data on the level of council tax arrears in each borough has also been analysed.

### 2.1. Rent arrears

Nearly one in eight renters in London (12 percent) contacting CCCS in 2011 were in arrears with their rent, having fallen an average of £1,039 behind. The 11 areas with the highest proportions of people seeking help with rent arrears are all inner London boroughs. This is unsurprising, given inner London's higher rents and high levels of financial difficulty.

#### Proportion of renting clients with rent arrears



Three boroughs – Hammersmith and Fulham, Tower Hamlets and Haringey – have been identified as London's 'rent arrears hotspots', with both above average proportions of people seeking help with rent arrears and higher than average arrears for those who have fallen behind.



## London's rent arrears hotspots

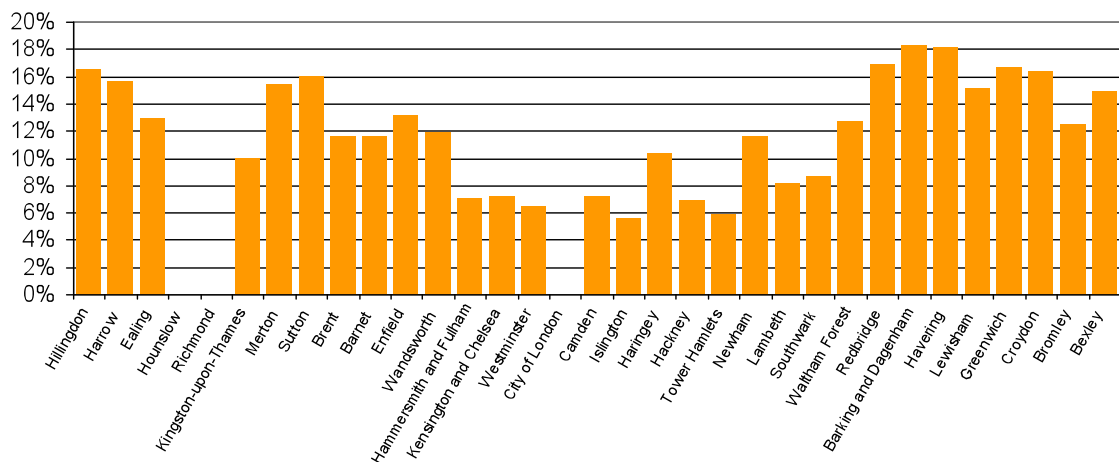
	Proportion of clients with rent arrears	Average amount of rent arrears
1 Hammersmith and Fulham	15.9%	£1,225
2 Tower Hamlets	14.7%	£1,190
3 Haringey	14.0%	£1,210

Please note: Hounslow, Richmond-on-Thames and the City of London have been excluded from this analysis due to insufficient sample sizes.

## 2.2. Mortgage arrears

Mortgage arrears are also a significant feature of the capital's personal debt landscape, with 12.6 percent of London homeowners counselled by CCCS in arrears on their mortgages.

### Proportion of home-owning clients with mortgage arrears



North East London emerges as the area with the most significant levels of mortgage difficulty, with the boroughs of Barking and Dagenham, Havering and Redbridge topping the mortgage arrears league table.

In addition to being the areas of highest demand for debt advice, Croydon and Sutton emerge as boroughs with above-average levels of mortgage difficulty, suggesting that this may be a significant factor driving debt problems in this area of South London.

Residents of inner London boroughs counselled by CCCS had the lowest levels of mortgage arrears.

### London's mortgage arrears hotspots

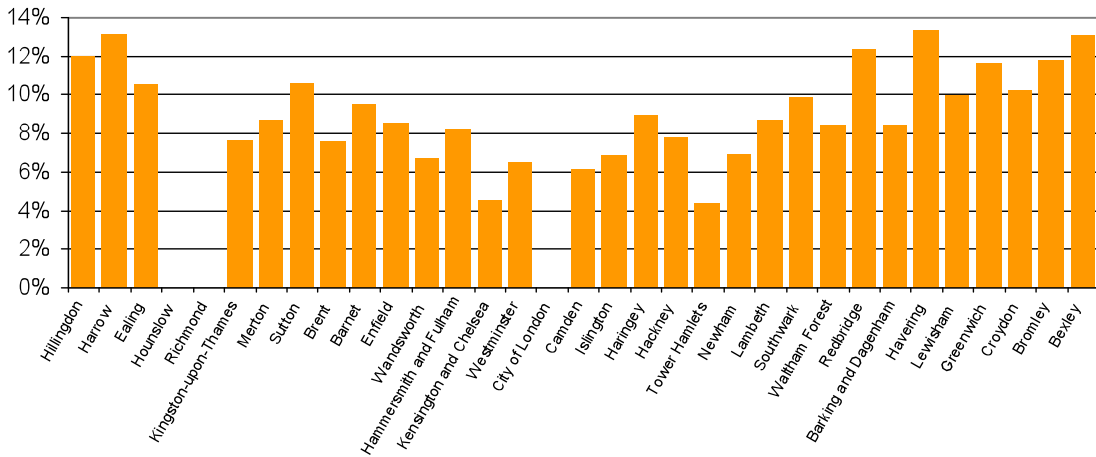
	Proportion of clients with mortgage arrears
1 Barking and Dagenham	18.4%
2 Havering	18.1%
3 Redbridge	16.9%

Please note: Hounslow, Richmond-on-Thames and the City of London have been excluded from this analysis due to insufficient sample sizes.

### 2.3. Council tax arrears

Across the capital, 9.3 percent of debtors counselled by CCCS were in arrears on their council tax bills, with the average amount owed standing at £805.

#### Proportion of clients with council tax arrears



The eastern outer London boroughs of Havering and Bexley, together with Harrow in the North West, had the highest proportion of clients in council tax difficulty, with more than one in eight debtors in arrears.

Tower Hamlets, Kensington and Chelsea and Camden had the lowest proportion of residents seeking help with council tax arrears.

#### Boroughs with the highest level of council tax arrears

	Proportion of clients with council tax arrears
1 Havering	13.3%
2 Harrow	13.1%
3 Bexley	13.0%
4 Redbridge	12.4%
5 Hillingdon	12.0%

#### Boroughs with the lowest level of council tax arrears

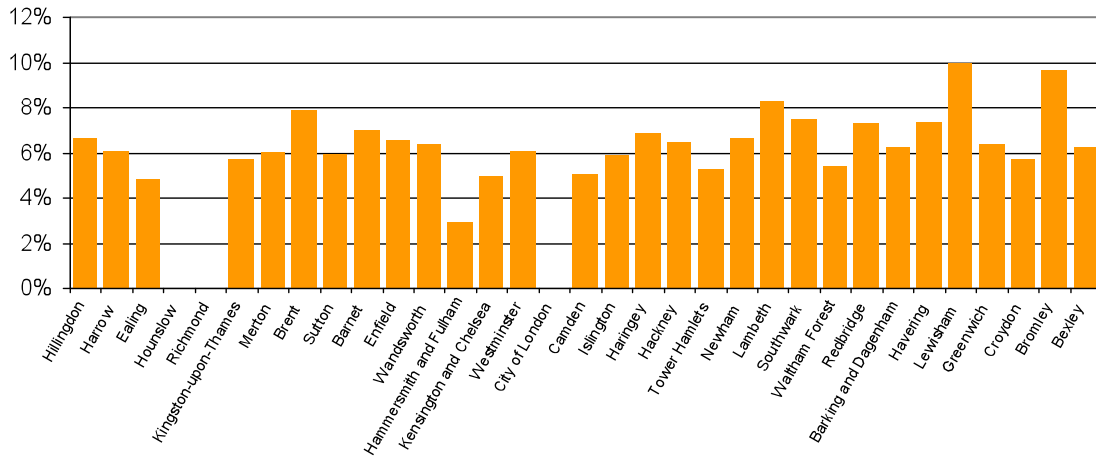
	Proportion of clients with council tax arrears
1 Tower Hamlets	4.4%
2 Kensington and Chelsea	4.5%
3 Camden	6.2%
4 Westminster	6.5%
5 Wandsworth	6.7%

Please note: Hounslow, Richmond-on-Thames and the City of London have been excluded from this analysis due to insufficient sample sizes.

### 3. Payday borrowing

Across London 6.6 percent of debtors counselled via the CCCS helpline held at least one payday loan debt, only slightly higher than the UK average of 6.5 percent (for clients counselled by telephone). Clients with payday loans in London owed an average total of £1,189 on this kind of borrowing, and held an average of 2.2 payday loans – in line with the national average.

**Proportion of clients with at least one payday loan**



**Boroughs with highest proportion of payday loan debts**

	Proportion of clients with at least one payday loan
1 Lewisham	10.0%
2 Bromley	9.6%
3 Lambeth	8.3%
4 Brent	7.9%
5 Southwark	7.5%

**Boroughs with the lowest proportion of payday loan debts**

	Proportion of clients with at least one payday loan
1 Hammersmith and Fulham	2.9%
2 Ealing	4.9%
3 Kensington and Chelsea	5.0%
4 Camden	5.0%
5 Tower Hamlets	5.3%

Please note: Hounslow, Richmond-on-Thames and the City of London have been excluded from this analysis due to insufficient sample sizes.

### 4. Borough profiles

The following pages show a profile of personal debt in each borough based on clients counselled via the CCCS telephone helpline in 2011. Please note that Hounslow, Richmond-on-Thames and the City of London are not included due to insufficient sample sizes.

For more information about this report please contact Matt Hartley on 0207 391 4588 or email [matthar@cccs.co.uk](mailto:matthar@cccs.co.uk)

# Barking & Dagenham

<b>Scale of debt problem</b>	
Number of clients counselled	272
Demand per 10,000 population	15.14
Average unsecured debt	£16,408
Average monthly budget surplus/deficit	£80
Number of clients with contractual commitments > 50% of net monthly income	36%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	8%
Average value of rent arrears	£1,226
Proportion of homeownership clients with mortgage arrears	18%
Average value of mortgage arrears	£3,806
Proportion of clients with council tax arrears	8%
Average value of council tax arrears	£557
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.3%
Average total debts owed on payday loans	£531.65
Average total number of payday loans held	2.2

Picture: Barking Centre - ©Ewan Munro



# Barnet

<b>Scale of debt problem</b>	
Number of clients counselled	569
Demand per 10,000 population	16.34
Average unsecured debt	£22,006
Average monthly budget surplus/deficit	£72
Number of clients with contractual commitments > 50% of net monthly income	48%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	12%
Average value of rent arrears	£1,061
Proportion of homeownership clients with mortgage arrears	12%
Average value of mortgage arrears	£8,237
Proportion of clients with council tax arrears	9%
Average value of council tax arrears	£681
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	7.0%
Average total debts owed on payday loans	£536.42
Average total number of payday loans held	2.6

Picture: The Arts Depot, Finchley - ©LB Barnet



# Bexley

<b>Scale of debt problem</b>	
Number of clients counselled	368
Demand per 10,000 population	16.14
Average unsecured debt	£14,611
Average monthly budget surplus/deficit	£44
Number of clients with contractual commitments > 50% of net monthly income	40%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	13%
Average value of rent arrears	£955
Proportion of homeownership clients with mortgage arrears	15%
Average value of mortgage arrears	£3,684
Proportion of clients with council tax arrears	13%
Average value of council tax arrears	£562
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.3%
Average total debts owed on payday loans	£484.16
Average total number of payday loans held	2.4

Picture: The Red House - ©Grey Squirrel



# Brent

<b>Scale of debt problem</b>	
Number of clients counselled	671
Demand per 10,000 population	26.15
Average unsecured debt	£18,896
Average monthly budget surplus/deficit	£88
Number of clients with contractual commitments > 50% of net monthly income	47%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	12%
Average value of rent arrears	£1,321
Proportion of homeownership clients with mortgage arrears	12%
Average value of mortgage arrears	£5,313
Proportion of clients with council tax arrears	8%
Average value of council tax arrears	£807
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	7.9%
Average total debts owed on payday loans	£547.46
Average total number of payday loans held	2.1

Picture: Whitehorse Bridge - ©Mick Baker



# Bromley

<b>Scale of debt problem</b>	
Number of clients counselled	280
Demand per 10,000 population	8.96
Average unsecured debt	£14,733
Average monthly budget surplus/deficit	-£27
Number of clients with contractual commitments > 50% of net monthly income	36%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	13%
Average value of rent arrears	£908
Proportion of homeownership clients with mortgage arrears	13%
Average value of mortgage arrears	£3,626
Proportion of clients with council tax arrears	12%
Average value of council tax arrears	£984
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	9.6%
Average total debts owed on payday loans	£478.78
Average total number of payday loans held	2.3

Picture: Tree-lined street - ©LB Bromley



# Camden

<b>Scale of debt problem</b>	
Number of clients counselled	357
Demand per 10,000 population	15.17
Average unsecured debt	£16,769
Average monthly budget surplus/deficit	-£27
Number of clients with contractual commitments > 50% of net monthly income	40%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	14%
Average value of rent arrears	£981
Proportion of homeownership clients with mortgage arrears	7%
Average value of mortgage arrears	£5,599
Proportion of clients with council tax arrears	6%
Average value of council tax arrears	£1,042
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	5.0%
Average total debts owed on payday loans	£523.90
Average total number of payday loans held	2.3

Picture: Regents Canal - ©Alan Stanton



# Croydon

<b>Scale of debt problem</b>	
Number of clients counselled	1,384
Demand per 10,000 population	40.05
Average unsecured debt	£18,242
Average monthly budget surplus/deficit	-£50
Number of clients with contractual commitments > 50% of net monthly income	38%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	9%
Average value of rent arrears	£819
Proportion of homeownership clients with mortgage arrears	16%
Average value of mortgage arrears	£4,472
Proportion of clients with council tax arrears	10%
Average value of council tax arrears	£1,049
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	5.7%
Average total debts owed on payday loans	£568.86
Average total number of payday loans held	2.4

Picture: Croydon College learning centre - ©Demco Design



# Ealing

<b>Scale of debt problem</b>	
Number of clients counselled	532
Demand per 10,000 population	16.70
Average unsecured debt	£16,408
Average monthly budget surplus/deficit	-£68
Number of clients with contractual commitments > 50% of net monthly income	38%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	11%
Average value of rent arrears	£1,217
Proportion of homeownership clients with mortgage arrears	13%
Average value of mortgage arrears	£5,122
Proportion of clients with council tax arrears	11%
Average value of council tax arrears	£710
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	4.9%
Average total debts owed on payday loans	£425.02
Average total number of payday loans held	2.0

Picture: Hangar Lane underpass - ©Ewan Munro



# Enfield

<b>Scale of debt problem</b>	
Number of clients counselled	457
Demand per 10,000 population	15.50
Average unsecured debt	£17,936
Average monthly budget surplus/deficit	-£52
Number of clients with contractual commitments > 50% of net monthly income	46%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	11%
Average value of rent arrears	£1,550
Proportion of homeownership clients with mortgage arrears	13%
Average value of mortgage arrears	£4,591
Proportion of clients with council tax arrears	9%
Average value of council tax arrears	£780
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.6%
Average total debts owed on payday loans	£647.35
Average total number of payday loans held	2.1



Picture: Enfield Bus Depot - ©Nico Hogg

# Greenwich

<b>Scale of debt problem</b>	
Number of clients counselled	593
Demand per 10,000 population	25.95
Average unsecured debt	£15,820
Average monthly budget surplus/deficit	-£55
Number of clients with contractual commitments > 50% of net monthly income	41%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	12%
Average value of rent arrears	£978
Proportion of homeownership clients with mortgage arrears	17%
Average value of mortgage arrears	£4,052
Proportion of clients with council tax arrears	12%
Average value of council tax arrears	£631
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.4%
Average total debts owed on payday loans	£490.15
Average total number of payday loans held	2.6



Picture: Rainbow Square - ©Ewan Munro



# Hackney

<b>Scale of debt problem</b>	
Number of clients counselled	681
Demand per 10,000 population	31.07
Average unsecured debt	£13,189
Average monthly budget surplus/deficit	-£21
Number of clients with contractual commitments > 50% of net monthly income	41%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	17%
Average value of rent arrears	£918
Proportion of homeownership clients with mortgage arrears	7%
Average value of mortgage arrears	£4,105
Proportion of clients with council tax arrears	8%
Average value of council tax arrears	£746
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.5%
Average total debts owed on payday loans	£491.42
Average total number of payday loans held	2.0

Picture: Victorial Park festival - ©Amelia Searle



# Hammersmith & Fulham

<b>Scale of debt problem</b>	
Number of clients counselled	170
Demand per 10,000 population	10.02
Average unsecured debt	£20,843
Average monthly budget surplus/deficit	-£42
Number of clients with contractual commitments > 50% of net monthly income	46%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	16%
Average value of rent arrears	£1,225
Proportion of homeownership clients with mortgage arrears	7%
Average value of mortgage arrears	£7,086
Proportion of clients with council tax arrears	8%
Average value of council tax arrears	£794
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	2.9%
Average total debts owed on payday loans	£469.67
Average total number of payday loans held	1.2

Picture: Shepherd's Bush market - ©Alan Stanton



# Haringey

<b>Scale of debt problem</b>	
Number of clients counselled	436
Demand per 10,000 population	19.38
Average unsecured debt	£15,198
Average monthly budget surplus/deficit	-£37
Number of clients with contractual commitments > 50% of net monthly income	41%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	14%
Average value of rent arrears	£1,210
Proportion of homeownership clients with mortgage arrears	10%
Average value of mortgage arrears	£3,903
Proportion of clients with council tax arrears	9%
Average value of council tax arrears	£1,035
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.9%
Average total debts owed on payday loans	£535.31
Average total number of payday loans held	1.9



Picture: The skeleton horse - ©Nico Hogg

# Harrow

<b>Scale of debt problem</b>	
Number of clients counselled	327
Demand per 10,000 population	14.21
Average unsecured debt	£19,916
Average monthly budget surplus/deficit	-£53
Number of clients with contractual commitments > 50% of net monthly income	42%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	12%
Average value of rent arrears	£958
Proportion of homeownership clients with mortgage arrears	16%
Average value of mortgage arrears	£3,922
Proportion of clients with council tax arrears	13%
Average value of council tax arrears	£669
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.1%
Average total debts owed on payday loans	£459.83
Average total number of payday loans held	2.1



Picture: Harrow-on-the-Hill station - ©Nico Hogg

# Havering

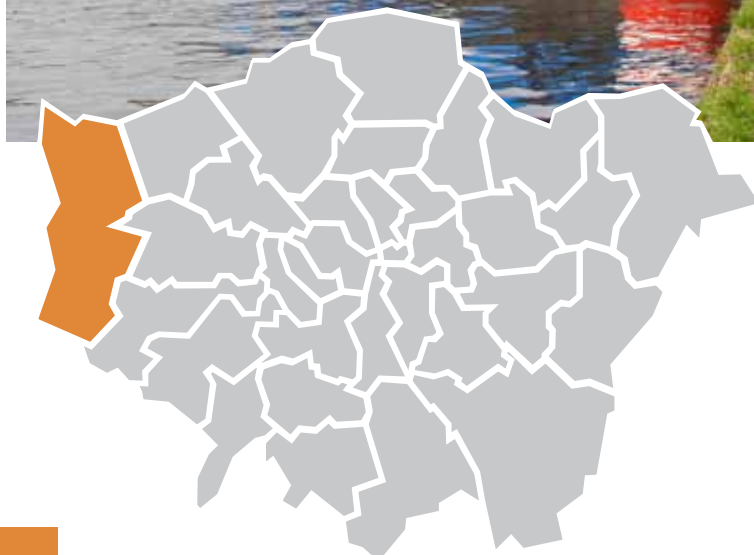
<b>Scale of debt problem</b>	
Number of clients counselled	503
Demand per 10,000 population	21.30
Average unsecured debt	£17,780
Average monthly budget surplus/deficit	-£20
Number of clients with contractual commitments > 50% of net monthly income	38%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	8%
Average value of rent arrears	£1,017
Proportion of homeownership clients with mortgage arrears	18%
Average value of mortgage arrears	£4,127
Proportion of clients with council tax arrears	13%
Average value of council tax arrears	£851
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	7.4%
Average total debts owed on payday loans	£572.36
Average total number of payday loans held	1.9



Picture: Flower stall - Romford market ©Paul Shirra

# Hillingdon

<b>Scale of debt problem</b>	
Number of clients counselled	392
Demand per 10,000 population	14.73
Average unsecured debt	£19,721
Average monthly budget surplus/deficit	-£47
Number of clients with contractual commitments > 50% of net monthly income	43%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	10%
Average value of rent arrears	£1,016
Proportion of homeownership clients with mortgage arrears	17%
Average value of mortgage arrears	£4,354
Proportion of clients with council tax arrears	12%
Average value of council tax arrears	£601
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.6%
Average total debts owed on payday loans	£475.42
Average total number of payday loans held	2.2



Picture: Cowley Lock - ©LB Hillingdon

# Islington

<b>Scale of debt problem</b>	
Number of clients counselled	321
Demand per 10,000 population	16.54
Average unsecured debt	£12,543
Average monthly budget surplus/deficit	£12
Number of clients with contractual commitments > 50% of net monthly income	40%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	19%
Average value of rent arrears	£832
Proportion of homeownership clients with mortgage arrears	6%
Average value of mortgage arrears	£4,950
Proportion of clients with council tax arrears	7%
Average value of council tax arrears	£1,266
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	5.9%
Average total debts owed on payday loans	£493.50
Average total number of payday loans held	2.5

Picture: Islington Town Hall - ©Steve Cadman



# Kensington and Chelsea

<b>Scale of debt problem</b>	
Number of clients counselled	221
Demand per 10,000 population	13.04
Average unsecured debt	£21,319
Average monthly budget surplus/deficit	-£87
Number of clients with contractual commitments > 50% of net monthly income	54%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	15%
Average value of rent arrears	£847
Proportion of homeownership clients with mortgage arrears	7%
Average value of mortgage arrears	£10,506
Proportion of clients with council tax arrears	5%
Average value of council tax arrears	£648
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	5.0%
Average total debts owed on payday loans	£495.84
Average total number of payday loans held	1.7

Picture: Albert Bridge - ©George Rex



# Kingston-upon-Thames

<b>Scale of debt problem</b>	
Number of clients counselled	209
Demand per 10,000 population	12.37
Average unsecured debt	£21,732
Average monthly budget surplus/deficit	-£19
Number of clients with contractual commitments > 50% of net monthly income	45%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	8%
Average value of rent arrears	£677
Proportion of homeownership clients with mortgage arrears	10%
Average value of mortgage arrears	£3,380
Proportion of clients with council tax arrears	8%
Average value of council tax arrears	£662
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	5.7%
Average total debts owed on payday loans	£346.10
Average total number of payday loans held	2.6

Picture: Old London Road - ©LB Kingston



# Lambeth

<b>Scale of debt problem</b>	
Number of clients counselled	576
Demand per 10,000 population	20.25
Average unsecured debt	£14,987
Average monthly budget surplus/deficit	-£45
Number of clients with contractual commitments > 50% of net monthly income	43%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	18%
Average value of rent arrears	£878
Proportion of homeownership clients with mortgage arrears	8%
Average value of mortgage arrears	£4,934
Proportion of clients with council tax arrears	9%
Average value of council tax arrears	£1,447
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	8.3%
Average total debts owed on payday loans	£527.24
Average total number of payday loans held	2.5

Picture: Skate Park, Stockwell - ©LB Lambeth



# Lewisham

<b>Scale of debt problem</b>	
Number of clients counselled	703
Demand per 10,000 population	26.38
Average unsecured debt	£15,133
Average monthly budget surplus/deficit	-£42
Number of clients with contractual commitments > 50% of net monthly income	39%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	10%
Average value of rent arrears	£1,145
Proportion of homeownership clients with mortgage arrears	15%
Average value of mortgage arrears	£4,447
Proportion of clients with council tax arrears	10%
Average value of council tax arrears	£760
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	10.0%
Average total debts owed on payday loans	£530.47
Average total number of payday loans held	2.1

Picture: Telegraph Hill Park - ©Ewan Munro



# Merton

<b>Scale of debt problem</b>	
Number of clients counselled	266
Demand per 10,000 population	12.74
Average unsecured debt	£21,508
Average monthly budget surplus/deficit	-£57
Number of clients with contractual commitments > 50% of net monthly income	46%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	9%
Average value of rent arrears	£854
Proportion of homeownership clients with mortgage arrears	15%
Average value of mortgage arrears	£2,666
Proportion of clients with council tax arrears	9%
Average value of council tax arrears	£939
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.0%
Average total debts owed on payday loans	£432.49
Average total number of payday loans held	2.9

Picture: The Buddhapadipa Temple - ©George Rex



# Newham

<b>Scale of debt problem</b>	
Number of clients counselled	661
Demand per 10,000 population	27.53
Average unsecured debt	£14,770
Average monthly budget surplus/deficit	-£41
Number of clients with contractual commitments > 50% of net monthly income	41%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	12%
Average value of rent arrears	£1,025
Proportion of homeownership clients with mortgage arrears	12%
Average value of mortgage arrears	£2,953
Proportion of clients with council tax arrears	7%
Average value of council tax arrears	£846
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.7%
Average total debts owed on payday loans	£645.75
Average total number of payday loans held	1.9

Picture: Stratford Station - ©Jan Hadingam



# Redbridge

<b>Scale of debt problem</b>	
Number of clients counselled	178
Demand per 10,000 population	6.58
Average unsecured debt	£18,592
Average monthly budget surplus/deficit	-£49
Number of clients with contractual commitments > 50% of net monthly income	46%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	12%
Average value of rent arrears	£613
Proportion of homeownership clients with mortgage arrears	17%
Average value of mortgage arrears	£4,667
Proportion of clients with council tax arrears	12%
Average value of council tax arrears	£784
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	7.3%
Average total debts owed on payday loans	£736.09
Average total number of payday loans held	2.7

Picture: Gant's Hill Station - ©Ewan Munro



# Southwark

<b>Scale of debt problem</b>	
Number of clients counselled	586
Demand per 10,000 population	20.42
Average unsecured debt	£13,088
Average monthly budget surplus/deficit	-£9
Number of clients with contractual commitments > 50% of net monthly income	41%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	16%
Average value of rent arrears	£994
Proportion of homeownership clients with mortgage arrears	9%
Average value of mortgage arrears	£4,001
Proportion of clients with council tax arrears	10%
Average value of council tax arrears	£1,007
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	7.5%
Average total debts owed on payday loans	£593.02
Average total number of payday loans held	1.9

Picture: Peckham Library - ©Stephen Dennison



# Sutton

<b>Scale of debt problem</b>	
Number of clients counselled	773
Demand per 10,000 population	39.80
Average unsecured debt	£20,099
Average monthly budget surplus/deficit	-£60
Number of clients with contractual commitments > 50% of net monthly income	42%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	9%
Average value of rent arrears	£955
Proportion of homeownership clients with mortgage arrears	16%
Average value of mortgage arrears	£4,442
Proportion of clients with council tax arrears	11%
Average value of council tax arrears	£910
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.0%
Average total debts owed on payday loans	£559.77
Average total number of payday loans held	2.7

Picture: Sutton High Street - ©Sutton Film Office





# Tower Hamlets



<b>Scale of debt problem</b>	
Number of clients counselled	340
Demand per 10,000 population	14.29
Average unsecured debt	£13,337
Average monthly budget surplus/deficit	£-9
Number of clients with contractual commitments > 50% of net monthly income	44%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	15%
Average value of rent arrears	£1,190
Proportion of homeownership clients with mortgage arrears	6%
Average value of mortgage arrears	£4,941
Proportion of clients with council tax arrears	4%
Average value of council tax arrears	£591
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	5.3%
Average total debts owed on payday loans	£433.51
Average total number of payday loans held	2.4

Picture: Brick Lane confectioner - ©Grey Squirrel

# Waltham Forest



<b>Scale of debt problem</b>	
Number of clients counselled	534
Demand per 10,000 population	23.51
Average unsecured debt	£17,159
Average monthly budget surplus/deficit	£-45
Number of clients with contractual commitments > 50% of net monthly income	43%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	11%
Average value of rent arrears	£897
Proportion of homeownership clients with mortgage arrears	13%
Average value of mortgage arrears	£4,907
Proportion of clients with council tax arrears	8%
Average value of council tax arrears	£404
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	5.4%
Average total debts owed on payday loans	£553.93
Average total number of payday loans held	2.4

Picture: Langthorne Park Lake - ©George Rex

# Wandsworth

<b>Scale of debt problem</b>	
Number of clients counselled	657
Demand per 10,000 population	22.69
Average unsecured debt	£18,181
Average monthly budget surplus/deficit	-£8
Number of clients with contractual commitments > 50% of net monthly income	43%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	12%
Average value of rent arrears	£966
Proportion of homeownership clients with mortgage arrears	12%
Average value of mortgage arrears	£3,946
Proportion of clients with council tax arrears	7%
Average value of council tax arrears	£839
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.4%
Average total debts owed on payday loans	£491.68
Average total number of payday loans held	2.6

Picture: St. John's Therapy Centre - ©George Rex



# Westminster

<b>Scale of debt problem</b>	
Number of clients counselled	262
Demand per 10,000 population	10.35
Average unsecured debt	£16,741
Average monthly budget surplus/deficit	£2
Number of clients with contractual commitments > 50% of net monthly income	40%
<b>Housing-related debt</b>	
Proportion of renting clients with rent arrears	15%
Average value of rent arrears	£789
Proportion of homeownership clients with mortgage arrears	6%
Average value of mortgage arrears	£5,202
Proportion of clients with council tax arrears	6%
Average value of council tax arrears	£353
<b>Payday borrowing</b>	
Proportion of clients with at least one payday loan	6.1%
Average total debts owed on payday loans	£612.97
Average total number of payday loans held	1.8

Picture: St. Martin-in-the-Fields - ©Ewan Munro

