

# Statistics Yearbook

Personal debt in the UK

January – December 2025

**Step**Change  
Debt Charity



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# CEO statement



**Vikki Brownridge**  
Chief Executive Officer

This Statistics Yearbook covers the first year of [our 2025–2030 strategy](#). This marks a renewed commitment to the delivery of free, confidential, and impartial debt advice – guiding principles that have shaped our approach for 33 years. In 2025 the level of need remains very high; 163,916 clients completed a full debt advice session in 2025, which is equal to about 450 people per day.

People are seeking help with financial situations that are increasingly complex and challenging for debt advice to treat. Sobering news about job market<sup>1</sup> uncertainty and unemployment reflect how external factors drive people into problem debt and hardship.

Our strategic goal is to help people build long-term financial resilience. To do this, we are also adapting our ways of working – embracing new internal systems, a digital-first approach, and extending our collaboration with other providers.

It will come as no surprise to our colleagues here at StepChange that even as wider attention shifts away from the worst of the cost-of-living crisis, far too many remain in financial difficulty. Our latest polling<sup>2</sup> shows that around two in five (38%) of UK adults are struggling to keep up with their bills, highlighting the financial fragility of many households around the country.

We welcomed several policy wins in 2025, such as the [abolition of the two-child benefit cap](#) as part of the Child Poverty Strategy. The government also consulted to bring enforcement agents under statutory regulation, [a move that we have spent years advocating for](#) in aid of fair practice across debt collection.

Looking forward, StepChange remains committed to our core vision: Through direct support, advocacy, and campaigning we will work to see fewer people falling into problem debt and reduce the harm experienced by those that do.

<sup>1</sup>Office for National Statistics (ONS), released 20 January 2026, ONS website, statistical bulletin, UK Labour Market January 2026

<sup>2</sup>YouGov polling surveyed a sample of 2,179 UK adults between 19th–20th January 2026. The survey was carried out online and the figures have been weighted to be representative of the profile of all UK adults.



# Methodology

**The statistics presented in this report, unless otherwise stated, are based on clients who completed a full debt advice session, for the first time, between January and December 2025.**

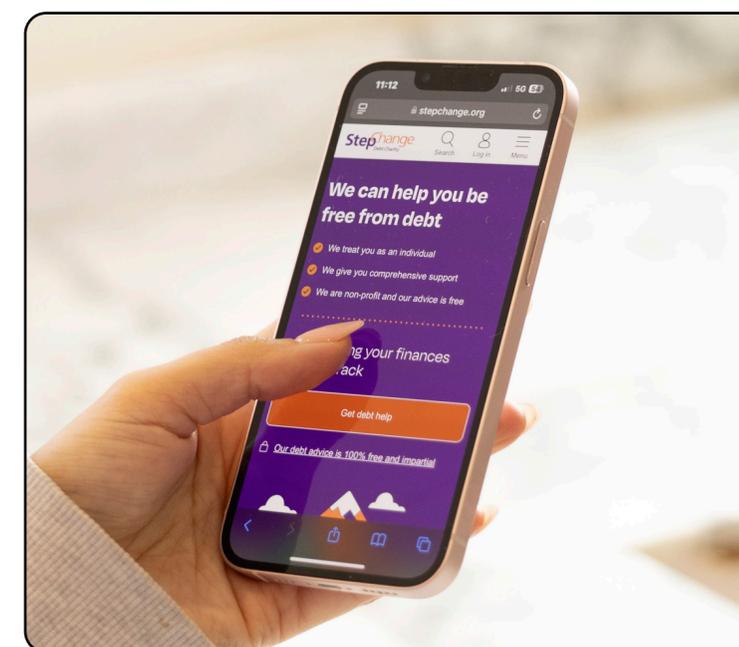
In 2025, 163,916 clients completed a full debt advice session, of which 163,497 clients provided sufficient debt and demographic information to be included in the analysis for this report. By comparison, in 2024, 170,928 clients completed a full debt advice session for the first time, and 170,475 clients provided sufficient debt and demographic information for inclusion in this analysis.

Since our 2023 release, the figures in our Statistics Yearbook reports utilise data provided by clients during their very **first fully completed debt advice session**. This aims to provide a reflection of the experiences of all new clients at the same point in their debt advice journey.

A full debt advice session is defined as a client completing StepChange’s advice process, by providing details about their budgeting, debts and arrears, and receiving a recommended debt solution at the end. These advice sessions can be completed through our online or telephony service, or a combination of both channels. Answering questions along the debt advice journey is optional, meaning the total figures for categories reported in our Statistics Yearbook may vary.

Note that figures are presented as rounded whole numbers throughout this report. As a result of rounding, some figures may not correspond with the sum of their individual figures or add up to 100%.

Note that the terms ‘new client’ and ‘client’ are used interchangeably throughout this report and refer to those that have completed debt advice for the first time.



# Key findings among new clients in 2025

This page shares a snapshot of UK personal debt statistics in 2025. If you want to see all our findings in detail, we suggest reading the full report.

## New clients

**163,916 new clients** completed their first debt advice session.

[To find out more please read Page 6](#)

## Employment

**Three in five (60%)** clients were in some form of employment, with 44% working full-time.

[To find out more please read Page 8](#)

## Income

**Increase** in clients' average monthly incomes outpaced growth in average monthly expenditure year-on-year.

[To find out more please read Page 9](#)

## Surplus/deficit

The average (mean) monthly surplus/deficit amount for clients in 2025 was **£89**, up from £66 in 2024.

[To find out more please read Page 10](#)

## Negative budgets

The proportion of clients in a negative budget position fell from 30% in 2024, to **28% in 2025**.

[To find out more please read Page 11](#)

## Universal Credit

**Two in five (40%)** clients were in receipt of Universal Credit, which is higher than 2024 (39%) and 2023 (37%).

[To find out more please read Page 12](#)

## Gender

**Three in five (61%)** new clients are women. Down from 62% in 2024.

**Two in five (39%)** new clients are men. Up from 38% in 2024.

[To find out more please read Page 14](#)

## Age

**25–34 year olds** remain the most likely age group to seek debt advice from StepChange, with **one third (33%)** of new clients belonging to this group in 2025.

[To find out more please read Page 15](#)

## Rent

**Over three in five (61%)** clients were renters in 2025.

[To find out more please read Page 18](#)

## Vulnerabilities

More clients had an additional vulnerability beyond their financial situation. The proportion has increased by two percentage points from 52% in 2024, to **54% in 2025**.

[To find out more please read Page 19](#)

## Arrears and unsecured debts

Clients' average arrears and unsecured debt amounts increased from £17,936 in 2024, to **£19,701 in 2025**.

[To find out more please read Page 23](#)

To find out more about the topics in this report get in touch [policy@stepchange.com](mailto:policy@stepchange.com)

# Number of new clients completing first time debt advice

## 2025 sees advice channel shifts

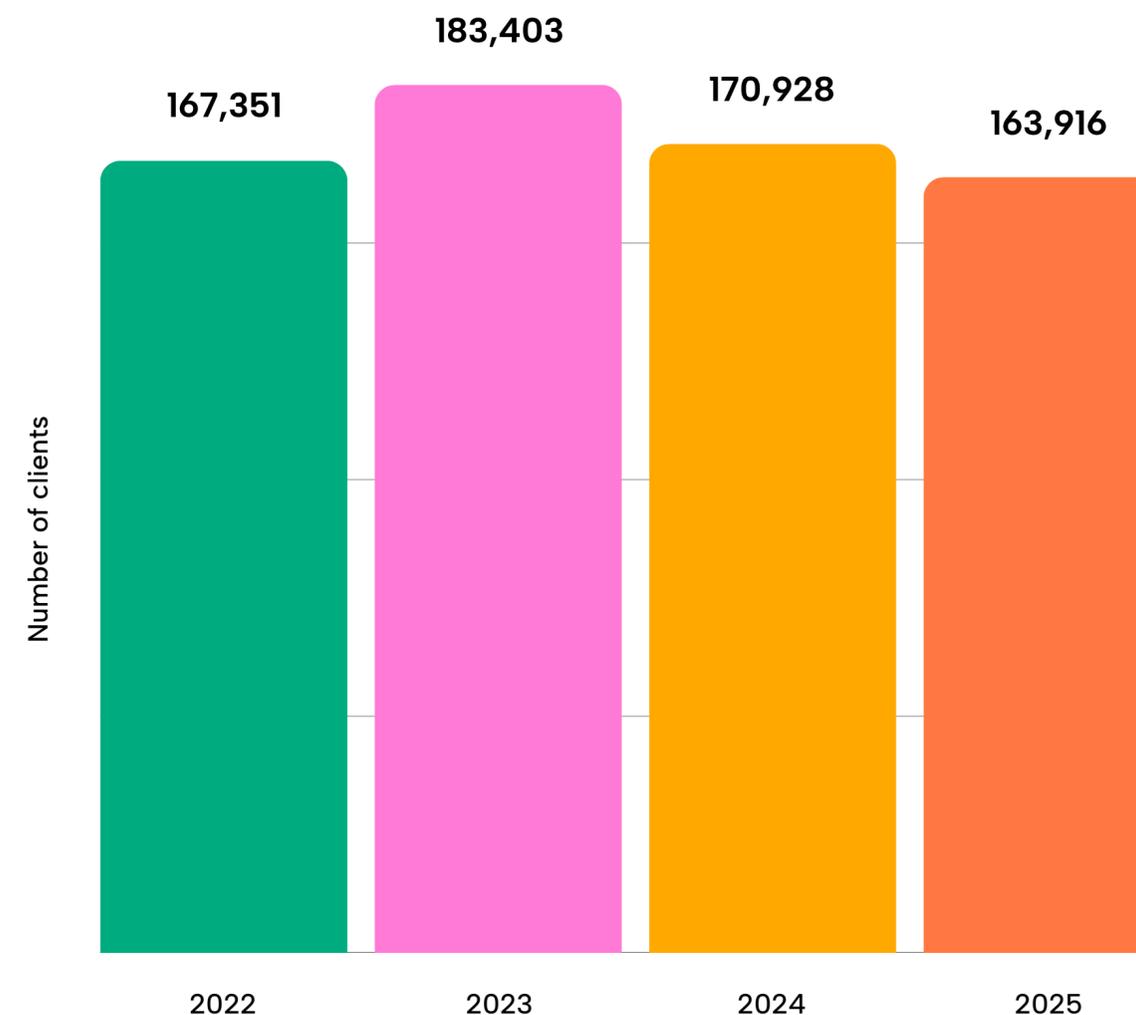
In 2025, the number of clients completing a debt advice session was 163,916. This represents a 4% year-on-year fall from 2024, where 170,928 clients completed debt advice for the first time.

This marks the second consecutive year of falling numbers of new clients completing debt advice. Between 2023 and 2024, a 7% year-on-year fall in new clients completing debt advice was recorded.

This shift reflects changes in operational delivery across the charity. Moving towards a more targeted operating model compared to previous years, alongside a digital-first approach, has refocused priorities towards where help is most needed. As a result, online advice provision has increased from 83% to 87% between 2024 and 2025. Telephone advice has fallen from 17% to 13% in the same period.

Year	Number of clients who received first time debt advice
2022	167,351
2023	183,403
2024	170,928
<b>2025</b>	<b>163,916</b>

Number of clients who received first time debt advice



# Reasons for debt

## Lack of control over finances emerges as the main reason for debt

A 'lack of control over finances' has emerged as the most common reason for debt amongst new StepChange clients in 2025, reported by nearly one in five (18%). This represents a two-percentage points increase from 2024. In 2023 and 2024, 'lack of control over finances' had been the second-most common reason for debt cited by new clients but has now taken over a 'cost of living increase' as the main reason for debt in 2025.

Our client insights report [In work. But still in debt.](#) details that a 'lack of control over finances' comprises a broad range of factors behind clients' financial situations, such as personal budget issues, wellbeing and health challenges, and problems with unpredictable incomes.

A 'cost of living increase' is the second-most common reason for debt amongst new clients, with one in six (16%) highlighting it in 2025. However, this represents a five-percentage points decrease compared to 2024 (21%) and a nine-percentage points decrease versus 2023 (25%). This decline marks broader economic shifts since the peak of the 'cost of living crisis' in 2023. The base rate has been gradually cut to 3.75%<sup>3</sup> after peaking at 5.25% in August 2023, due to waning inflationary pressures<sup>4</sup>.

The proportion of clients citing 'unemployment or redundancy' as their main reason for debt continues to steadily rise year-on-year. In 2025, one in seven (15%) new clients named 'unemployment or redundancy' as their main reason for debt. This is one percentage point higher than 2024 (14%) and two percentage points higher than 2023 (13%). UK job market uncertainty worsened throughout 2025, with higher levels of unemployment and weaker hiring<sup>5</sup> reflecting sluggish economic conditions.

<sup>3</sup> Bank of England base rate as of February 2026 <https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate>

<sup>4</sup> Bank of England, Interest rates and Bank Rate: our latest decision, <https://www.bankofengland.co.uk/monetary-policy/the-interest-rate-bank-rate>

<sup>5</sup> Office for National Statistics (ONS), released 20 January 2026, ONS website, statistical bulletin, UK Labour Market January 2026

## Ten most common reasons for debt

	2023	2024	2025
Lack of control over finances	16%	16%	18%
Cost of living increase	25%	21%	16%
Unemployment or redundancy	13%	14%	15%
Injury or health issue	9%	10%	10%
Reduced income or benefits	9%	10%	9%
Need credit to cover living costs	7%	7%	8%
Separation or divorce	6%	6%	6%
Irregular income	3%	3%	3%
Unexpected one-off expense	3%	3%	3%
Caring for family or friends	2%	2%	2%

# Demographics

## Employment

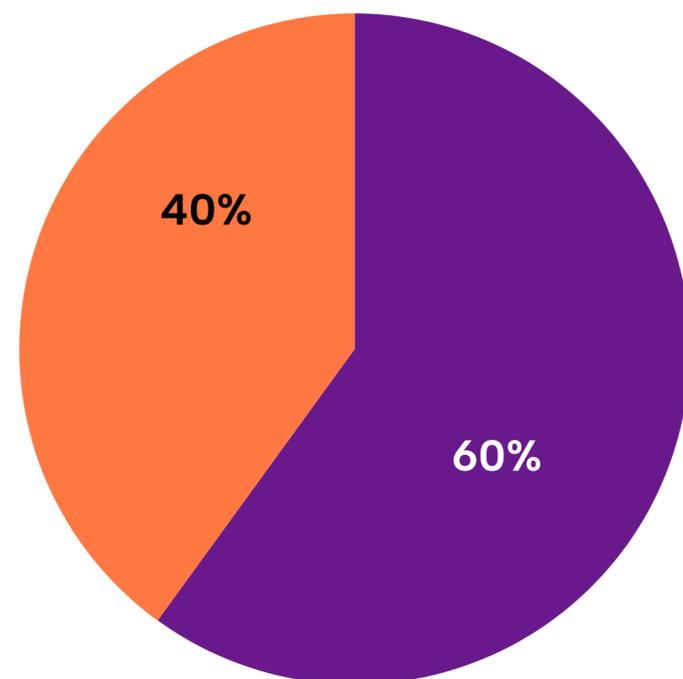
In line with the gradual increase in clients citing ‘unemployment or redundancy’ as their main reason for debt, there has been a one percentage point increase in the proportion of clients who are unemployed and looking for work, which stands at one in eight (12%) clients in 2025.

Despite this rise, the majority of new StepChange clients continue to be in some form of employment. As in 2024, in 2025 three in five (60%) clients were employed and the number of clients in full-time employment continues to grow, from 43% in 2024 to 44% in 2025.

Younger age groups are overrepresented in the ‘unemployed: looking for work’ client category. In 2025, 18% shared that they were currently looking for employment, compared to 12% of all new clients. Our client insights report [Debt’s early grip](#) highlighted the complex issues facing young adults as they try to manage their personal finances, with unemployment and low or irregular income driving problem debt spirals.

Percentage of clients in some form of employment

- Employed
- Other

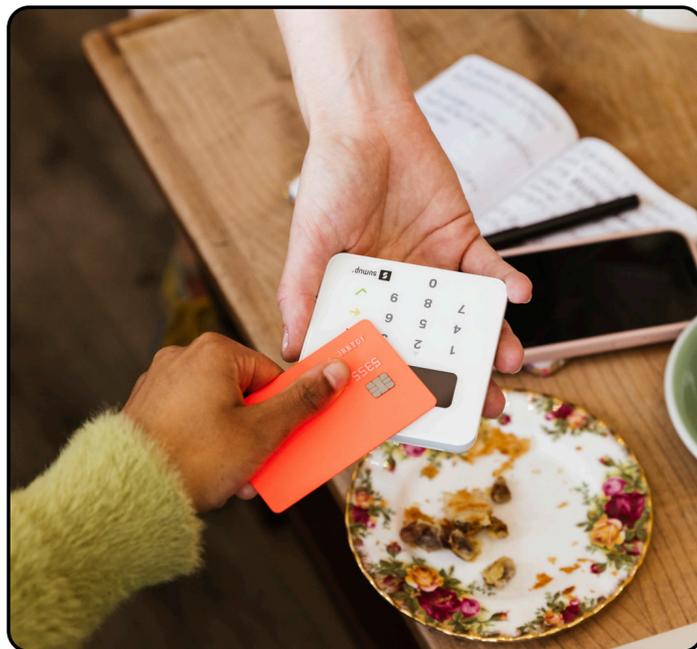


## Employment status

	2023	2024	2025
Full-time employed	42%	43%	44%
Part-time employed	15%	15%	14%
Zero-hour contract	2%	2%	2%
<b>SUM: In employment</b>	<b>59%</b>	<b>60%</b>	<b>60%</b>
Not working due to illness or disability	15%	15%	15%
Unemployed: looking for work	11%	11%	12%
Not looking for work	8%	7%	7%
Retired	3%	3%	3%
Carer	3%	3%	3%
Student	2%	1%	1%

# Demographics

## Income, expenditure, and surplus/deficit levels



In 2025, the average (both mean and median) monthly income of clients has increased, by 6%, compared to 2024. The average (mean) monthly income, after tax and other deductions, among StepChange clients increased from £1,874 in 2024 to £1,995 in 2025. This is a smaller increase than the change recorded between 2023 and 2024, where average (mean) monthly income increased by 7%.

The average monthly expenditure of new clients has increased in 2025 versus 2024, however this is a smaller change versus the increase seen in average monthly income. This marks the second consecutive year of higher income versus expenditure growth for new clients.

The average (mean) monthly expenditure level of new clients increased by 5% year-on-year. The average (mean) monthly expenditure amount was £1,773 in 2024, and increased by £87, to £1,860 in 2025. This is a slightly smaller increase than recorded in 2024, where average (mean) monthly expenditure had increased by 6% or £107 compared to 2023.

StepChange continues to advise more clients in full-time employment year-on-year and there has also been an uptick in the proportion of men completing debt advice, which may be contributing towards the higher income levels seen among new clients. In 2025, new clients who are men reported an average (mean) income of £2,023, compared to £1,898 in 2024, which represents an increase of 7%. Women reported an average (mean) income of £1,989 in 2025, versus £1,870 in 2024, an increase of 6%.

### Average monthly income

	2023	2024	2025	% change 2025 vs. 2024
Mean	£1,745	£1,874	<b>£1,995</b>	+6%
Median	£1,642	£1,765	<b>£1,874</b>	+6%

### Average monthly expenditure

	2023	2024	2025	% change 2025 vs. 2024
Mean	£1,666	£1,773	<b>£1,860</b>	+5%
Median	£1,550	£1,649	<b>£1,719</b>	+4%

# Demographics

## Surplus/deficit

There has also been an increase in the average monthly surplus/deficit amount among clients between 2024 and 2025. This may reflect increasing income levels outpacing expenditure.

The average (mean) monthly surplus/deficit for new StepChange clients increased between 2024 and 2025, standing at £89 in 2025. This is £23 higher than 2024 (£66) and represents a 35% year-on-year increase.

### Average monthly surplus/deficit

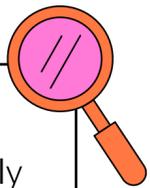
	2023	2024	2025	% change 2025 vs. 2024
Mean	£53	£66	<b>£89</b>	+35%
Median	£71	£83	<b>£100</b>	+20%



# Demographics

## Negative budgets

The proportion of new StepChange clients with a negative budget has fallen for the second consecutive year. Under three in ten (28%) clients had a negative budget in 2025. This is a two-percentage points drop year-on-year from 2024 (30%) and represents a four-percentage points drop from the height of the cost-of-living crisis in 2023 (32%).



A negative budget describes a situation where a client's monthly expenditure is greater than their monthly income after proceeding through StepChange's advice and budgeting process.

Despite seeing a drop in the proportion of clients with a negative budget, the average deficit amount for clients was -£594 in 2025. This is £62 deeper than the figure reported in 2024 (-£532), highlighting that whilst fewer clients are in a negative budget position, those that are find themselves with expenditure outpacing income to a greater extent.

Clients with a negative budget are more likely to have an additional vulnerability beyond their financial situation. In 2025, three in five (60%) new clients with a negative budget had an additional vulnerability. This is three percentage points higher than 2024 (57%).

Earlier in the report, we explored the uptick in unemployment and its impact on clients' financial positions. The proportion of clients who are in a negative budget (meaning their expenditure outpaces their income) and are unemployed and looking for work, continues to increase. In 2023 this stood at 19%, before rising to 22% in 2024, and 24% in 2025. This demonstrates the impact of job insecurity on clients' financial resilience.

### Budget positions

	2023	2024	2025
Positive budget	68%	69%	<b>71%</b>
Even budget	1%	1%	<b>1%</b>
Negative budget	32%	30%	<b>28%</b>

### Average negative budget deficit

2024	2025
-£532	<b>-£594</b>

# Demographics

## Social security



Over a half (54%) of clients were in receipt of any benefits, including child benefits in 2025, which is one percentage point down compared to 2024.

Two in five (40%) clients were in receipt of Universal Credit in 2025, which is one percentage point higher than 2024 and three percentage points up on 2023.

The proportion of clients in receipt on Universal Credit has been steadily increasing over the years, yet the proportion of clients in receipt of any benefits, including child benefits, has been decreasing overtime.

This aligns with an increase in the total number of people on Universal Credit across Great Britain. As of January 2025, 7.5 million people were in receipt of Universal Credit. This is the highest figure since the introduction of this benefit in 2013.<sup>6</sup> Further, the number of families claiming Child Benefit has also continued to decline. As of August 2024, 6.91 million families were in receipt of Child Benefit, the lowest level since records began in 2003.<sup>7</sup>

<sup>6</sup> Department for Work & Pensions, Official Statistics: Universal Credit statistics, 29 April 2023 to 9 January 2025, [www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-9-january-2025/universal-credit-statistics-29-april-2013-to-9-january-2025](http://www.gov.uk/government/statistics/universal-credit-statistics-29-april-2013-to-9-january-2025/universal-credit-statistics-29-april-2013-to-9-january-2025)

<sup>7</sup> HM Revenue & Customs, Child Benefit Statistics: annual release, data at August 2024, [www.gov.uk/government/statistics/child-benefit-statistics-annual-release-august-2024/child-benefit-statistics-annual-release-august-2024](http://www.gov.uk/government/statistics/child-benefit-statistics-annual-release-august-2024/child-benefit-statistics-annual-release-august-2024)

### Proportion of clients in receipt of benefits

	2023	2024	2025
Universal credit	37%	39%	<b>40%</b>
Child benefit	33%	31%	<b>29%</b>
DLA/PIP (adult)	13%	13%	<b>13%</b>
Housing benefit	6%	6%	<b>6%</b>
DLA/PIP (child)	4%	4%	<b>4%</b>
ESA	5%	4%	<b>3%</b>
Child tax credit	5%	2%	<b>1%</b>
Other benefits	5%	4%	<b>3%</b>
<b>SUM: all clients in receipt of benefits incl. child benefit</b>	57%	55%	<b>54%</b>
<b>SUM: all clients in receipt of benefits excl. those with only child benefit</b>	48%	48%	<b>47%</b>

# Demographics

## Family composition

In 2025, just below a half (47%) of new clients had children. This is one percentage point lower than 2024 (48%), and 2025 marks the second consecutive year where this figure has fallen. However, the proportion of clients with children remains significantly higher than the proportion of adults across the UK with children (28%).

The largest family demographic amongst new StepChange clients remains those that are single without children. In 2025, this group made up over two in five (41%) of clients, which is two percentage points higher than 2024.

Single parents have been historically overrepresented in StepChange’s client base. Our 2021 report [The single parent debt trap](#) demonstrated the low financial resilience and high exposure to risk factors, for problem debt, amongst single parents. In 2025, these issues persist, with single parents significantly overrepresented in StepChange’s client base, accounting for around one in four (26%) versus the UK population, where they account for one in 14 (7%).

In contrast, couples without children are consistently underrepresented in StepChange’s client base. In 2025, this group makes up one in eight (12%) new clients, which is unchanged from 2023. Across the UK population, couples without children make up over one in three (35%) households.

<sup>8</sup> [www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/datasets/familiesandhouseholds](https://www.ons.gov.uk/peoplepopulationandcommunity/birthsdeathsandmarriages/families/datasets/familiesandhouseholds)

### Family composition among new clients

	2023	2024	2025	UK average <sup>8</sup>
Single with children	27%	27%	<b>26%</b>	7%
Couple with children	22%	21%	<b>21%</b>	22%
<b>SUM: with children</b>	<b>49%</b>	<b>48%</b>	<b>47%</b>	<b>28%</b>
Single without children	39%	39%	<b>41%</b>	36%
Couple without children	12%	12%	<b>12%</b>	35%
<b>SUM: without children</b>	<b>51%</b>	<b>52%</b>	<b>53%</b>	<b>71%</b>

# Demographics

## Gender

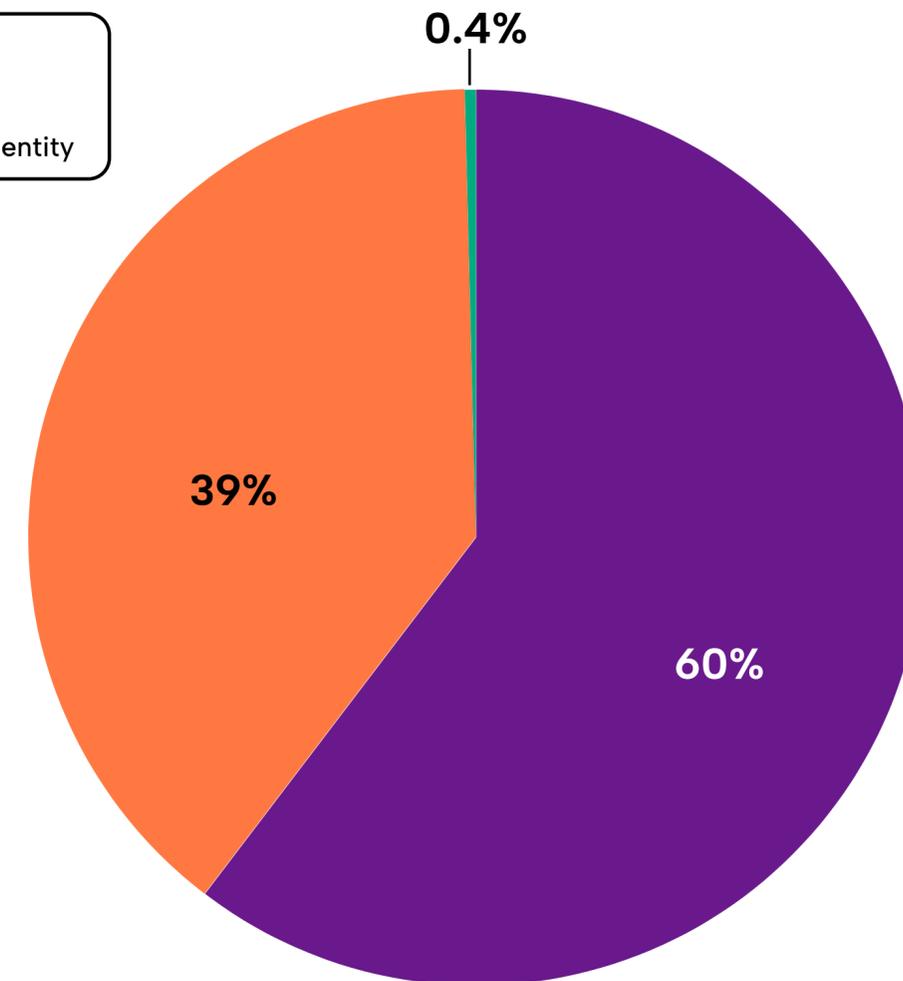
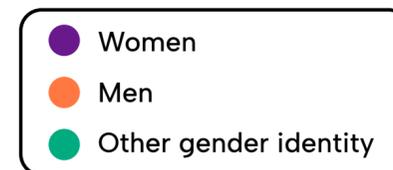
StepChange has historically recorded more women seeking debt advice than men. This trend has continued in 2025, with 60% of new clients being women. However, for the second consecutive year we have seen a slight uptick in the proportion of men seeking debt advice. This has grown from 38% in 2024, to 39% in 2025, and represents a two-percentage points increase versus 2023.

Women have historically been disproportionately impacted by problem debt, as reflected in our report [Bearing the burden](#). However, broad issues in financial resilience across the population may be driving the steady rise in men seeking debt advice. Research by The Money Charity points to a sharp rise in both job insecurity and insolvencies throughout 2025.<sup>9</sup> Amongst new StepChange clients in 2025, 14% of men reported being unemployed and looking for work, versus 10% of women.

### Gender among new clients

	2023	2024	2025
Women	63%	62%	<b>60%</b>
Men	37%	38%	<b>39%</b>
Other gender identity	0.3%	0.4%	<b>0.4%</b>

### Gender among new clients in 2025



<sup>9</sup> The Money Charity, The Money Statistics January 2026, [www.themoneycharity.org.uk/money-statistics/](http://www.themoneycharity.org.uk/money-statistics/)

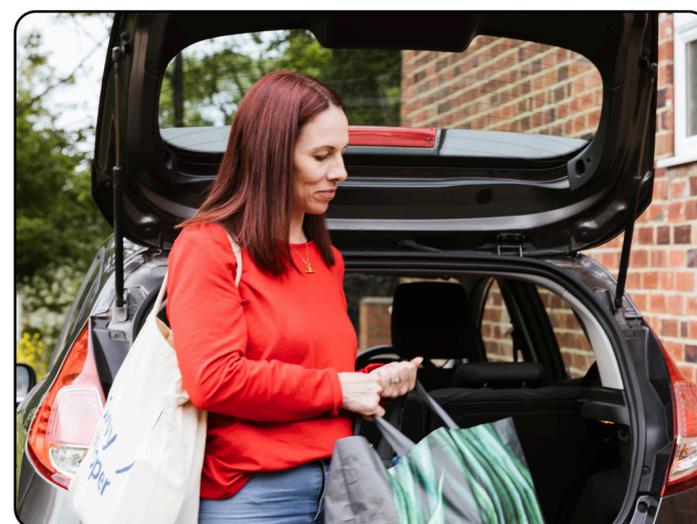
# Demographics

## Age

The average age among new StepChange clients in 2025 was 39, which is unchanged compared to 2024.

In 2025, one in three (33%) StepChange clients were aged 25–34, and 28% were aged 35–44. Both groups are unchanged versus 2024 and remain significantly overrepresented versus the wider UK population.

Furthermore, the proportion of StepChange clients aged 18–24 has increased by one percentage point between 2024 and 2025, from 10% to 11%. This proportion is now on par with the wider UK adult population.



### Age groups of clients

	2023	2024	2025	All adults: UK average <sup>10</sup>
18–24	11%	10%	11%	11%
25–34	33%	33%	33%	17%
35–44	27%	28%	28%	17%
45–54	17%	17%	17%	15%
55–64	9%	9%	9%	16%
65 and over	4%	3%	3%	24%

<sup>10</sup> ONS Mid-2024 dataset on estimates of the population for the UK, England, Wales, Scotland and Northern Ireland

# Demographics

## Ethnicity

StepChange has now been collecting data on the ethnicity of new clients for three full calendar years. This allows for deeper year-on-year trend analysis versus previous years of reporting.

In 2025, the most common high level ethnic group among clients in the UK remains “White” at 85%. This is the same proportion as in 2024 and is one-percentage point lower than the first full year of data collection in 2023 (87%). The proportion of new StepChange clients identifying as “White” in England and Wales was 84% in 2025, versus 85% in both 2024 and 2023.

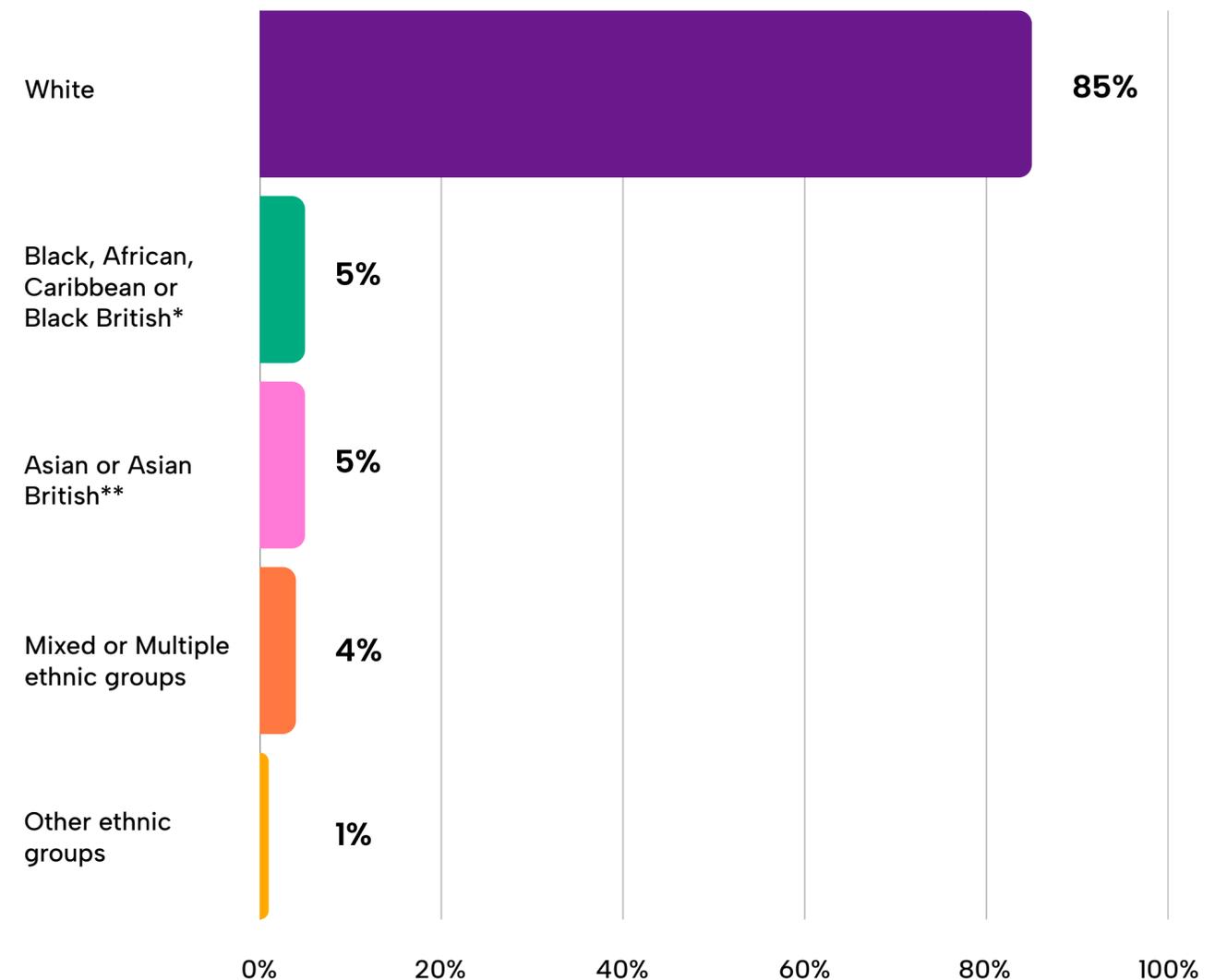
The proportion of StepChange clients identifying as “Mixed or Multiple ethnic groups” in England and Wales is overrepresented versus the adult population. In 2025, 4% of new clients identified as “Mixed or Multiple ethnic

groups” in England and Wales, which is two percentage points higher than the proportion of the population identifying as this group. This is also one percentage points higher than the figure recorded in 2024 (3%).

Both in 2024 and 2025, 5% of new clients in England and Wales identified as “Black, African, Caribbean or Black British”. This is an overrepresentation of one percentage point versus the adult population of England and Wales (4%).

As in both 2023 and 2024, the proportion of new StepChange clients identifying as “Asian or Asian British” or “Other ethnic groups” remains lower than the adult population. The proportion identifying as “Asian or Asian British” in England and Wales is unchanged from 2024 to 2025 (both 5%).

■ Ethnicity of new UK clients in 2025



# Demographics

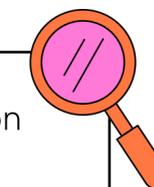
## Ethnicity

### Ethnicity of new clients

	UK clients			England and Wales clients			England and Wales population <sup>11</sup>
	2023	2024	2025	2023	2024	2025	
White	87%	86%	<b>85%</b>	85%	85%	<b>84%</b>	84%
Black, African, Caribbean or Black British*	5%	5%	<b>5%</b>	5%	6%	<b>5%</b>	4%
Asian or Asian British**	4%	4%	<b>5%</b>	5%	5%	<b>5%</b>	9%
Mixed or Multiple ethnic groups	4%	4%	<b>4%</b>	4%	3%	<b>4%</b>	2%
Other ethnic groups	1%	1%	<b>1%</b>	1%	1%	<b>1%</b>	2%

\* England and Wales population includes "Black Welsh"

\*\* England and Wales population includes "Asian Welsh"



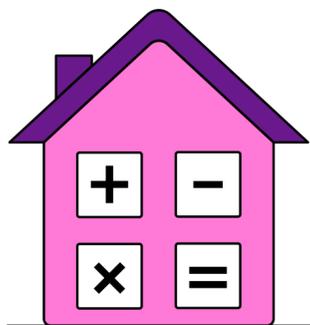
<sup>11</sup> ONS Census 2021 dataset on ethnic group by age and sex in England and Wales, filtered on those aged 18 and over

# Demographics

## Housing tenure

Rented accommodation remains the most common form of housing for new StepChange clients in 2025, with over three in five (61%) living in rented homes. However, this is two percentage points lower than in 2024 (63%).

Whilst the proportion of new clients living in privately rented accommodation has increased by one percentage point between 2024 (32%) and 2025 (33%), the proportion renting from a council or housing association has fallen from 30% in 2024 to 29% in 2025. This is the second consecutive year where the number of new clients living in social housing has fallen.



Overall, homeownership amongst new clients remains unchanged at 18% in 2025, the same proportion reported in both 2023 and 2024. The proportion in a mortgaged property has fallen one percentage point in the same timeframe.

The proportion of new clients living with family continues to rise year-on-year. In 2025, 15% of clients reported living with family, versus 14% in 2024. This is a further increase from the 13% reported in 2023.

The number of clients aged 18-24 who report living with family is significantly higher, standing at 43% in 2025. Our client insights report [Debt's early grip](#) highlighted a complex mix of factors driving more young people to live with family, including rapidly increasing housing costs, job uncertainty, and shifts in social norms.

### Housing tenure

	2023	2024	2025
<b>Renting – private landlord</b>	33%	32%	<b>33%</b>
<b>Renting – council or housing association</b>	31%	30%	<b>29%</b>
<b>SUM: renting</b>	<b>64%</b>	<b>63%</b>	<b>61%</b>
<b>Own property outright</b>	3%	2%	<b>2%</b>
<b>Mortgaged</b>	14%	14%	<b>13%</b>
<b>Shared ownership (mortgage and rent)</b>	2%	2%	<b>2%</b>
<b>SUM: homeowner</b>	<b>18%</b>	<b>18%</b>	<b>18%</b>
<b>Other</b>	3%	3%	<b>3%</b>
<b>Living with family</b>	13%	14%	<b>15%</b>
<b>Board payment (not with family)</b>	2%	3%	<b>3%</b>

# Demographics

## Vulnerability

Compared to 2024, in 2025 more clients had an additional vulnerability beyond their financial situation. The proportion has increased by two percentage points from 52% in 2024, to 54% in 2025.

As in previous years, StepChange clients are more likely to experience a mental health vulnerability. The proportion has also grown here year-on-year, to nearly two in five (37%) clients in 2025, up one percentage point from 2024.

Research by the Money and Mental Health Policy Institute highlights how common symptoms of mental health vulnerabilities can greatly impact people’s financial resilience and raise the risk of financial exclusion.<sup>12</sup>

A vulnerability includes experiencing things such as physical, neurological and mental health conditions, learning and development difficulties, hearing or vision impairments, communication difficulties, addiction and many other situations which can make dealing with problem debt more challenging. Clients can have multiple vulnerabilities, and some vulnerabilities can be temporary.

<sup>12</sup> Money and Mental Health Policy Institute, Who’s in: Financial inclusion that delivers for people with mental health problems, September 2025, [www.moneyandmentalhealth.org/publications/whos-in-financial-inclusion/](http://www.moneyandmentalhealth.org/publications/whos-in-financial-inclusion/)

### Vulnerabilities among clients

	2023	2024	2025
Any vulnerability total	55%	52%	54%
Any mental health vulnerability	38%	36%	37%



# Demographics

## Location

In 2025, we have updated our approach to how we categorise regional and national data for clients. We now use postcode lookup to provide us with exact matches for where our clients reside. This provides us with a more accurate picture of regional and national distribution. To maintain comparability across years, we have retrospectively applied this approach to historical 2024 data.

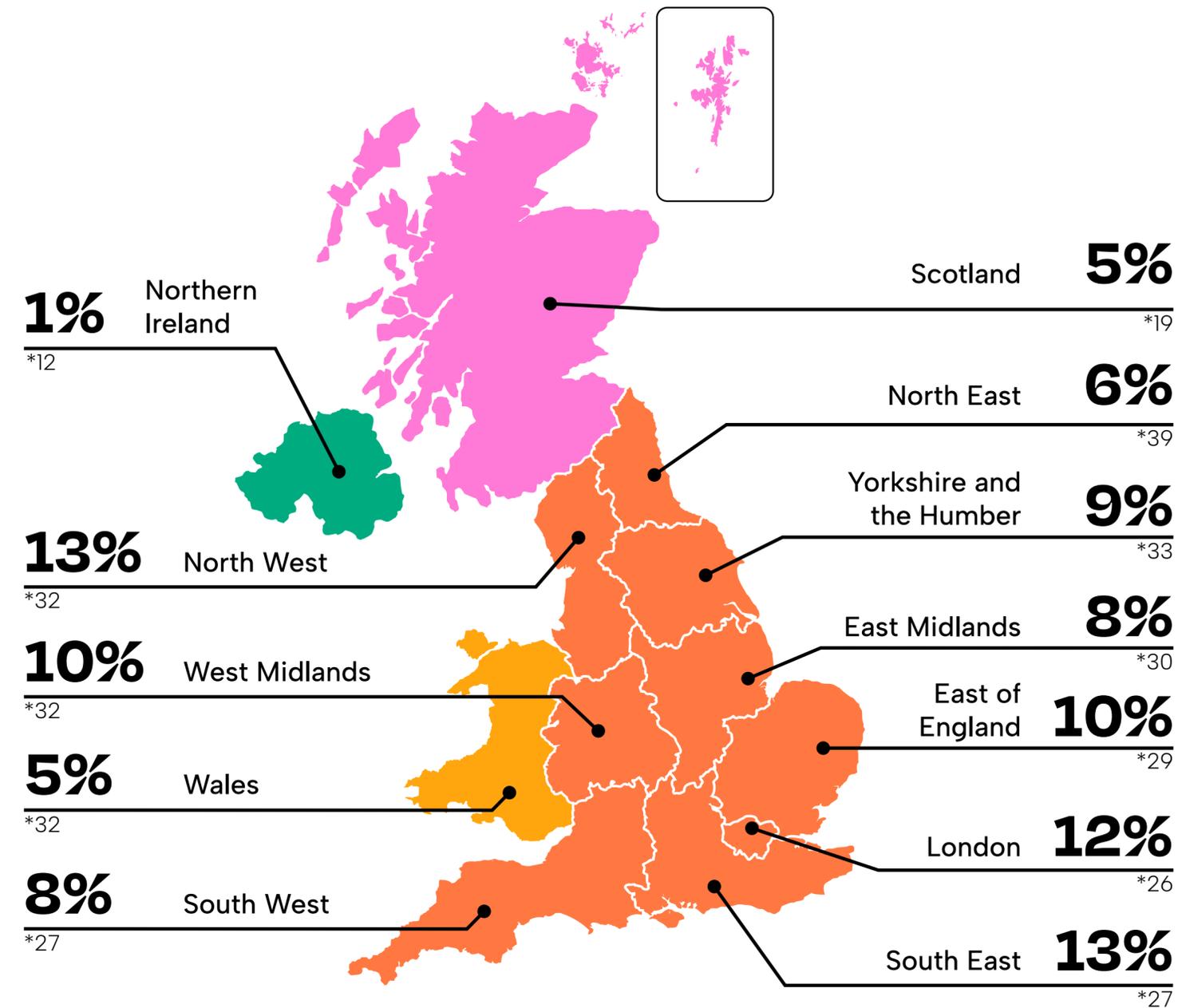
Furthermore, to account for variations in counts across regions and nations year to year, we have weighted our data for the previous year (2024), so it is in line with the given year (2025), when calculating the number of clients per 10,000 of the local population. Weighting the data in this way enables us to make comparisons year-on-year and accounts for variations in sample size.

As in previous years, in 2025, the majority of new StepChange clients were in England (88%). The percentage of StepChange clients from Scotland (5%), Wales (5%), and Northern Ireland (1%) also remains unchanged year-on-year.

However, the concentration of StepChange clients per 10,000 adults between 2024 and 2025 has marginally increased in Scotland (18 to 19 per 10,000 adults) and Northern Ireland (11 to 12 per 10,000 adults). In contrast, the concentration of StepChange clients in England between 2024 and 2025 is unchanged (30 per 10,000 adults). In Wales, there has been a marginal fall in the concentration of clients year-on-year (from 33 to 32 per 10,000 adults).

In 2025, the South East (13%) had the highest proportion of StepChange clients, closely followed by the North West of England (13%) and London (12%). Whereas in 2024, the highest proportion of clients were from the North West of England.

As in 2024, the North East of England has the highest concentration of new StepChange clients. In both 2024 and 2025, this stood at 39 per 10,000 adults. Whilst London has one of the highest proportions of StepChange clients in 2025, the concentration is the lowest (26 per 10,000 adults) amongst all English regions. However, this is a slight uplift on the concentration recorded in 2024 (24 per 10,000 adults).



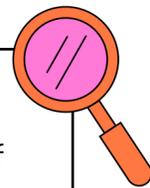
# Demographics

## Location

### Location among clients

Nation	2025	Clients per 10,000 of local population*
UK	100%	28
Wales	5%	32
England	88%	30
Scotland	5%	19
Northern Ireland	1%	12

\* Table has been ranked by clients per 10,000 of the local population



Region	2025	Clients per 10,000 of local population*
North East	6%	39
Yorkshire and the Humber	9%	33
North West	13%	32
West Midlands	10%	32
East Midlands	8%	30
East of England	10%	29
South East	13%	27
South West	8%	27
London	12%	26

# Arrears and unsecured debts

## Household bills arrears

Across individual household arrears types, all remain unchanged or have fallen between 2024 and 2025. The overall percentage of clients in household arrears has fallen from 47% in 2024, to 44% in 2025. This represents a drop of three percentage points.

Despite the proportion of those in household arrears falling overall, the average amount owed for each bill has increased substantially from 2024 to 2025. Average household arrears levels have increased from £3,911 to £4,345 year-on-year, a rise of 11%, or £434.



The average amount of mortgage arrears grew more than any other household arrears type, with an increase from £10,239 in 2024, to £12,534 in 2025. This represents an increase of 22%. Whilst average mortgage arrears continue to increase post-cost of living crisis, the rate of increase has reduced. In comparison, between 2023 and 2024, average mortgage arrears grew by 69%.

Whilst the proportion of those in rent arrears has fallen slightly from 20% to 18%, the average amount of rent arrears amongst new clients has risen from £2,055 in 2024 to £2,372 in 2025. Similarly, the proportion of clients in council tax arrears has remained fairly flat at one in three (33%), but the size of arrears has grown from £1,972 in 2024, to £2,137 in 2025. Whilst fewer clients are in arrears in 2025, the level of indebtedness amongst those who are in arrears is deepening.

## Household arrears and average arrears amounts

	% of clients in arrears		Average amount of arrears	
	2024	2025	2024	2025
Dual Fuel	47%	<b>46%</b>	£2,293	<b>£2,500</b>
Electricity	28%	<b>28%</b>	£1,874	<b>£2,036</b>
Gas	21%	<b>20%</b>	£1,422	<b>£1,610</b>
<b>SUM: energy</b>	<b>40%</b>	<b>37%</b>	<b>£2,340</b>	<b>£2,560</b>
Council tax	34%	<b>33%</b>	£1,972	<b>£2,137</b>
Water	23%	<b>22%</b>	£1,242	<b>£1,328</b>
Rent	20%	<b>18%</b>	£2,055	<b>£2,372</b>
Mortgage	18%	<b>16%</b>	£10,239	<b>£12,534</b>
TV Licence	3%	<b>3%</b>	£112	<b>£122</b>
<b>SUM: household arrears<sup>13</sup></b>	<b>47%</b>	<b>44%</b>	<b>£3,911</b>	<b>£4,345</b>

<sup>13</sup> This includes the following bill types: dual fuel, electricity, gas, council tax, water, rent, mortgage, TV licence, and ground rent/service charges

# Arrears and unsecured debts

## Unsecured debts and arrears

The average (mean) total unsecured debt<sup>14</sup> amount per client in 2025 increased by £1,202 compared to 2024, from £15,672 in 2024 to £16,874 in 2025. This represents an 8% increase.

### Average unsecured debt amounts

	2023	2024	2025
Mean	£14,654	£15,672	<b>£16,874</b>
Median	£8,874	£9,398	<b>£9,999</b>

In 2025, the average (mean) arrears and unsecured debt amount total<sup>15</sup> increased by £1,765 compared to 2024, from £17,936 to £19,701. This represents an increase of 10%.

### Average arrears and unsecured debt amounts at advice

	2023	2024	2025
Mean	£16,706	£17,936	<b>£19,701</b>
Median	£10,528	£11,431	<b>£12,026</b>

<sup>14</sup> Unsecured debts account for all debts recorded at the time of advice, other than arrears on essential household bills, such as council tax, utility bills and rent, and secured lending against a property

<sup>15</sup> This total includes all unsecured and secured debts and arrears recorded at the time of advice



# Arrears and unsecured debts

## Unsecured debts

The proportion of clients with personal loan debts at the time of advice has increased by three percentage points year-on-year from 45% in 2024 to 48% in 2025. This is the only unsecured debt type where there has been a year-on-year increase.

Personal loan debts have the highest average balance amongst all unsecured debt types, and this has risen from £9,403 in 2024 to £9,789 in 2025. This represents a 4% increase year-on-year, with average personal debt amounts up by £386.

Although the proportion of clients with personal debt loans has increased, credit cards remain as the most common unsecured debt type held by clients. Two in three (67%) new clients were in credit card debt in 2025, which is unchanged from 2024.

Clients in full-time employment are significantly more likely to hold credit card debt, with four in five (81%) holding this debt type in 2025. Our client insights report [In work. But still in debt.](#) demonstrates that clients in full-time employment are consistently more likely to hold higher amounts of unsecured debts than all working age clients, which may be due to a higher income level providing them with greater access to credit products.

The average amount of credit card debt per client increased by £597 year-on-year, from £7,424 in 2024 to £8,021 in 2025.

Whilst the proportion of clients with overdraft or store card debt has fallen year-on-year between 2024 and 2025, the average amount of debt for each type has increased. In contrast, both the proportion and amount of catalogue debt has fallen between 2024 and 2025.

## Most common unsecured debt types

	% of clients with debt type		Average amount of debt	
	2024	2025	2024	2025
Credit card	67%	<b>67%</b>	£7,424	<b>£8,021</b>
Personal loan	45%	<b>48%</b>	£9,403	<b>£9,789</b>
Overdraft	32%	<b>31%</b>	£1,558	<b>£1,604</b>
Catalogue	29%	<b>26%</b>	£1,790	<b>£1,780</b>
Store card	11%	<b>11%</b>	£1,187	<b>£1,240</b>
Payday loan	8%	<b>8%</b>	£1,430	<b>£1,487</b>

# Arrears and unsecured debts

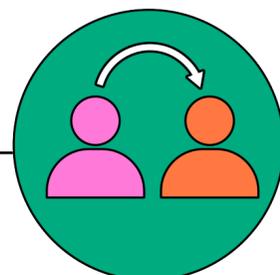
## Debt owed to friends and family

The proportion of clients owing money to their family and friends in 2025 stands at just over one in seven (15%) clients, down one percentage point from 2024 (16%).

The average amount of debt clients owed to family and friends increased by £195 from £3,605 in 2024 to £3,800 in 2025.

### Debt owed to family and friends

	2023	2024	2025
% with debt to family and friends	16%	16%	15%
Average debt to family and friends	£3,328	£3,605	£3,800



# Conclusion

**The Statistics Yearbook report provides insights into the landscape of personal debt in the UK, by tracking patterns in the demographics and financial circumstances of new clients seeking debt advice.**

Whilst the number of new clients completing first time debt advice is lower than last year, StepChange continues to provide support to tens of thousands across the country – and is continuing to adapt to an everchanging debt landscape.

The charity continues to provide advice to an increasingly diversified pool of clients. Our demographic analysis highlights that financial difficulty impacts widely: the proportion of new clients in full-time employment continues to rise, a majority are not in receipt of benefits (excl. child benefit), and the proportion of men seeking advice is steadily increasing year-on-year, despite their historical underrepresentation in our services.

Compared to the heights of the cost of living crisis in 2023, new clients are presenting with slightly higher income levels, and fewer remain in a negative budget versus 2024. However, with three in ten (28%) still seeing their monthly expenditure outpace their monthly income, financial vulnerability is evidently extremely widespread even as cost of living pressures wane as the primary reason for debt.

StepChange endeavours to continually track these yearly changes to understand how economic and personal finance pressures shift in the UK. The continued disproportionate impact of problem debt on certain demographic groups – such as renters, women, and younger people – provides a strong evidence base for continued advocacy for long term policy changes in the UK, to better support people through financial difficulty.



**Editor: Maya Fraser-Hall**

For help and advice with problem debts call (Freephone)  
0800 138 1111 Monday to Friday 8am to 8pm and Saturday  
8am to 2pm, or use our [online debt advice tool](#).

**Get in touch:**



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