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.

What debts do people have?

The average unsecured debt of our clients in the first six months of 2016 was £13,826. 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.
Demand for debt advice

OVERALL 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.

REGIONAL DEMAND


Statistics Mid-Yearbook: Personal Debt 2016
Unsecured debts

**Unsecured debts over time**

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Debt</th>
<th>% of Clients Debt Advised</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1 2014</td>
<td>£3,176</td>
<td>20%</td>
</tr>
<tr>
<td>H2 2014</td>
<td>£3,372</td>
<td>23%</td>
</tr>
<tr>
<td>H1 2015</td>
<td>£3,570</td>
<td>26%</td>
</tr>
<tr>
<td>H2 2015</td>
<td>£3,772</td>
<td>27%</td>
</tr>
<tr>
<td>H1 2016</td>
<td>£4,046</td>
<td>28%</td>
</tr>
</tbody>
</table>

**Average total unsecured debt per client**

- 2011: £1,098
- 2012: £1,380
- 2013: £2,046
- 2014: £1,354
- 2015: £8,657
- H1 2016: £2,046
- H2 2016: £1,380

**Unsecured debt type**

- **Credit Card**: £8,078 (66.8%)
- **Overdraft**: £1,679 (52.8%)
- **Personal Loan**: £1,098 (43.9%)
- **Catalogue**: £8,657 (36.1%)
- **Payday Loan**: £1,380 (16.1%)
- **Store Card**: £1,354 (12.4%)
- **Home Credit**: £1,046 (8.1%)
- **Loans from family & friends**: £8,657

**Average total unsecured debt per client:**

- 2011: £10,000
- 2012: £15,000
- 2013: £15,000
- 2014: £20,000
- 2015: £15,000
- H1 2016: £15,000
- H2 2016: £15,000
Arrears on household bills

**ARREARS ON ESSENTIAL HOUSEHOLD BILLS H1 2016**

<table>
<thead>
<tr>
<th>Bill</th>
<th>Average Arrears</th>
</tr>
</thead>
<tbody>
<tr>
<td>Council Tax</td>
<td>£957</td>
</tr>
<tr>
<td>Water</td>
<td>£739</td>
</tr>
<tr>
<td>Gas</td>
<td>£543</td>
</tr>
<tr>
<td>TV Licence</td>
<td>£78</td>
</tr>
<tr>
<td>Electricity</td>
<td>£660</td>
</tr>
<tr>
<td>Rent</td>
<td>£954</td>
</tr>
<tr>
<td>Mortgage</td>
<td>£3,037</td>
</tr>
</tbody>
</table>

*Average arrears amounts are additional to the £13,826 average unsecured debt.
## Arrears on household bills

### ARREARS ON ESSENTIAL HOUSEHOLD BILLS OVER TIME

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Council Tax</td>
<td>14.0%</td>
<td>21.8%</td>
<td>25.1%</td>
<td>28.3%</td>
<td>30.1%</td>
<td>30.1%</td>
</tr>
<tr>
<td>Electricity</td>
<td>8.3%</td>
<td>11.5%</td>
<td>13.3%</td>
<td>14.2%</td>
<td>13.8%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Gas</td>
<td>8.2%</td>
<td>11.2%</td>
<td>12.9%</td>
<td>13.6%</td>
<td>12.7%</td>
<td>11.8%</td>
</tr>
<tr>
<td>Mortgage</td>
<td>24.2%</td>
<td>28.3%</td>
<td>29.9%</td>
<td>27.1%</td>
<td>24.1%</td>
<td>23.4%</td>
</tr>
<tr>
<td>Rent</td>
<td>14.5%</td>
<td>20.6%</td>
<td>23.6%</td>
<td>25.0%</td>
<td>24.9%</td>
<td>23.5%</td>
</tr>
<tr>
<td>TV Licence</td>
<td>3.4%</td>
<td>5.3%</td>
<td>6.9%</td>
<td>7.0%</td>
<td>7.6%</td>
<td>7.8%</td>
</tr>
<tr>
<td>Water</td>
<td>10.9%</td>
<td>15.8%</td>
<td>19.9%</td>
<td>22.4%</td>
<td>24.2%</td>
<td>24.2%</td>
</tr>
</tbody>
</table>

*Based on clients with this type of expenditure only*
A picture of those in debt

**Employment Status**

- Employed full time
- Employed part time
- Full-time carer
- Looking after the family
- Retired
- Self employed
- Student
- Unemployed

**Housing Tenure**

- Homeowners
- Renters

- Proportion of clients
- 2011: 44.6%
- 2012: 39.0%
- 2013: 33.3%
- 2014: 28.6%
- 2015: 24.6%
- H1 2016: 22.7%

**Income and Surplus**

- Annual (net) income
- 2011: £17,100
- 2012: £17,000
- 2013: £16,900
- 2014: £16,800
- 2015: £16,700
- H1 2016: £16,600

*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

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Statistics Mid-Yearbook: Personal Debt 2016
**FAMILY COMPOSITION H1 2016**

- **26.5%** Couples with children (23% UK Av.)
- **15.7%** Couples without children (36% UK Av.)
- **20.2%** Single with children (7% UK Av.)
- **37.6%** Single without children (34% UK Av.)

Source: ONS Families and Households, 2015

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](#).

Email: policy@stepchange.org  |  Web: www.stepchange.org  |  Twitter: @stepchange