

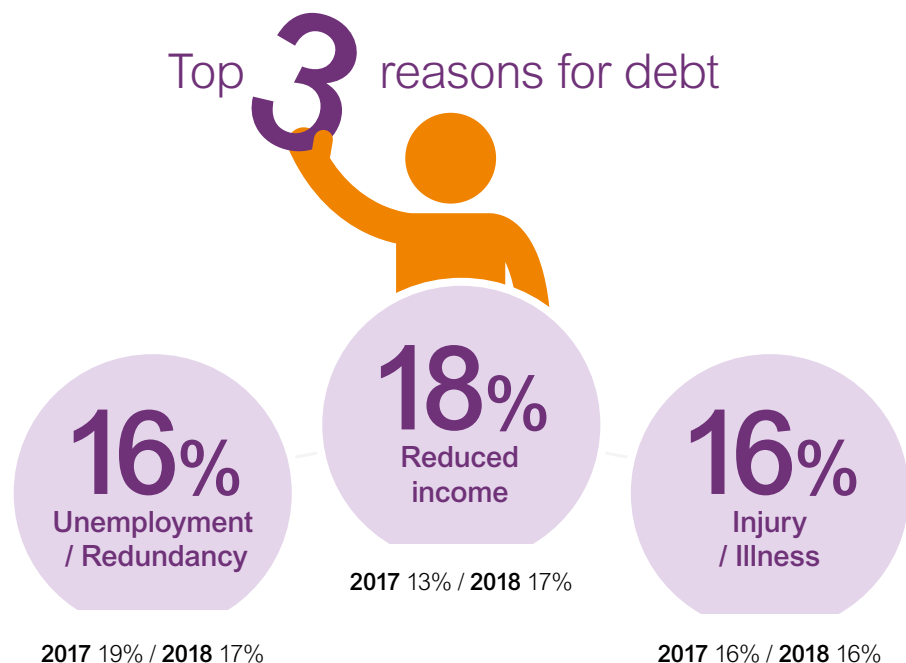
# Statistics Yearbook

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Personal debt in the UK January - December 2019

Last year, 635,091 new clients contacted us for advice with their problem debt. This is equivalent to one new client every 49 seconds.

# Reasons for debt in 2019\*



Three quarters (75%) of new clients say a life event or income shock such as experiencing an illness, a reduction to their income or unemployment was the main reason for their problem debt.

The other most common reasons for debt among new clients in 2019 are:

Lack of budgeting	11%	Pregnancy / Childbirth	2%
Separation / Divorce	10%	Irregular income	2%
Using credit for living expenses	6%	Caring for Relatives / Friends	1%
Increased priority expenditure	5%	Change in employment	1%
Reduced benefits	4%	Failed business	1%
One-off expense	3%	Retirement	1%
Bereavement	3%	Incapacity / Disability	0.3%

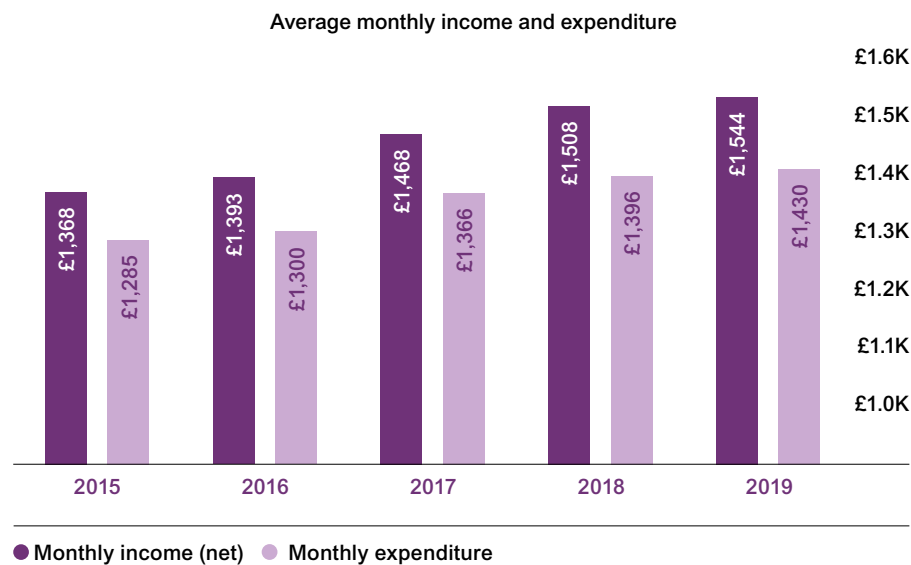
## Methodology

The statistics in this document, unless otherwise stated, are based on the 330,741 clients who received a debt advice session through our legacy advice systems, either on the telephone or online, rather than those who were advised through the charity's updated advice system. This is being rolled out across 2019 and 2020. In 2019, 92.5% of clients were advised through our legacy systems. Percentages in this report may not add up to 100% due to rounding.

\*based on telephone data only.

# Our clients

## Income, expenditure and surplus



### The average monthly surplus of our clients now stands at £89.

Although we have seen the average monthly income and surplus\* rise over recent years, we have also seen an increasing average monthly expenditure per client. In addition, our latest statistics reveal that three in ten clients (30%) had a negative budget\* at the time of advice, and almost two thirds of new StepChange clients (64%) have a yearly net income of under £20,000. The average monthly budget deficit for a client in a deficit budget is -£375.

\*Surplus is the amount of money left at the end of each month after clients have completed StepChange Debt Charity's debt advice and budgeting process. A negative budget describes where a client's monthly expenditure is greater than their monthly income after the advice and budgeting process.

## Employment

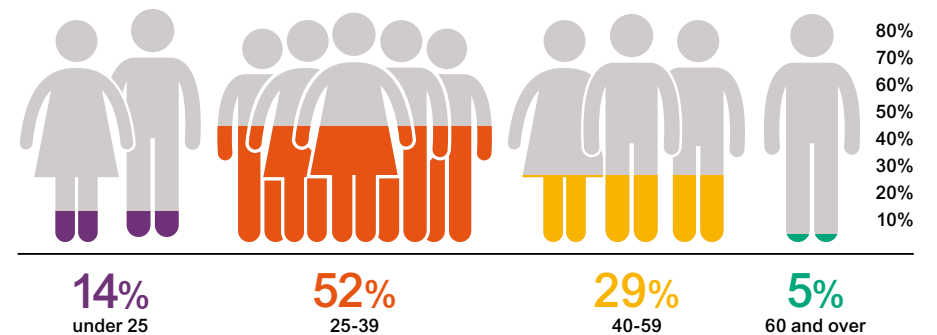
Over half of clients (53%) are from households where either they or their partner are in full-time or part-time employment.



- 14% Other
- 34% Unemployed
- 19% Employed part-time
- 34% Employed full-time

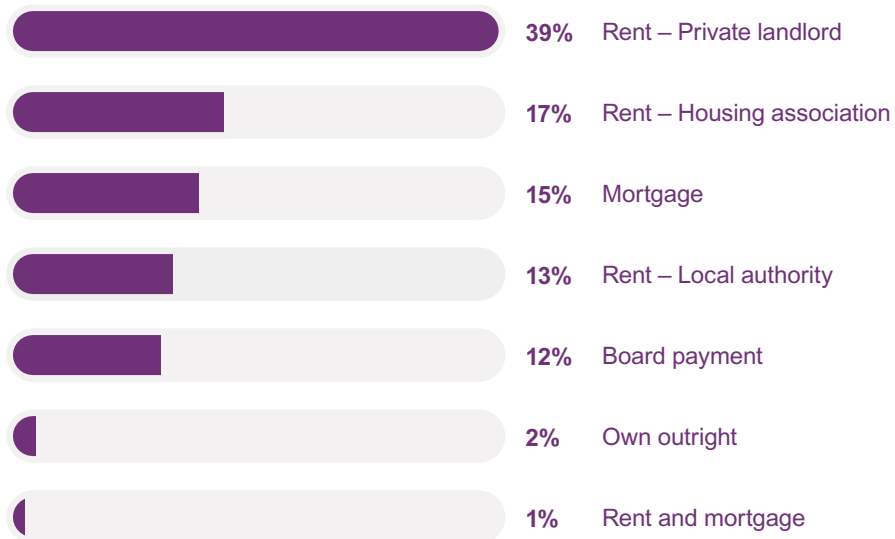
## Client age

We are continuing to see an increasing proportion of clients aged under 40 contacting us for advice, with two thirds of all clients (66%) aged between 18 and 39. This has risen from 57% in 2015. Comparably, only 37% of all UK adults are aged under 40.



## Housing

We are continuing to see a high proportion of clients renting their homes, including two in five of all new clients (39%) renting from a private landlord. This is almost double the proportion of all households who rent in the private rented sector across the UK (20%).



## Gender

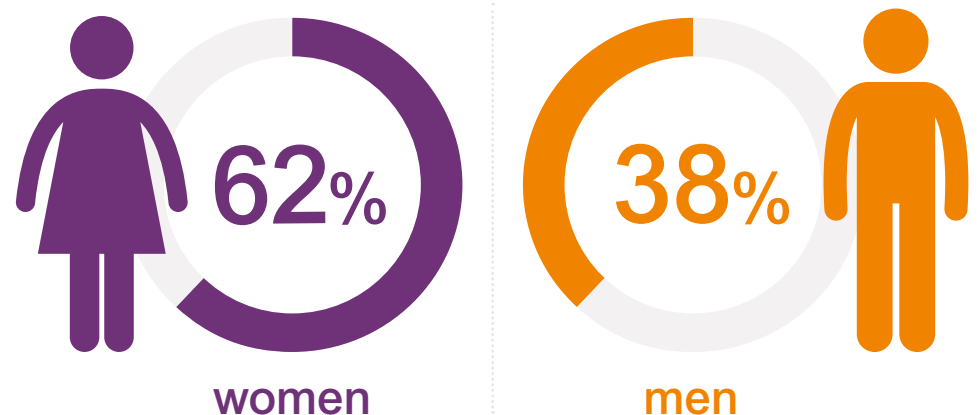
**Our latest statistics show an increasing proportion of women contacting us for debt advice over the past five years.**

In 2014, the gender split of our new clients was 57% women and 43% men. In 2019, 62% of our new clients were women. In the wider UK adult population, 51% are women, 49% are men.

**We also found that:**

- Women have lower average unsecured debts compared to men (£12,815 vs £16,243)
- Women are more likely to be in arrears: 44% of women were behind on at least one household bill compared to one third (33%) of men
- 87% of all new single parent clients who contacted us for advice in 2019 are women.

Gender split of clients contacting us for debt advice in 2019

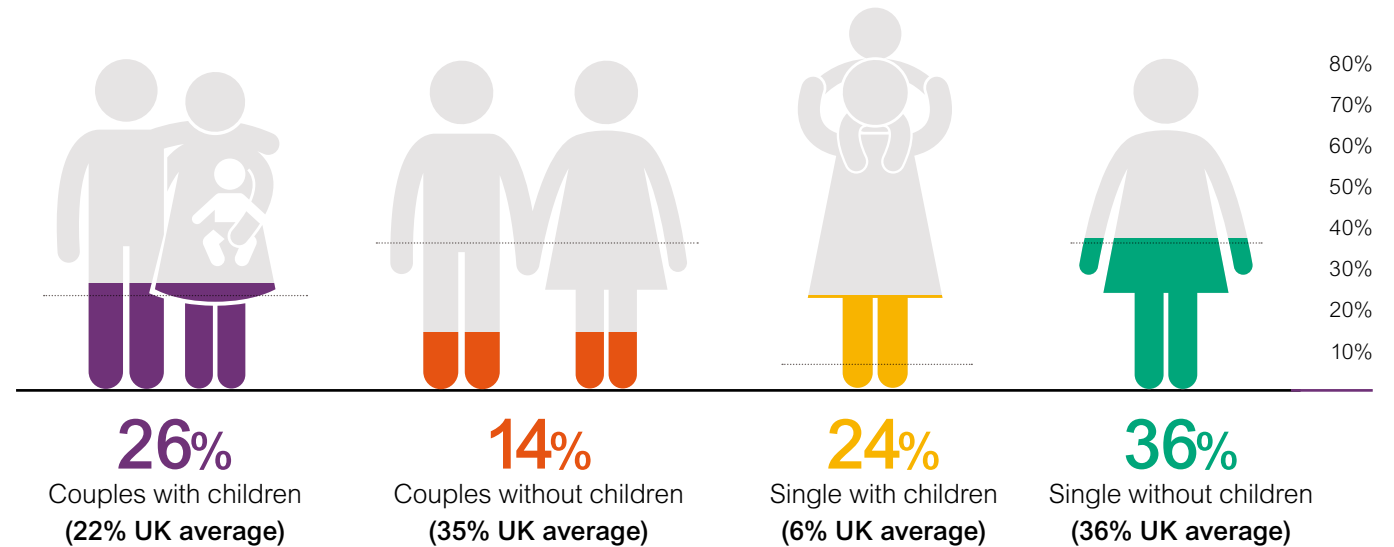


## Family composition

..... Using ONS estimates, UK average 2018

We continue to see an increasing proportion of single parent clients contacting us for advice.

**In 2015, 20% of clients were from single parent families. This proportion has now increased to 24%.**



## Clients in vulnerable situations

**Our latest statistics highlight that 44% of clients are in a vulnerable situation in addition to their financial difficulty. This includes physical health conditions, mental health conditions, learning disabilities, sight or hearing difficulties and other situations which can make dealing with problem debt particularly difficult.**

Among this group of clients, we are seeing an increasingly younger demographic; in 2017, 39% of clients in vulnerable situations were aged 18-39 and in 2019 this increased to 44%. However, vulnerable clients are more likely to be in older age groups than the average for all clients. 43% of vulnerable clients are aged 40-59, and 14% are aged over 60. Comparably, 29% of all clients are aged 40-59 and 5% are aged over 60.

In terms of family type, over half (52%) of clients in vulnerable situations are single without children, compared to 36% of all clients.

Vulnerable clients are also more likely to have fallen behind on at least one household bill, with three in five (60%) having at least one form of arrears.

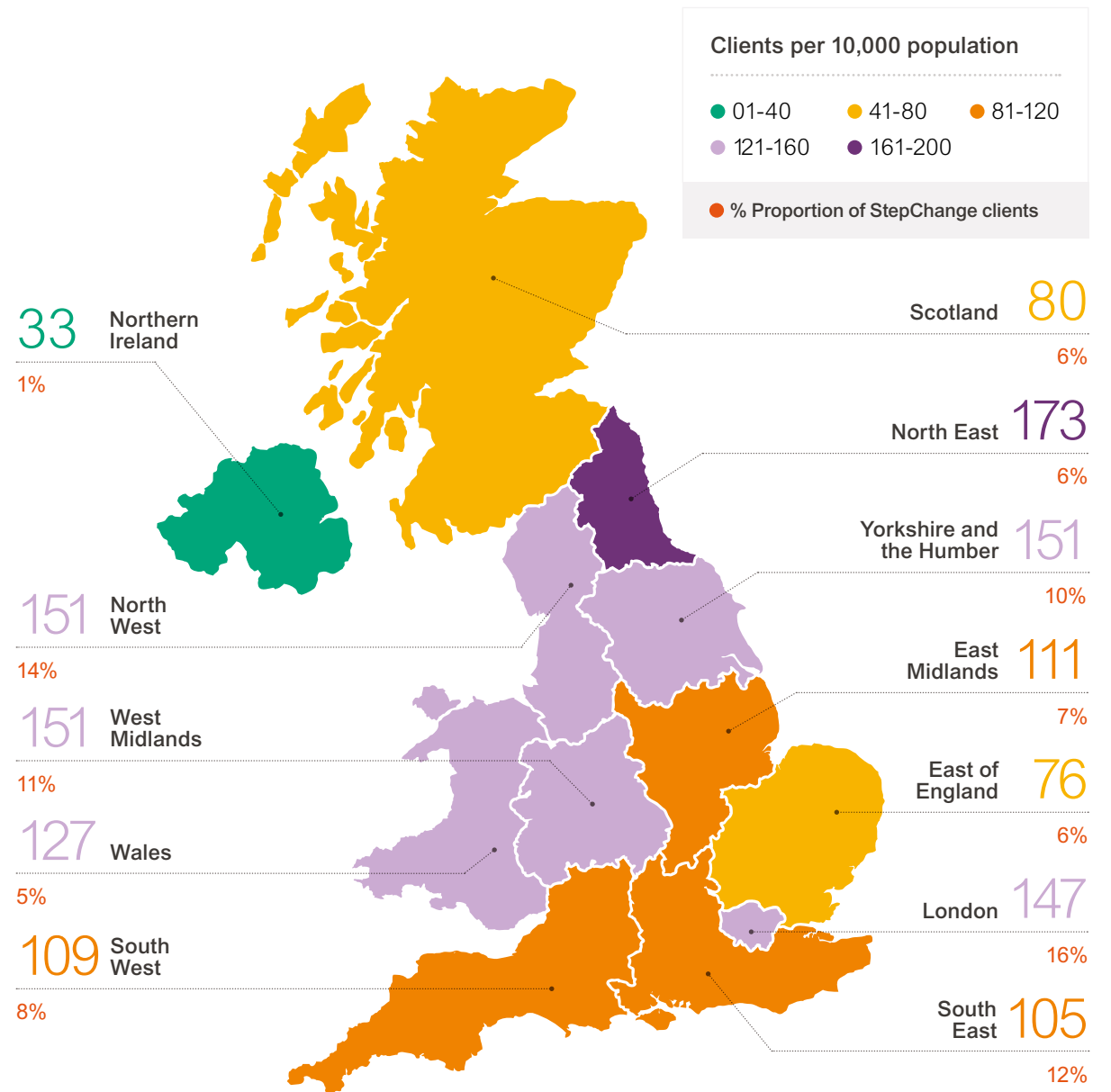
# Location

## Our clients' locations

In a similar trend to recent years, the English region with the highest proportion of StepChange clients per 10,000 of the local population is the North East.

At a national level, England and Wales have the highest proportion of clients per 10,000 of the population.

Nation	Clients per 10,000 of population
England	128
Wales	127
Scotland	80
Northern Ireland	33
United Kingdom	121



# Clients' debts

## Average debt amounts and types of debt

Type	2017		2018		2019	
Catalogue	35%	£1,939	34%	£1,971	35%	£2,114
Credit card	68%	£7,690	68%	£7,671	69%	£7,635
Other	41%	£4,298	41%	£4,249	43%	£4,521
Overdraft	50%	£1,607	47%	£1,510	46%	£1,490
Personal loan	46%	£8,332	47%	£8,601	48%	£9,034
Store card	12%	£1,108	12%	£1,184	13%	£1,291
Home credit	8%	£1,592	6%	£1,626	6%	£1,694
Payday loan	17%	£1,519	18%	£1,755	17%	£1,917

■ = % of clients with debt type ■ = Average debt owed to family and friends

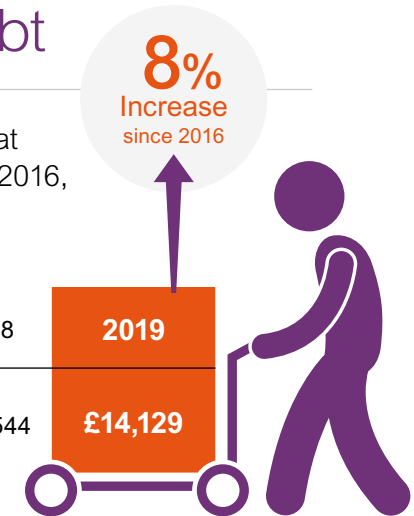
The proportion of clients with at least one credit card debt continues to rise: almost seven in ten (69%) new clients in 2019 had at least once credit card debt. Clients have on average 2.7 credit card debts.

Almost half of all clients (46%) also have at least one overdraft debt at the time of advice, with an average debt of £1,490. Men are slightly more likely to have an overdraft debt (49%) than women (44%).

## Average unsecured debt

The average unsecured debt per new client at the time of advice has risen by £1,058 since 2016, and **now stands at £14,129**.

	2015	2016	2017	2018	2019
Average unsecured debt	£13,173	£13,071	£13,280	£13,544	£14,129



## Loan from family and friends

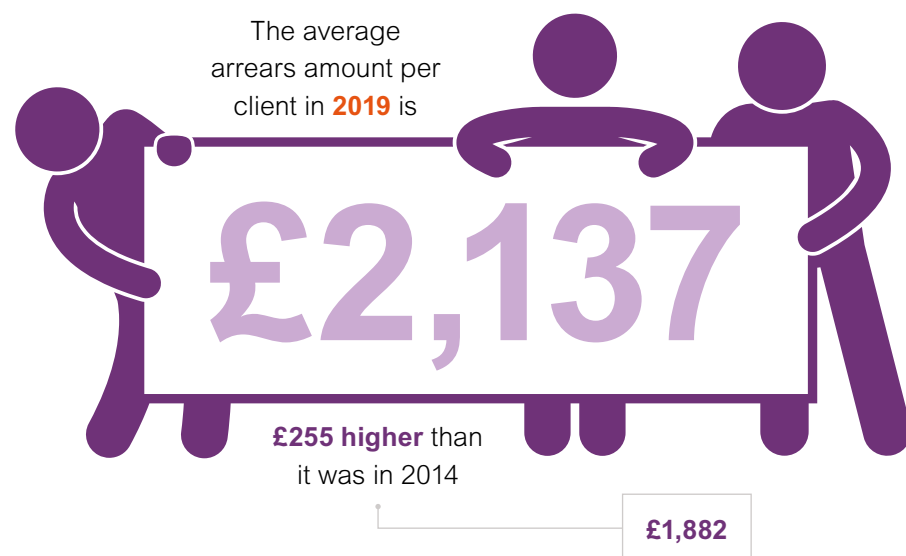
More than one third of all new clients had at least one debt owed to a family or friend at the time of advice.





## Arrears











The proportion of **new clients in arrears** remains high, with two in five new clients (40%) reporting to be behind on at least one household bill at the time of advice.



## Energy arrears

The proportion of clients with energy arrears has been increasing in recent years. In 2016, 13% of clients were in electricity arrears and 12% were in gas arrears. Our latest statistics for 2019 now highlight that 17% of clients are behind on their electricity bills at the time of advice and 13% are behind on their gas bills.

## Average arrears and amounts

Household bill type	% of clients in arrears with that expenditure	Number of clients in arrears	Average arrears amount
 Council Tax	30%	66,302	£1,146
 Water	24%	48,961	£804
 Rent	21%	44,386	£1,084
 Hire purchase	23%	13,179	£990
 Electricity	17%	42,392	£825
 Mortgage	17%	7,810	£2,977
 County Court Judgements	18%	5,593	£1,951
 Secured loan	17%	2,246	£3,045
 Gas	13%	23,109	£661
 TV licence	8%	16,569	£103

**Editor: Josie Warner**

For data tables, visit the [StepChange Debt Charity website.](#)

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.](#)

**Get in touch:**

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