

R3 Personal Debt Snapshot November 2017

The latest Personal Debt Snapshot survey of over 2,000 British adults conducted by the insolvency and restructuring trade body R3 and ComRes, showed that two-fifths (**41%**) of British adults are at least fairly worried about their current level of debt. A similar proportion (**40%**) say they sometimes or often struggle to make it to payday.

The survey, conducted in August 2017, also shows that **24%** of British adults say they do not have any savings at all at the moment (compared to **22%** in both February 2017 and September 2016).

Additionally, it was found that **40%** of British adults say they often or sometimes struggle to make it to payday, with the most common cause being the cost of food (cited by **56%** of those who often or sometimes struggle to make it to payday).

Key Findings

Among concerns about credit card debt, worries felt by those renting, and increasing problems with basics like the cost of food, the latest in the long-running survey on personal debt concerns found that:

Debt worries

- **41%** of British adults say they are at least fairly worried about their current level of debt – the same as the last survey in February 2017. This level of concern is slightly up from previous surveys in September 2016 (**38%**) and June 2016 (**37%**).
- As many as **60%** of adults aged 35-44 are at least fairly worried about their current level of debt – more than any other age group (lowest: over-65s, **13%**).
- Adults in full-time work (**52%**) are more likely to be at least fairly worried about their current level of debt than those in part-time work (**40%**) or those not in work (**29%**).
- Renters (**55%**) are more likely to be at least fairly worried about their current level of debt than homeowners (**33%**).
- Credit card debt remains by far the most frequently reported cause for concern among British adults who say they are at least fairly worried about their current level of debt, with half (**50%**) saying it worries them (similar to the **49%** in February 2017).
- Credit card worries are followed by worries about overdrafts (**20%** - no change from February 2017), bank loans (**18%** - up from **16%**), mortgage repayments (**16%** - down from **18%**), and loans from friends or family (**14%** - no change) – again amongst British adults who are worried about their current level of debt.
- **13%** of British adults worried about their current level of debt worry about student debt – but this rises to **65%** for those aged 18-24 (up from **31%** and **39%** in this age group in April and September 2012 – the last surveys before the introduction of the £9,000 cap on tuition fees).

Saving, Borrowing, Missed Payments and Falling Optimism

- **24%** of British adults say they do not have any savings at all at the moment (compared to **22%** in both February 2017 and September 2016).
- **40%** of renters say they do not have any savings at all at the moment (up from **37%** in February 2017), compared to **16%** of homeowners (up from **14%** in February 2017).
- **22%** of British adults think their personal financial situation will improve in the next six months (down from **25%** in February 2017) – which is still slightly higher than the **19%** who think their personal finance situation will get worse in the next six months (no change from February 2017).
- Younger British adults are most optimistic about their personal finances (**35%** of 25-34 year olds and **33%** of 18-24 year olds think their personal finances will improve in the next six months).
- 35-44 year olds and 55-64 year olds are the most pessimistic about their future finances (**25%** and **24%** respectively think their finances will worsen).

- **8%** of British adults are only paying the interest off on their credit card and not reducing the original debt itself (similar to the **7%** in February 2017).
- **8%** of British adults have borrowed £100 or more from friends or family in the last month (no change from February 2017).
- **4%** of British adults have missed a debt repayment deadline in the past month (no change from February 2017).

Struggles to Payday – Cost of Food Problems Increasing

- **40%** of British adults say they often or sometimes struggle to make it to payday, unchanged from February 2017.
- Struggles to payday are most common in Wales (**53%**), followed by London (**48%**) and Scotland (**42%**).
- The most common cause for struggling to payday is the cost of food (cited by **56%** of those who often or sometimes struggle to make it to payday), followed by: household energy costs (**40%**); fuel or transport costs (**33%**); credit card repayments (**31%**); spending on going out or non-essentials (**26%**); and paying for rent (**23%**) – by contrast, mortgage repayments are cited by **14%** of British adults.
- The proportion of British adults who say they struggle because of the cost of food has risen from **51%** in June 2016 while those who cite making credit card repayments has risen from **23%** in June 2016.
- **42%** of British adults aged 18-24 who often or sometimes struggle to payday cited spending on non-essentials or going out as a reason for their struggle – the most common factor in this age group and the highest proportion of any age group.
- British adults aged 18-24 were also the most likely to say they struggle to payday because of rent payments (**37%**).
- Rent payments are the 3rd most commonly cited reason for struggling to payday in London (**36%**) compared to 6th for Britain as a whole (**23%**).

If you would like to meet with R3 to discuss these details, or any other insolvency related issues, please contact R3's Communications & Public Affairs Assistant, Alex Clarke, on 020 7566 4202 or alex.clarke@r3.org.uk

Method: ComRes interviewed 2,022 British adults online between the 14th and 15th August 2017. The Data has been weighted to be representative of all British adults by age, gender, region and socio-economic grade. ComRes is a member of the British Polling Council and abides by its rules. Full data tables are available at www.comres.co.uk

About R3: R3 is the trade association for the UK's insolvency, restructuring, advisory, and turnaround professionals. From senior partners at global accountancy and legal firms to practitioners who run their own small and microbusinesses, our members have extensive experience of helping businesses and individuals in financial distress. Please contact R3's Communications and Public Affairs Assistant, Alex Clarke, on 020 7566 4202 or alex.clarke@r3.org.uk.