

Britain: a picture of a nation in debt

**Philip Scott, “”This is Money”
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Britain's personal debt woes are reaching crisis levels as figures show that every 10 minutes a property is repossessed, while 3,300 workers a day are made redundant.

Some 142 properties were repossessed daily in the first three months of 2009.

Trade body, the Council of Mortgage Lenders, estimates this will increase to approximately 178 a day throughout 2009.

The average household debt, excluding mortgages, now totals £9,240 and the average owed by every UK adult is £30,460, including mortgages, representing 133% of average earnings, according to data compiled by national charity Credit Action.

As a result today, the UK's combined personal debt has now risen to almost £1.5 trillion, up by more than £14.3bn in the past 12 months. In June alone, Britain's personal debt increased by £1m every 108 minutes.

However, this is an improvement on January 2008, when Britain's personal debt was rising by £1m every 5 minutes.

The group also found that one in 33 people are estimated to become unemployed in 2009.

It concluded that the average outstanding mortgage for the 11.1m households who currently have mortgages now stands at £110,550 and that the typical consumer borrowing via credit cards, motor and retail finance deals, overdrafts and unsecured personal loans has risen to £4,825 per adult.

As a result the number of people seeking expert advice about redundancy and debt has dramatically risen.

Just last month, another charity, Citizens Advice said enquiries about redundancy rocketed by 179% in the first three months of this year compared with the same period in 2008.

The Centre for Economics and Business Research think-tank has also asserted that the unemployment rate in Britain, could reach almost 4m, from its current level of around 2.4m, by the end of the recession.