



Not for broadcast or publication before 00.01 Hrs Saturday 28th June 2008

This Halifax Savings Report, part of a series of research pieces published by the Group, highlights savings trends in the UK. The research is based on data from Halifax's deposit savings database. Halifax is the UK's leading savings provider with over £90bn of savings on deposit and more than 16 million savings customers. The analysis is based on savings accounts held with Halifax in March 2008 and average earnings data from the ONS in 434 UK local authorities (LA). The figures in this report, by their very nature, exclude people who have no savings. Figures from the ONS's Financial Resources Survey 2006-07 show that 24% of households have no savings (Table 5.9).

SAVERS IN NORTH NORFOLK SAVE THE MOST IN PROPORTION TO EARNINGS

- Savers in North Norfolk have the biggest savings balances relative to local earnings in the UK. The average balance of £9,883 is equivalent to 55% of local average annual gross earnings
- Many of the areas where savings are high in relation to earnings have a relatively high proportion of older residents and are popular retirement areas
- Savers in the City of London have the highest average balances (£14,267), followed by South Buckinghamshire (£12,369), Elmbridge (£12,071) and Mole Valley (£11,887)
- Three of the 20 local authorities with the biggest average saving balances are outside Southern England; Derbyshire Dales (£11,607), Macclesfield (£10,490) and Fylde (£10,364)
- There are some marked regional differences - savers in East Anglia have the largest average balance (£8,062), and the smallest average balance is in Scotland (£5,443)
- As a proportion of average regional earnings, Londoners save the least (21%), whilst the highest is Northern Ireland (34%)
- In terms of age, savers in the age group 75 and above have the highest average balances (£20,046). This compares to an average balance of £1,385 for 18-24 year olds
- There is a modest difference in savings by gender with women having average savings balances of £7,065; 3% higher than male average savings of £6,865. Women also save a much higher proportion of their income (39%) compared to men (22%)

KEY FINDINGS

Largest savings balances as proportion of earnings (Tables 1 & 3)

Savers in the local authority of North Norfolk have the highest savings balances as a proportion of local earnings. Savings account holders in North Norfolk have an average savings balance of £9,883, equivalent to more than half (55%) of local earnings.

Savers in the Isles of Scilly have the second highest average savings balances in relation to local earnings (53%), followed closely by Down (52%) in Northern Ireland and Christchurch (51%) in the South West. These are the only local authorities where average balances represent more than half of local average earnings.

Nearly half of the 25 local authorities with the highest average savings balances as a percentage of local earnings are in the South, South West (6), East Anglia (4) and the South East (1). Many of these areas have a relatively high proportion of older residents and are popular retirement areas.

Table 1: Areas with largest savings balances as % of local average earnings

Local Authority	Region	Average Balance (£)	Average Earnings 2007 (£)	Average Balance as % of Average Earnings
North Norfolk	East Anglia	9,883	17,943	55%
Isles of Scilly	South West	10,303	19,308	53%
Down	Northern Ireland	7,387	14,191	52%
Christchurch	South West	10,396	20,278	51%
Ceredigion	Wales	9,544	19,170	50%

Smallest savings balances as proportion of earnings (Table 4)

Six London boroughs comprise the six local authorities in the UK that have the smallest levels of savings in relation to local earnings. Hammersmith and Fulham has the lowest average savings balances in proportion to local earnings (13% of local earnings); followed by Southwark (13%), Tower Hamlets (14%), Westminster (14%), Islington (15%) and Greenwich (17%).

Savers in West Lothian have the lowest savings balances as a proportion of local earnings outside the South of England with an average balance of £3,897 compared to average local earnings of £22,668 (17%).

Savers in 18 out of the 25 local authorities with the smallest savings balances are in the South of England. These are in Greater London (13), the South East (4) and the South West (1).

Largest average savings balances (Tables 2 & 5)

The biggest savers in the UK are in the City of London with the highest average balance of £14,267, followed by South Buckinghamshire (£12,369), Elmbridge (£12,071) and Mole Valley (£11,887). Savings in all these areas are significantly above the UK average balance of £7,074.

Table 2: Areas with the largest average savings balances

Local Authority	Region	Average Balance (£)
City of London	Greater London	14,267
South Buckinghamshire	South East	12,369
Elmbridge	South East	12,071

Halifax is part of the HBOS group
 Tel: 01422 333829 Fax 01422 333007
 Website: <http://www.hbosplc.com/media>
 HBOS is a carbon neutral company

Mole Valley	South East	11,887
Richmond upon Thames	Greater London	11,143

Three of the 25 local authorities with the highest average balances are outside Southern England. These are Derbyshire Dales (£11,067), Macclesfield (£10,490) and Fylde (£10,364).

Some of the biggest savers are in the South East with eleven local authorities in the region among the top 25. These include Chiltern (£11,129) St. Albans (£10,665) and Sevenoaks (£10,446). Six are in Greater London including Richmond upon Thames (£11,143) and Barnet (£10,388).

Savers in 22 of the top 25 areas with the largest savings balances have more than £10,000 in their account on average.

Smallest average savings balances (Table 6)

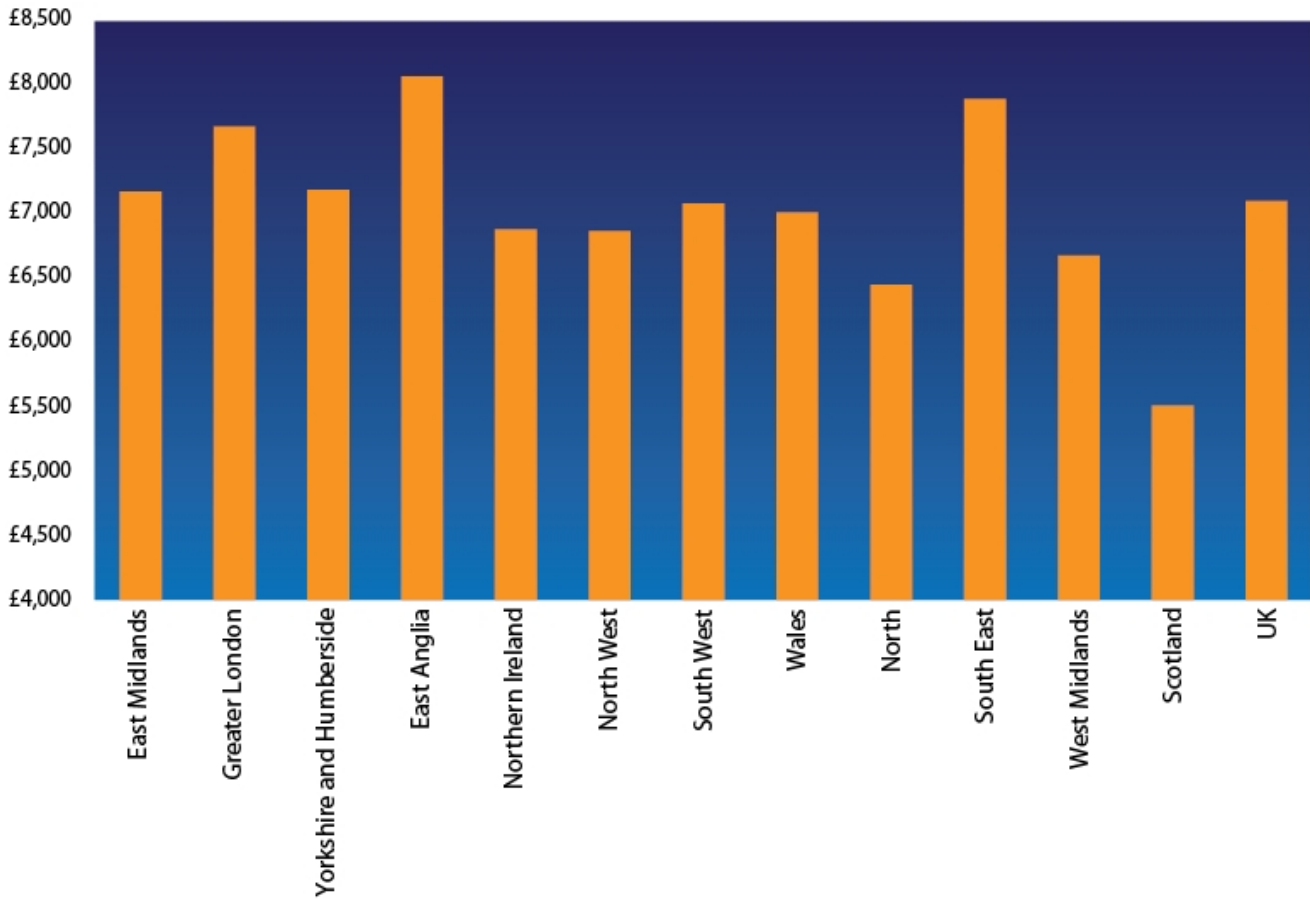
The nation's smallest savers are in West Lothian (£3,897), Glasgow City (£4,209) and Hackney (£4,209).

There are eleven Scottish local authorities and five in Greater London amongst the 25 authorities in the UK with the lowest average savings balances. These include Inverclyde (£4,392), West Dunbartonshire (£4,480) and North Lanarkshire (£4,539) in Scotland; and Newham (£4,460), Lewisham (£4,669) and Southwark (£4,759) in London. As such, areas in London offer both some of the highest and lowest average savings balances in the UK.

Regional variations in average balances (Table 7)

There are some marked regional differences. Residents in East Anglia have the largest average balances (£8,062), and the smallest average balance is in Scotland (£5,443), a difference of almost half (48%). Seven regions have average balances below the UK average (£7,074); South West (£7,060), Northern Ireland (£6,859), North West (£6,829), Wales (£6,998), West Midlands (£6,650), North (6,413) and Scotland (5,443).

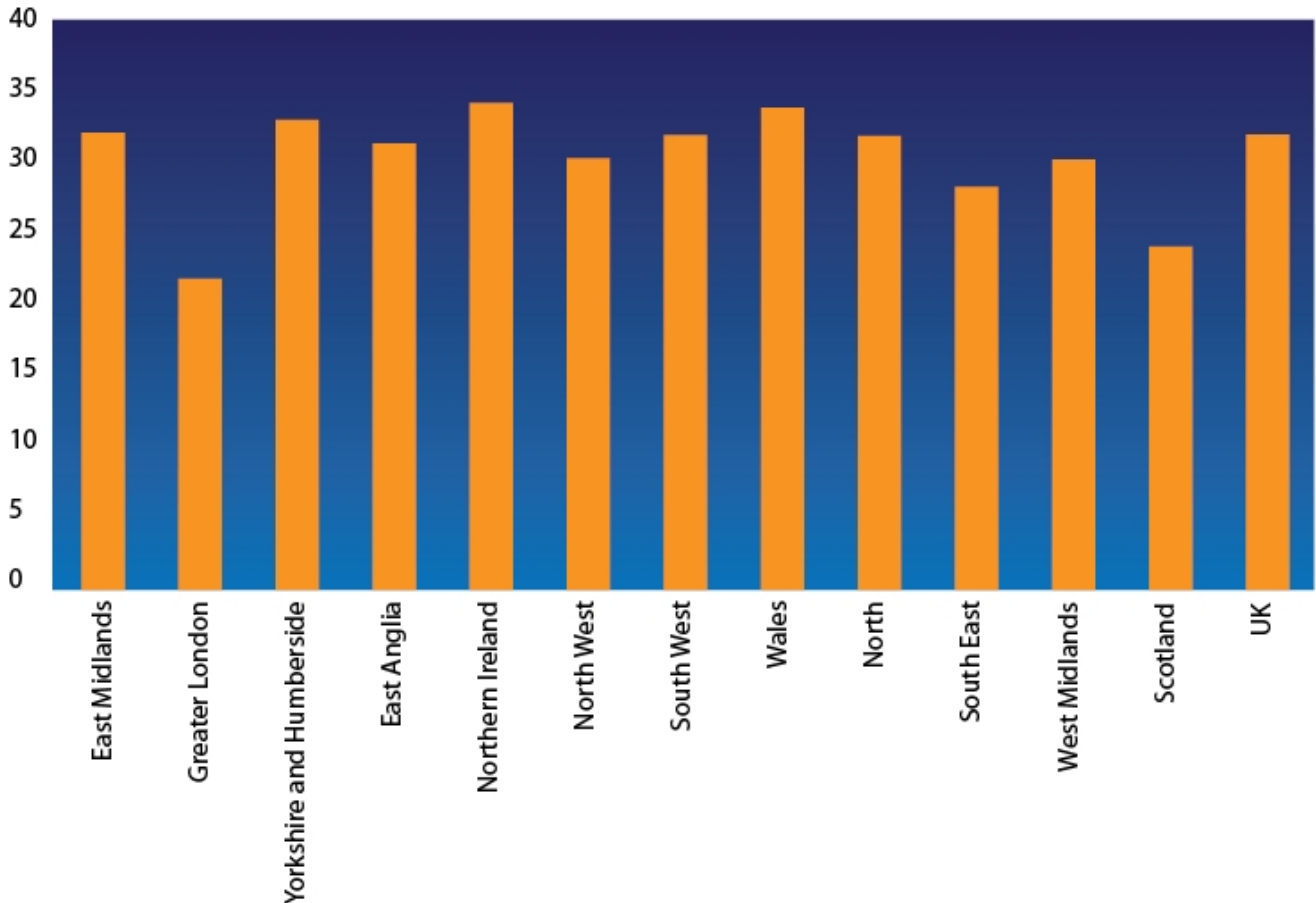
Average Balance



There is a clear link between average earnings and average balances. The three regions with the biggest average savings balances, East Anglia, South East and Greater London, all have average earnings above the UK average. The three regions with the lowest average balances, Scotland, North and West Midlands, all have average earnings significantly below the UK average.

Taking regional variations in average earnings into account, the picture is generally more even. On this basis, the average saver in most regions has savings balances equivalent to between 31% and 34% of average annual gross earnings in the region.

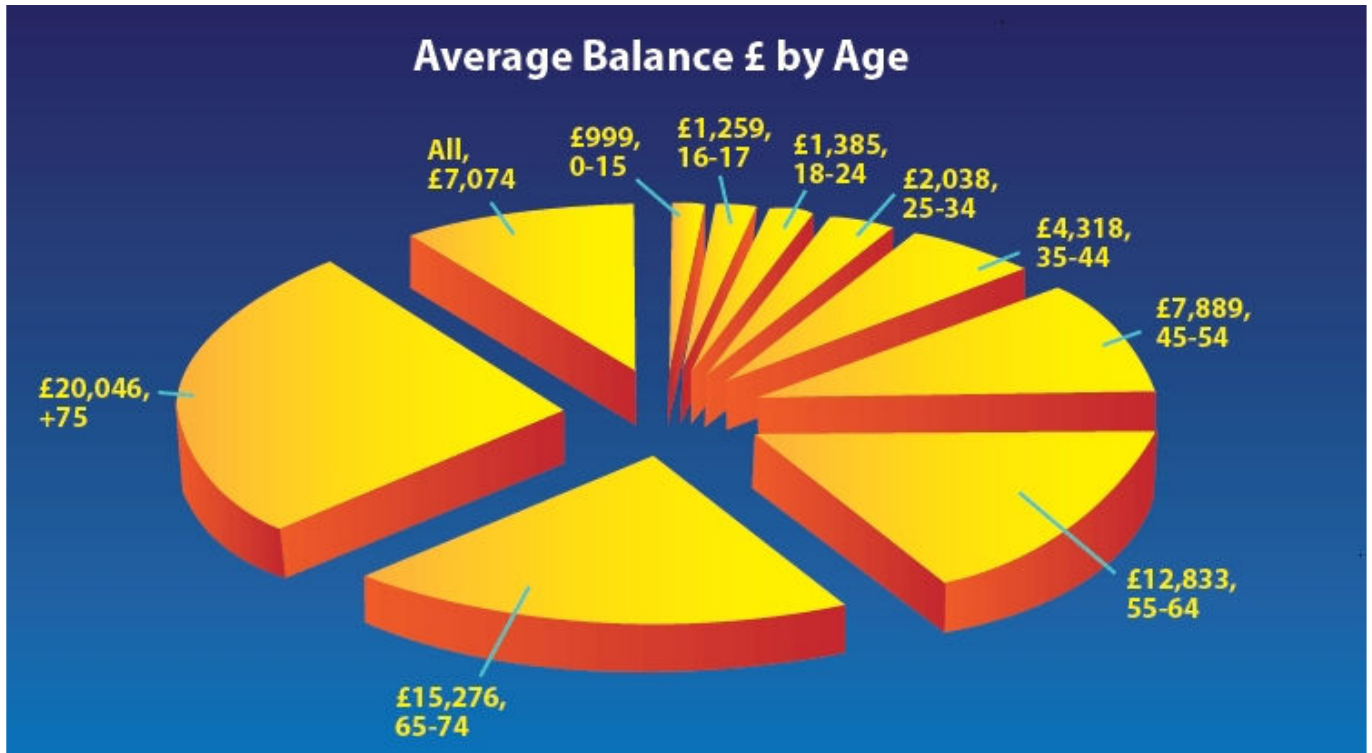
Average Savings as % of Earnings



Londoners save the least percentage of their salary by a significant margin. They save a fifth (21%) of average regional earnings. Once earnings are taken into account, Londoners replace the Scots as the lowest savers. People in Northern Ireland save the most with balances equivalent to a third (34%) of average annual gross earnings in the region.

Savings by Age (Table 8)

Unsurprisingly, the amount saved significantly rises with age. For example, those aged between 65 and 74 have average balances of £15,276 compared with £4,318 for those aged between 35-44, and £7,889 for those in the age group 45-54.



Gender Differences in Savings Balances (Table 9)

There is a modest difference in savings by gender with men having an average savings balance of £6,865, 3% lower than average female savings of £7,065.

Women save a much higher proportion of their income. The average savings balance for women is equivalent to nearly two fifths (39%) of average annual gross female earnings, compared with average balances for men that are equivalent to just over a fifth (22%) of average annual male earnings. This pattern is the same across all regions.

Martin Ellis, Chief Economist at Halifax, comments:

"There are wide variations in saving behaviour across the country with Londoners saving a significantly smaller proportion of their income than elsewhere in the country. It is also notable that women save a markedly higher proportion in relation to earnings than men.

The attention paid to pension contributions in recent years emphasises the importance that people need to attach to planning to ensure that they have sufficient income in retirement. Savings play a key part in that planning process, particularly in the current economic climate."

Editors' Notes

The data used in this research refers to balances at the end of March 2008 and relates to the balances per customer (i.e. it is an aggregate of all accounts held by an individual with Halifax).

Average earnings data are provided by the ONS and refer to April 2007. Figures used refer to the average for all employees (full-time and part-time) and annual gross earnings.

"This report is prepared from information that we believe is collated with care, however, it is only intended to highlight issues and it is not intended to be comprehensive. We reserve the right to vary our methodology and to edit or discontinue/withdraw this, or any other report. Any use of this report for an individual's own or third party commercial purposes is done entirely at the risk of the person making such use and solely the responsibility of the person or persons making such reliance. © HBOS plc all rights reserved 2008."

UK Savings Map – March 2008

Average Balance Mar 2008 (£)

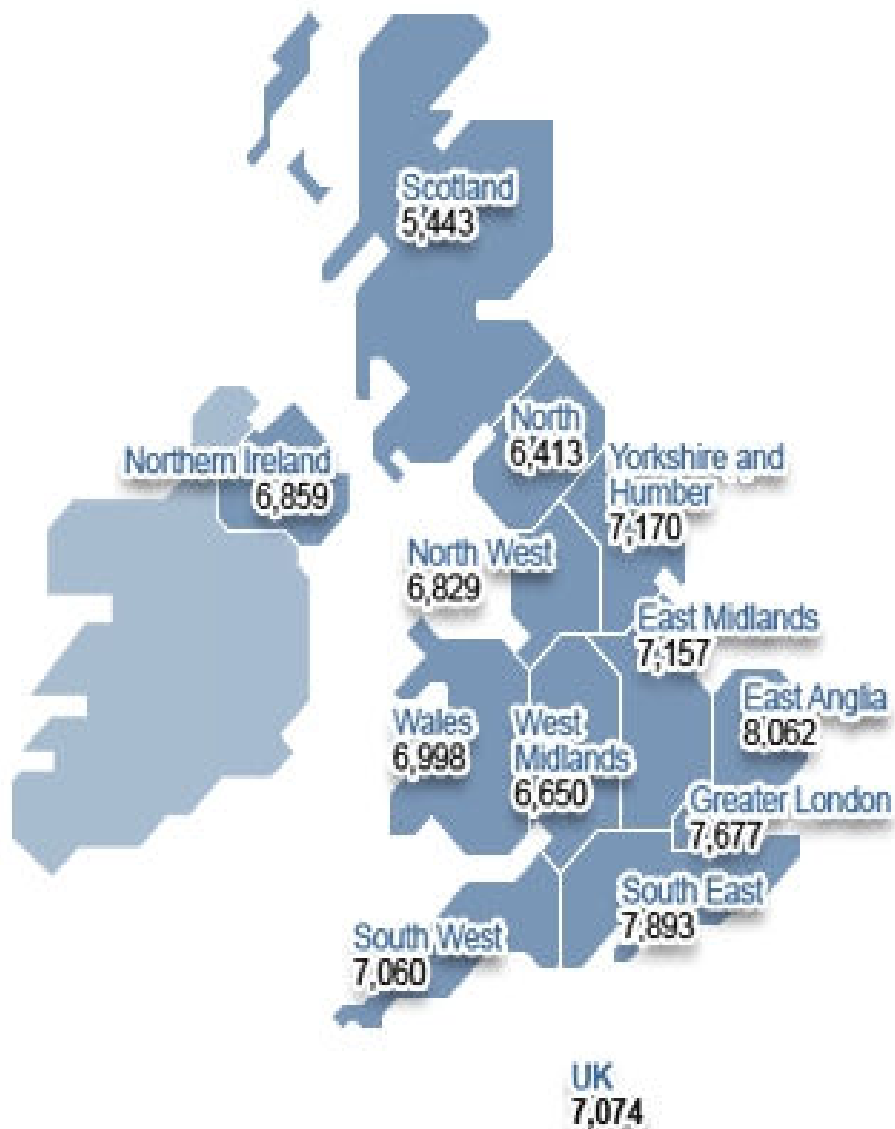


Table 3: Largest savings balances as proportion of earnings

Local Authority	Region	Average Balance (£)	Average Earnings 2007	Average Balance as % of Average Earnings
North Norfolk	East Anglia	9,883	17,943	55%
Isles of Scilly	South West	10,303	19,308	53%
Down	Northern Ireland	7,387	14,191	52%
Christchurch	South West	10,396	20,278	51%
Ceredigion	Wales	9,544	19,170	50%
Powys	Wales	9,244	18,915	49%
Berwick-upon-Tweed	North	6,839	14,276	48%
Fermanagh	Northern Ireland	7,404	15,507	48%
Waveney	East Anglia	9,015	18,971	48%
Penwith	South West	8,407	17,928	47%
Ballymena	Northern Ireland	8,734	18,780	47%
Pembrokeshire	Wales	8,727	18,913	46%
East Lindsey	Yorkshire and the Humber	8,870	19,313	46%
Eden	North West	8,770	19,201	46%
Weymouth and Portland	South West	8,121	17,861	45%
West Lindsey	Yorkshire and the Humber	8,695	19,191	45%
Great Yarmouth	East Anglia	8,085	17,962	45%
East Devon	South West	9,839	22,103	45%
Wyre	North West	8,864	19,953	44%
North Cornwall	South West	8,338	19,359	43%
Breckland	East Anglia	7,592	17,668	43%
Boston	East Midlands	8,324	19,433	43%
Ards	Northern Ireland	6,932	16,191	43%
Conwy	Wales	8,753	20,527	43%
Tendring	South East	9,300	21,815	43%

Table 4: Smallest savings balances as proportion of earnings

Local Authority	Region	Average Balance (£)	Average Earnings 2007	Average Balance as % of Average Earnings
Hammersmith and Fulham	Greater London	7,080	55,176	13%
Southwark	Greater London	4,759	35,609	13%
Tower Hamlets	Greater London	5,695	40,946	14%
Westminster	Greater London	10,755	77,068	14%
Islington	Greater London	6,527	43,780	15%
Greenwich	Greater London	5,435	31,964	17%
West Lothian	Scotland	3,897	22,668	17%
Wandsworth	Greater London	7,964	45,374	18%
Camden	Greater London	8,997	49,721	18%
Lewisham	Greater London	4,669	25,684	18%
Milton Keynes	South East	5,123	27,012	19%
Elmbridge	South East	12,071	63,568	19%
Newham	Greater London	4,460	23,395	19%
Glasgow City	Scotland	4,209	21,253	20%
Swindon	South West	4,932	24,187	20%
Stirling	Scotland	6,038	29,345	21%
Crawley	South East	5,251	25,511	21%
Renfrewshire	Scotland	4,704	22,714	21%
Bracknell Forest	South East	6,696	31,774	21%
Stevenage	South East	5,446	25,782	21%
Barking and Dagenham	Greater London	5,132	24,273	21%
Tamworth	West Midlands	4,459	20,993	21%
Haringey	Greater London	6,414	30,182	21%
Manchester	North West	4,589	21,564	21%
Waltham Forest	Greater London	5,949	27,801	21%

Table 5: Largest average savings balances

Local Authority	Region	Average Balance (£)
City of London	Greater London	14,267
South Buckinghamshire	South East	12,369
Elmbridge	South East	12,071
Mole Valley	South East	11,887
Richmond upon Thames	Greater London	11,143
Chiltern	South East	11,129
Derbyshire Dales	East Midlands	11,067
West Somerset	South West	10,820
Westminster	Greater London	10,755
St Albans	South East	10,665
Cambridge	East Anglia	10,636
Macclesfield	North West	10,490
Sevenoaks	South East	10,446
Brentwood	South East	10,433
Christchurch	South West	10,396
Barnet	Greater London	10,388
Fylde	North West	10,364
Epsom and Ewell	South East	10,345
Windsor and Maidenhead	South East	10,313
Isles of Scilly	South West	10,303
Harrow	Greater London	10,237
Kensington and Chelsea	Greater London	10,125
Runnymede	South East	9,964
South Cambridgeshire	East Anglia	9,955
Reigate and Banstead	South East	9,952

Table 6: Smallest average savings balances

Local Authority	Region	Average Balance (£)
West Lothian	Scotland	3,897
Glasgow City	Scotland	4,209
Hackney	Greater London	4,209
Inverclyde	Scotland	4,392
Tamworth	West Midlands	4,459
Newham	Greater London	4,460
West Dunbartonshire	Scotland	4,480
North Lanarkshire	Scotland	4,539
Manchester	North West	4,589
Lewisham	Greater London	4,669
Blyth Valley	North	4,674
Renfrewshire	Scotland	4,704
Midlothian	Scotland	4,727
Southwark	Greater London	4,759
Gloucester	South West	4,828
Kingston upon Hull	Yorkshire and the Humber	4,876
Swindon	South West	4,932
Falkirk	Scotland	4,967
Corby	East Midlands	4,999
Dundee City	Scotland	5,031

Table 7: Regional variations in average balances

Region	Average Balance (£)	Average Earnings 2007	Average Balance as % of Earnings
East Midlands	7,157	22,667	32%
Greater London	7,677	36,279	21%
Yorkshire and Humber	7,170	21,952	33%
East Anglia	8,062	26,119	31%
Northern Ireland	6,859	20,334	34%
North West	6,829	22,876	30%
South West	7,060	22,498	31%
Wales	6,998	21,078	33%
North	6,413	20,411	31%
South East	7,893	28,430	28%
West Midlands	6,650	22,238	30%
Scotland	5,443	22,718	24%
United Kingdom	7,074	24,908	32%

Halifax is part of the HBOS group
 Tel: 01422 333829 Fax 01422 333007
 Website: <http://www.hbosplc.com/media>
 HBOS is a carbon neutral company

Table 8: Savings by Age Band

Age	Average Balance (£)
0-15	999
16-17	1,259
18-24	1,385
25-34	2,038
35-44	4,318
45-54	7,889
55-64	12,833
65-74	15,276
75+	20,046
All	7,074

Table 9: Gender Differences in Savings Balances

Region	MEN		WOMEN	
	Average Balance (£)	Average Balance as % of Annual Average Earnings	Average Balance (£)	Average Balance as % of Annual Average Earnings
East Midlands	6,997	24%	7,110	45%
Greater London	7,465	16%	7,556	29%
Yorkshire and Humber	7,019	26%	7,104	44%
East Anglia	7,777	23%	8,022	45%
Northern Ireland	6,665	27%	6,760	41%
North West	6,673	24%	6,739	39%
South West	6,706	23%	7,159	44%
Wales	6,890	27%	6,858	42%
North	6,321	25%	6,314	40%
South East	7,397	20%	8,062	42%
West Midlands	6,531	23%	6,564	40%
Scotland	5,139	18%	5,426	31%