

Table 7 Equity withdrawal

£ million

| | 1975 | 1980 | 1985 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 | 1999 | 2000 | 2001 | 2002 | 2003 | 2004 |
|--|-------|-------|--------|--------|--------|--------|---------|--------|---------|---------|--------|--------|--------|--------|--------|--------|---------|---------|
| Net mortgage lending | 3,613 | 7,368 | 19,034 | 33,296 | 25,956 | 18,487 | 16,193 | 19,458 | 15,166 | 19,105 | 23,832 | 25,233 | 37,964 | 40,831 | 54,318 | 79,621 | 101,314 | 100,876 |
| + Private housing grants | 78 | 159 | 697 | 519 | 483 | 603 | 617 | 610 | 564 | 533 | 414 | 391 | 382 | 343 | 357 | 398 | 362 | 420 |
| - Domestic capital formation | 2,725 | 6,115 | 9,683 | 16,867 | 15,577 | 16,246 | 17,124 | 18,285 | 18,860 | 20,205 | 22,011 | 23,317 | 23,921 | 25,604 | 27,085 | 31,455 | 37,212 | 43,291 |
| - Council house sales | 24 | 786 | 1,240 | 2,215 | 1,447 | 1,229 | 1,227 | 1,088 | 991 | 936 | 1,183 | 1,478 | 2,022 | 2,367 | 2,512 | 3,023 | 4,052 | 3,803 |
| = Equity withdrawal | 942 | 626 | 8,808 | 14,733 | 9,415 | 1,615 | - 1,541 | 695 | - 4,121 | - 1,503 | 1,052 | 829 | 12,403 | 13,203 | 25,078 | 45,541 | 60,412 | 54,202 |
| Consumer spending £ billion | 62.9 | 132.7 | 206.7 | 337.6 | 359.6 | 379.8 | 402.0 | 422.4 | 443.4 | 474.3 | 503.8 | 536.9 | 570.4 | 603.3 | 635.6 | 665.9 | 694.0 | 726.0 |
| Equity withdrawal as % of consumer spending | 1.50 | 0.47 | 4.26 | 4.36 | 2.62 | 0.43 | - 0.38 | 0.16 | - 0.93 | - 0.32 | 0.21 | 0.15 | 2.17 | 2.19 | 3.95 | 6.84 | 8.70 | 7.47 |

Sources: Mortgage lending – Financial Statistics (AAPR); Private housing grants – Housing and Construction Statistics; Domestic capital formation – Economic Trends (DFDF); Council house sales – UK National Accounts (CTCS); Consumer spending – Economic Trends (ABPB).

Notes: Equity withdrawal last peaked in 1988, when it was £19.8 billion and 6.98% of consumer spending. The private housing grants figure for 2004 is an estimate.