

Table 7 Equity withdrawal

£ million

	1975	1980	1985	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
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	25,231	37,979	40,755	53,891	78,826	101,081	100,738	91,372
+ Private housing grants	78	159	697	519	483	603	617	610	564	533	414	391	382	343	357	398	337	324	315
- 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	34,804	40,927	44,618
- 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	2,671
= Equity withdrawal	942	626	8,808	14,733	9,415	1,615	- 1,541	695	- 4,121	- 1,503	1,052	827	12,418	13,127	24,651	44,746	62,562	56,332	44,398
Consumer spending £billion	62.7	132.1	205.7	336.3	358.1	377.8	399.9	419.8	441.1	472.7	501.3	534.2	567.9	600.8	632.5	664.6	697.2	732.5	760.8
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	2.19	2.18	3.90	6.73	8.97	7.69	5.84

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 7.00% of consumer spending. The private housing grants figures for 2003 and 2004 are for the financial years. The 2005 figure is an estimate.