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[By email]

4 April 2019

Our Ref: FOI6305

Freedom of Information: Right to know request

Thank you for your request dated 7 March 2019 under the Freedom of Information Act 2000 (the Act), for the following information,

"Q1) Could you provide me with the total number and total value of both payday loans and short-term instalment loans, broken down by UK town or city for the latest 12 months that is available.

Q2) Could you also provide me with an update to Tables 1 and 2 that feature in the HCSTC underlying data in this report, with figures for Q3 and Q4 2018 please."

Your request has now been considered. Regarding Q1, we do not hold this information by UK town or city. Further, under the Act, we are not obliged to create information to answer a request. However, we do hold this information by postcode district, which to be helpful can be found attached. Please be aware, for the reasons outlined in Annex A, we are unable to provide a small amount of this information to you as disclosure could breach the General Data Protection Regulation 2018 (EU) 2016/679 (GDPR). Therefore, the information is exempt from disclosure under section 40 (Personal data) of the Act. For a detailed explanation as to why this exemption applies please refer to Annex A below.

In relation to Q2 of your request, this can also be found in the attachment.

When reviewing the spreadsheet, please note, we hold product sales data (PSD) in relation to credit agreements entered into by regulated firms which meet the definition of [high-cost short-term credit](#) (HCSTC). These PSD cover single and multiple instalment loans which meet the HCSTC definition, and have been used to produce this response.

The PSD content used reflects the data as submitted to us by firms. Firms submit PSD on a quarterly basis, providing us with details of the loans they originated in the quarter concerned. The dataset used for this analysis covers the period from 1 January 2018 to 31 December 2018 (four quarters).

We estimate that the population of firms included in the dataset represents at least 90% of the HCSTC market (based on the number of new loans originated). One significant lender did not start submitting data until Q4 2018.

For the [consumer credit - high-cost short-term credit lending data](#) report (the report), we carried out selected cleansing to filter out extreme outlier values that are likely to have been misreported. This resulted in the exclusion of up to around 5% of submitted transactions depending on the data being analysed. We did not include some transactions featured in the PSD dataset where we thought the data quality was compromised and publishing would be misleading. For this response, we have not carried out the full data cleansing performed for the report. We have, however, excluded clearly erroneous transactions which would substantively skew the aggregate data. In this response we have included a comparison of the two quarters which overlap with the report (Q1 2018, Q2 2018).

Further, the PSD include a record of the postcode of the main place of residence of the borrower. We have provided the total number and total value of HCSTC agreements entered into during 2018 broken down by postcode district. This is included in *Table 3: HCSTC loan volumes and total HCSTC loan value by postcode district 2018* of the attached document.

Yours sincerely

Information Disclosure Team

Annex A

- **Section 40 (Personal Information)**

We have applied this exemption because the first condition (as stated in section 40(3) of the Act) is satisfied. The information you have requested may lead to the indirect disclosure of the personal data of individuals other than yourself which, if disclosed, would breach the requirement of the General Data Protection Regulations ("GDPR") including the data protection principles of Article 5 and the Data Protection Act 2018 ("DPA")

In particular, it would be a breach of the first data protection Principle as set out in Article 5 of the GDPR, to disclose such information, as it would not be necessary or fair to the individuals concerned, or lawful, where none of the conditions in Article 6(1) of the GDPR have been met. The individuals concerned have not given their consent for their personal details to be made public and the release of such information may be detrimental to the individuals themselves.

In this case, where postcode districts exist with figures of five or fewer, we have redacted the information and their value to ensure that individuals could not be identified.

Section 40 is an absolute exemption so it is not necessary to balance the public interest for and against disclosing the information.