

18 May 2020

Our Ref: FOI7256

Freedom of Information: Right to know request

Thank you for your email of 21 April 2020, in which you asked for:

'Could you provide me with an update to Tables 1 and 2 that feature in the HCSTC underlying data in [this](#) report, with figures for Q4 2019 and Q1 2020 please. If helpful, attached is the latest update you provided for Q2 and Q3 2019 in November 2019.'

We are handling your email as a request for information under the Freedom of Information Act 2000 (FOIA) and confirm we hold information relevant to your request. The data requested can be found in the attached document.

When reviewing the data, please note that 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 July 2016 to 31 March 2020 (15 quarters).

We estimate that the population of firms included in the dataset represents 90% of the HCSTC market (based on the number of new loans originated). One significant lender did not start submitting data until Q2 2017 and another did not start submitting data until Q4 2018. The earlier numbers have been revised following the resubmission of data from some firms.

We had carried out selected cleansing to filter out extreme outlier values that are likely to have been misreported for the [consumer credit - high-cost short-term credit lending data](#) report (the report). This resulted in the exclusion of up to around 5% of submitted transactions depending on the data being analysed. We had not included some transactions featured in the PSD dataset where we think the data quality is 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 quarters which overlap with the report (Q3 2016 – Q2 2018).

Your right to complain under FOIA

If you are unhappy with this response, you have the right to request an internal review. To do so, please contact us within 40 working days of the date of this response.

If you are not content with the outcome of the internal review, you also have a right of appeal to the Information Commissioner by phone or on their website at:

Telephone: 0303 123 1113

Website: www.ico.org.uk

Yours sincerely

Information Disclosure Team