

 <p>CONSUMER CREDIT <i>Counselling Service</i> A Registered Charity</p>		 <p>THE CHARITY AWARDS 2009 10TH ANNIVERSARY WINNER</p>
Tel: 0207 391 4583	Email: unaf@cccs.co.uk	Website: www.cccs.co.uk

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Press Release

Survey reveals high human cost of debt problems

A survey by leading debt charity Consumer Credit Counselling Service (CCCS) has revealed the high human cost of debt problems. The survey of 372 CCCS clients found that debt problems have a negative impact on people's close relationships, their health and their ability to carry out their jobs. Alarming, 83 percent of those surveyed said that their debt problems had a very negative impact on their lives.

The damage that debt problems has on close relationships was revealed when more than a third (37 percent) of respondents said that a debt problem had adversely affected their relationship with their partner and almost a quarter (22 percent) said it had their relationship with their children.

This might explain why most had kept their debt problem hidden from so many who were close to them. When asked with whom they had been able to share the fact that they had a debt problem, only one third (34 percent) said their partner, 20 percent their friends and 16 percent their parents. Ten percent of people said they told nobody, giving reasons such as "shame", "embarrassment" and "it's quite difficult to acknowledge that you are an adult and unable to manage your finances."

The impact on people's health wasn't any more positive with almost half (46 percent) saying that it had a very negative impact on their health and only 6 percent saying that it had no impact. Examples of how people's health suffered included a nervous breakdown, loss of hair, palpitations and cessation of menstruation.

This, in turn, contributed to people's ability to carry out their jobs, with two thirds (65 percent) of people saying that it had a negative impact on their ability to do their job. Respondents said that "work has become difficult due to the constant worry about debt" and "I found it difficult to concentrate some days as I was continually worrying about money, on some occasions I had no money for petrol."

Delroy Corinaldi, external affairs director at CCCS, says that while it is not surprising that debt problems have a negative effect on people's lives, he was shocked and saddened at the extent of the human misery uncovered in the survey. He says: "There is a lot of focus on the economic implications of the personal debt crisis but we are only starting to understand the human cost of debt problems."

"One of the things that struck me about the research was that only 15 percent of people had a debt problem because of overspending, almost half had a debt problem because of redundancy, a pay freeze or reduced working hours, while others were left overindebted because of a relationship breakdown, illness or having children."

"This busts the myth that recklessness with credit is the main cause of debt problems. Rather, it is life itself, over which we often have no control. Such people need sympathetic and practical support to guide them through this crisis so that it won't scar them and their families for life."

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Media enquiries:

- Una Farrell, Media Relations Manager, unaf@cccs.co.uk 0207 391 4583 (Out of office hours: 07985 250 162)

Notes for editors:

1. The full results of the survey are available on request.
2. The research was conducted through an online survey of CCCS clients between 10 and 28 June 2010. The survey was sent to a random sample of CCCS clients from the past 12 months and completed by 372 people.
3. 51.34% of respondents were male, 48.66% female. 4.84% of respondents were aged 18-25, 28.49% were aged 26-40, 49.19% were aged 41-55 and 17.47% were 56 and older. 56.72% were married/living with partner, 25% were single, 17.20% were divorced and 1.08% were widowed.
4. You can call the CCCS free-phone helpline on 0800 138 1111, 8am to 8pm, Monday to Friday. CCCS operates CCCS Debt Remedy, an online counselling service available round the clock at www.cccs.co.uk for those who prefer an anonymous option.
5. CCCS's ethos is to help the "can't pay", not the "won't pay", and does not condone debt avoidance. CCCS always aims to help its clients pay back what they owe, in a realistic timescale and manner that is suited to each individual's situation.

6. CCCS is self-funding. Lenders share with the charity the benefit they receive from its operation, making a donation from the money repaid to them. This allows CCCS to retain its independence and ensure that its advice is always in the best interest of the client. CCCS aims to separate the “can’t pays” from the “won’t pays”.