

Press Release

March 29 2010

London and Northern Ireland identified as UK's problem debt hotspots

National debt charity Consumer Credit Counselling Service (CCCS) has identified the United Kingdom's personal debt hotspots. The charity looked at demand for its debt advice, the distribution of insolvency recommendations as well as levels of disposable income among people who sought its help to pinpoint problem debt clusters such as London and Northern Ireland.

According to CCCS statistics for 2010, London had the highest levels of demand for debt advice per population while Northern Ireland had the highest levels of bankruptcy and individual voluntary arrangement (IVA) recommendations with London coming second for bankruptcy. London had the highest number of debt relief order (DRO) recommendations, a solution that is currently unavailable in Northern Ireland. London and Northern Ireland were the only two regions were CCCS clients, on average, didn't have enough income to cover their living expenses.

Most in need of debt advice

- Relative to population London was the region most in need of debt advice, with 24.3 people per 10,000 receiving counselling last year. This was followed by Yorkshire at 23.6 people, the North East and West Midlands with 23 people and the North West with 22.9.

Insolvency recommendations

- The region with the highest percentage of bankruptcy recommendations last year was Northern Ireland with 12.9 percent of CCCS clients from that region being

recommended it. This was followed by London at 11.7 percent, the South East at 11.5 percent and East Anglia and the South West at 11.3 percent.

- At 7.8 percent, Northern Ireland was the region with the highest percentage of IVA recommendations, followed by the South East at 7.4 percent, the East Midlands at 7.2 percent and the North East and South West at 7 percent.
- At 7.6 percent, London had the highest percentage of recommendations for DROs. The region with the second highest percentage of DRO recommendations was East Anglia at 7.1 percent, followed by Yorkshire at 6.9 percent, the North East at 6.7 percent and the South West at 6.6 percent.

Disposable income

- When looking at disposable income, CCCS clients from Northern Ireland had the least with a monthly income £55 less than they needed to cover the cost of their living expenses. CCCS clients from London also had a monthly income £28 less than what they needed to live on. The next three areas with the smallest disposable incomes were the West Midlands with £29 a month, East Anglia at £28 a month and the South East at £21.

Delroy Corinaldi, CCCS External Affairs Director, says: “Although anyone, whatever their background, age and location, can struggle with debt, there are parts of the country where people debt problems appear to be more intractable.

“These debt cluster areas such as London and Northern Ireland need special attention in terms of helping prevent people from falling into unmanageable debt but also ensuring that those living in these areas are aware of the free debt advice and support that is available to them. They also need to be made aware that, given CCCS’s capacity on its helpline and online debt counselling, there is no need for anyone to pay for debt advice.”

- ends -

Notes to editors:

1. *Debt View*, an analysis of CCCS client statistics broken down by region, by area and by postcode is available at: www.cccs.co.uk/debtview
2. Debt relief orders will be available in Northern Ireland from June 2011.

3. CCCS's ethos is to help the "can't pays", not the "won't pays", 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.
4. 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.
5. The CCCS free phone helpline 0800 138 1111 is open 8am to 8pm, Monday to Friday.
6. CCCS *Debt Remedy* is available at www.cccs.co.uk
7. Follow us on Twitter: @CCCSPressOffice

Media enquiries:

All media enquiries should be directed to:

Frances Walker - francesw@cccs.co.uk

Una Farrell - unaf@cccs.co.uk

Tel: 0207 391 4583 (07950 469101 if outside office hours)