

Press Release

July 25 2011

Busy times predicted for charities as

6.2 million households identified as financially vulnerable

National debt charity Consumer Credit Counselling Service (CCCS) has predicted a steep increase in demand across the charitable sector after new research has identified 6.2 million households as financially vulnerable.

With 418,000 people seeking CCCS's help last year, the charity expects this to rise significantly with more households falling into financial difficulty as the economic downturn continues. It is warning of a knock-on effect for other charities as money problems impact on peoples' health, relationships and housing, and says charities dealing with these issues are likely to see a rise in demand for their services too.

Debt and household incomes, a report conducted for CCCS by the Financial Inclusion Centre, identified several groups as particularly vulnerable. These include two million on low incomes, two million renters and 600,000 lone parent families. (An infographic to illustrate financially vulnerable households is available on request)

CCCS director of external affairs Delroy Corinaldi comments: "We expect to see a sharp increase in demand for our service over the coming months – and we won't be alone. The knock-on effects of the worsening financial position of millions of households, in areas such as mental health, relationships and housing, means that charities dealing with these issues should prepare for an increase in demand across the board.

"Partnerships across the sector will be a crucial way of helping charities deal with this increase in demand."

A recent roundtable on the report, attended by charities, think tanks and other interested parties, highlighted financial vulnerability across the generations and in different regions of the UK as two areas in need of further study. CCCS has commissioned further reports looking specifically at these two areas as part of its *Debt and the Family* research series.

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Notes to editors:

1. To help inform understanding of personal debt across the UK, CCCS has commissioned a series of research reports looking at the personal debt situation of households to be published over the next year. The introductory report for the *Debt and the Family* research series is available at:
https://www.cccs.co.uk/Portals/0/Documents/media/reports/additionalreports/Introduction_debt_and_the_family_series.pdf
2. A summary of the *Debt and Household Incomes* report can be downloaded at:
http://www.cccs.co.uk/Portals/0/Documents/media/reports/additionalreports/Summary_Debt_and_household_incomes.pdf
3. The full *Debt and Household Incomes* report can be downloaded at
http://www.cccs.co.uk/Portals/0/Documents/media/reports/additionalreports/Report_Debt_and_household_incomes.pdf
4. 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.
5. 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.
6. Financial Inclusion Centre is an independent research and policy innovation think-tank dedicated to promoting financial inclusion and fair, efficient, competitive and accountable financial markets. For general information on the Centre's work please see:
www.inclusioncentre.org.uk
7. The CCCS free phone helpline 0800 138 1111 is open 8am to 8pm, Monday to Friday.
8. CCCS *Debt Remedy* is available at www.cccs.co.uk
9. Follow us on Twitter: @CCCSPressOffice

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