

Press Release

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Middle-aged most likely to have debt problem as a result of injury or illness

Middle-age is the danger time when people are most likely to be left with a debt problem as a result of illness or injury according to debt charity Consumer Credit Counselling Service (CCCS). Far more people seeking CCCS's help with their debts in the age group 40-59 give it as the reason for their debt problem – even more so than those over the age of 60.

Consistently over half of all CCCS clients who cite this as the cause of their debt problem are in this age group. Last year, 5,127 people aged 40-59 gave it as the reason, compared to 410 of those aged under 25, 1,965 of those between 25 and 39, and 1,123 for those over 60.

Underlining the financial vulnerability in middle age to injury and illness is the fact that, although 45 percent of all CCCS clients are in the age category 40-59, 60 percent of all clients who gave injury or illness as the reason for their debt problem were aged between 40-59.

Higher debt levels

Middle-aged debtors who have a debt problem as a result of illness or injury have above average debts for other age groups who cite it as the reason for their debt problem. They owed £16,503 in 2011, compared to the average of £15,521 for all age groups citing illness or injury as the reason for their debt problem.

Payday loans are driving these higher debt levels with middle-aged debtors citing injury or illness as the reason for their debt problem owing an average of £1,048 on payday

loans. This is far higher than £643 for those aged over 60, £815 for those under the age of 25 and slightly higher than £1,016 for those aged between 25 and 39.

Financially vulnerable

Those left with a debt problem in middle-age as a result of illness or injury are particularly financially vulnerable. Last year they were £70 short each month of what they needed to pay for day-to-day living expenses. While those aged between 25-39 were £19 short of what they needed to make ends meet, those under the age of 25 and over the age of 60 were in better situations with monthly budget surpluses of £2 and £65 respectively.

Wider problem

The charity says that the plight of those who find themselves with a debt problem in middle age as a result of illness or injury highlights a wider issue, the financial devastation that both can cause and the need to ensure a safety net for those unable to repay their debts through no fault of their own.

Commenting on the findings, CCCS external affairs director Delroy Corinaldi, says: “Most people expect their income to peak in middle age, so having it unexpectedly limited by illness or injury can be particularly hard to deal with.

“However, anyone, whatever their age, income or background, can suffer an injury or become ill to the extent that they are no longer able to work. This is likely to have a significant impact on their life and on their family. It is important that those who find themselves in this situation are given the help and support they need.

“Of course, this was what payment protection insurance offered until misselling ruined it, so there is now the issue of suitable financial products that people can use to insure that they will be able to repay their debts if illness or injury render them unable to work.”

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Notes to editors:

1. 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.

2. 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.
3. The CCCS free phone helpline 0800 138 1111 is open 8am to 8pm, Monday to Friday.
4. *CCCS Debt Remedy* is available at www.cccs.co.uk
5. Follow us on Twitter: @CCCSPressOffice

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