

Britons in denial about debt

News Story

Research by Chiltern, the debt management group, has shown that 1 in 16 consumers in the UK use over a quarter their monthly income to pay off debts and according to government guidelines, this is the stage at which people become over-indebted.

However, when questioned about their finances, over 30% of these people claimed not to have a problem. The research by Chiltern also discovered that men are more likely to have debt problems but are also more willing to admit it, while women are inclined to be less accepting of their financial problems.

A spokesperson for Chiltern remarked that debts don't disappear and ignoring them will just make the situation worse.

Furthermore, Picture Financial, the provider of personal secured loans, commented that Britons need to take a more hands-on approach to their credit. 1.8 million Britons never review or organise their finances but nearly half of people in the UK worry that they are not getting the best deal on interest rates and charges.

Picture added that people must consider what options are available, whether consolidating existing credit or switching to credit providers with more favourable rates.

Finally, Alliance & Leicester has claimed that money worries are a daily concern for 18% of Britons.

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