R3

Half of Yorkshire people are worried about their levels of debt

According to a new report by R3, the insolvency trade body, 50% of people in Yorkshire and Humberside are worried about their level of debt, close to the national figure of 51% – the highest share of people that have felt this way since September 2012.

The R3/ComRes poll of more than 2,000 British adults found that people with debt concerns were most worried about credit cards (55%); followed by overdraft (20%); mortgage repayments (19%); and bank loans (17%).
46% of adults in Yorkshire and Humberside say they often or sometimes struggle to make it to payday, slightly higher than the national figure of 43%. Of those in this position in the region, 59% cite the rising cost of food as a problem, 45% blame rising household energy bills, and 39% blame the rising cost of transport.

The R3 report also showed a more optimistic picture of prospects in Yorkshire and Humberside with 30% of adults here expecting their personal finances to improve over the next six months, compared with 24% across the UK. Only 18% of people in the region expect their personal finances to worsen, compared with 25% nationally. However, almost a third of people in the region (31%) say they do not have any savings at all at the moment.

William Ballmann, chair of insolvency trade body R3 in Yorkshire and partner at national law firm Gateley LLP, comments: “The good news is that, with the economic recovery gaining ground, the share of British adults that feel optimistic about their personal finances is growing slightly with Yorkshire and Humberside more upbeat than much of the country. However, the bad news is that the share of British adults who are pessimistic about their personal finances is growing faster.

“The most optimistic are the younger age groups and professionals, perhaps encouraged by the prospects of an improving economy and falling inflation: some may feel that real wage rises are on the horizon.

“On the other hand, we have the older age groups and unskilled workers who are decidedly gloomy about the prospects for their personal finances. Inflation may be falling, but the cost of living is still too high for those on low or fixed incomes; low interest rates may be helping businesses and young borrowers, but they aren’t helping those approaching, or in, retirement who rely on their savings to get by.”

Mr Ballmann continues: “Inflation may be falling, but the cost of living is still too high for some. Our Personal Debt Snapshot series regularly finds around two fifths of British adults struggling to make it from one payday to the next, with food and energy bills topping the list of reasons for financial difficulty.

“The Office for National Statistics attributed the latest fall in inflation to falling prices for ‘recreational and cultural activities’. This is little comfort for those British adults struggling to payday.”

Ends

Photo shows: William Ballmann, chair of insolvency trade body R3 in Yorkshire and partner at national law firm Gateley LLP

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Notes to editors (R3):

Appeal PR Ltd
Tel: 01423 569 999
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- R3 is the trade body for Insolvency Professionals, and represents 97% of the UK’s Insolvency Practitioners.
- R3 comments on a wide variety of personal and corporate insolvency issues. Contact the press office, or see www.r3.org.uk for further information.
- R3 promotes best practice for professionals working with financially troubled individuals and businesses; all R3 members are regulated by one of nine recognised professional bodies.
- R3 stands for ‘Rescue, Recovery, and Renewal’ and is also known as the Association of Business Recovery Professionals.
- ComRes interviewed 2,013 GB adults online between 7th and 9th February 2014. Data were weighted to be demographically representative of all British adults aged 18+.
- ComRes is a member of the British Polling Council and abides by its rules (www.britishpollingcouncil.org). This commits us to the highest standards of transparency.
- Data tables are available on the ComRes website, www.comres.co.uk