

Till debt do us part

In January this year, the BBC reported that five million people, which equates to 1 in 10 adults, spend more than they earn each month, according to figures compiled by the financial comparison website uSwitch.com. Overdrafts and credit cards generally provide the funds to enable these individuals to spend beyond their means. The number of credit cards issued has increased to 71 million from 36 million over the past 10 years. In a separate BBC article, more and more families are relying on 2 or more salaries to make ends meet. In fact, 51% of working families with more than one child feel that they are struggling to cope with increasing household bills and spiralling debt.

More worrying than our level of debt is the millions of people feel compelled to hide it from their loved ones. The Sun newspaper, Easier Finance and the Debt Advice Trust have all recently reported that significant numbers of people have secret bank accounts and take on secret debt without confiding in their partners. Apparently 1.35 million British people have secret debts, the total sum of which is approximately £7.7 billion.

Debt can seem like the other person in a relationship, driving a wedge between the couple. According to Bankrate.com, debt has the power to wreck a marriage but it is often a silent killer which goes unnoticed by the couple. Frustrations can certainly escalate when the couple is faced with mounting debt and financial hardship. If the couple is forced into taking out a consolidation loan, or entering into a debt management plan or an individual voluntary arrangement, or "IVA", the more shrewd minded individual of the couple may feel that they are paying for the financial mistakes of their partner.

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