

# The economic impact of debt advice on health



While there is a well-established link between debt problems and health issues, the link between health and debt advice is less obvious. This research found that debt advice has a beneficial impact on health worth £74-145 million annually across the UK.



## Debt advice and health



The link between debt problems and the frequency of health issues is well-established

Clear and reliable empirical evidence on the impact of debt advice has been lacking...

This study contributes empirically to understanding the effect of debt advice on multiple mental and physical conditions, using a larger sample than previous research, and more up-to-date data. To facilitate meaningful and robust statistical comparisons, the sample of 3,800 over-indebted people included similar proportions of those that had sought debt advice and those who had not. Advice had a positive impact on the incidence of conditions such as depression and anxiety. There were also other conditions, including obsessive-compulsive disorder (OCD) and heart disease, where there were indications of a beneficial impact. However, due to an insufficient number of observations it was not possible to produce a robust finding. Additional research, with a larger sample, would be needed to resolve whether (or not) a real effect exists.

## The economic impact of debt advice

**Debt advice has a beneficial impact on health**

An improved outlook can help alleviate mental health issues



Debt advice can help avoid further deterioration for those with health issues



## Direct impact

Debt advice has a direct, beneficial impact on improving the mental health states of those suffering from conditions including depression, anxiety and panic attacks.

The associated benefit due to reduced health service costs is

# £50-93 million

annually across the UK

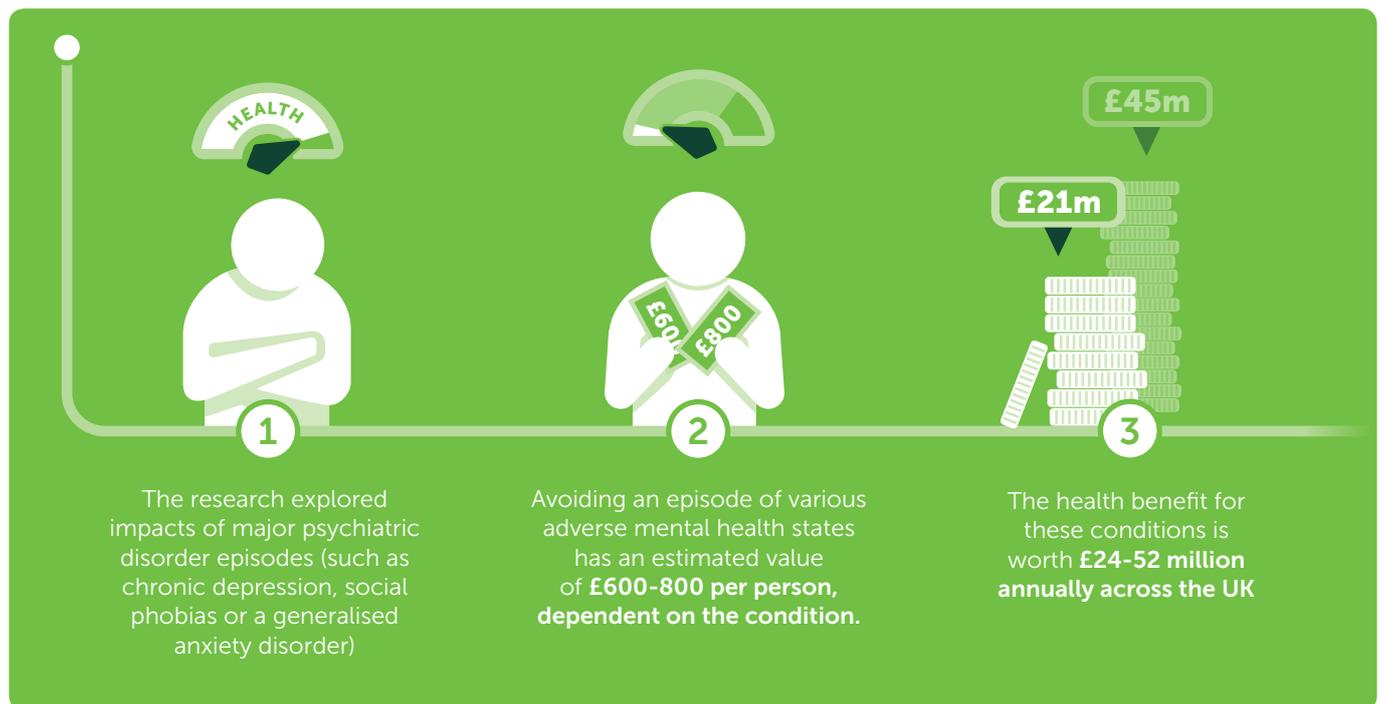


## Indirect impacts on employment and productivity

Debt advice can also enhance productivity and employment prospects. Its impact is discussed and monetised in more detail in the separate paper "The economic impact of debt advice on employment and productivity".

## Impacts on quality of life

Debt advice can also have impacts on quality of life, which is approximated through the Quality Adjusted Life Year (QALY).



## Total impact

Debt advice has a total beneficial impact on health of

# £74-145 million

annually across the UK



For more information please read the report: "The Economic Impact of Debt Advice" - [moneyadvice.service.org.uk/EconomicImpactDebtAdvice](http://moneyadvice.service.org.uk/EconomicImpactDebtAdvice)  
Contact the Money Advice Service: [debtadvice@moneyadvice.service.org.uk](mailto:debtadvice@moneyadvice.service.org.uk) | [@yourmoneyadvice](https://twitter.com/yourmoneyadvice) | [moneyadvice.service.org.uk](http://moneyadvice.service.org.uk)

Europe Economics Chancery House, 53-64 Chancery Lane, London WC2A 1QU | Tel: 020 7831 4717 | [europe-economics.com](http://europe-economics.com)