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**January 26 2010**

## **Press Release**

### **Debt charity warns of “scorpion’s tail of debt” as GDP figures show economy is growing**

The Consumer Credit Counselling Service (CCCS) is glad to see the growth in Gross Domestic Product (GDP) announced today by the Office for National Statistics in its preliminary estimate for quarter four 2009 but warns against complacency.

As the UK’s leading debt charity, CCCS expects more people to come to it for help over the next year as calls to its free debt helpline have risen throughout 2009. The debt charity said that expected public sector redundancies in addition to the growth in private sector cutbacks will be some of the causes of people being unable to repay their debts in 2010.

Calls to the free CCCS debt helpline went up by 25 percent in 2009, with the helpline receiving 86,573 calls in the fourth quarter compared to 69,431 for the first quarter. This increase reflects a longer trend which saw calls go up by over 68,000 from 2008 to 2009, with the helpline receiving 267,180 calls in 2008 and 335,323 in 2009.

Commenting on these findings, CCCS chairman, Malcolm Hurlston, said:

“While the growth in GDP is a sign that the economy has turned a corner, its effect on people’s lives will be slow. There are still hundreds of thousands of

people wondering how they are going to pay their bills over the next year. As the economy improves, we shall still face a scorpion's tail of debt.

“Government support and the flexible attitude of banks played an important part in helping those who were struggling financially last year and this must continue despite the positive economic signs.”

CCCS operates a dedicated free-phone helpline (0800 138 1111), open 8am to 8pm, Monday to Friday. Debt Remedy, its online counselling service, is available round the clock at [www.cccs.co.uk](http://www.cccs.co.uk) for those who prefer an anonymous option.

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**Notes for 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. CCCS aims to separate the “can't pays” from the “won't pays”.

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