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Press Release

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CCCS RESPONSE TO INSOLVENCY SERVICE STATISTICS, NOVEMBER 6, 2009

The UK's leading debt charity, Consumer Credit Counselling Service (CCCS), welcomes the slow down in the rate of insolvencies and the growing numbers of people opting for the new Debt Relief Orders.

Chairman Malcolm Hurlston said:

"The high numbers of people opting for Debt Relief Orders underlines the need for this new form of insolvency.

"Debt relief can be the best solution for those facing serious debt when repayment isn't possible.

"Now, many people who would previously have been unable to afford to go bankrupt, are able to choose insolvency with the new Debt Relief Orders."

Quarterly, this breaks down as 2,498 people recommended as suitable for Debt Relief Orders, 1,455 people proceeding, with 173 completed in the second quarter, and 2,682 people recommended as suitable for Debt Relief Orders, 1,481 people proceeding, with 301 completed in the third quarter.

CCCS recommended bankruptcy to 4,657 of its clients and IVAs to 2,911 in the second quarter, and bankruptcy to 4,964 of its clients and IVAs to 3,165 in the third quarter.

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Notes for editors:

1. Debt Relief Orders were introduced on April 6, 2009. To qualify for one a debtor must owe less than £15,000, have no more than £50 a month available to repay debts once priorities and living expenses have been accounted for, and have no more than £300 gross in assets, £1,000 for a vehicle. Applications for a DRO can only be made through an intermediary approved by a competent authority which is, in turn, approved by the Insolvency Service. CCCS is a competent authority.
2. The CCCS helpline number is 0800 138 1111 and is open from 8am to 8pm Monday to Friday. Its online counselling service, *Debt Remedy* is available 24 hours a day, seven days a week, at www.cccs.co.uk