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Press Release

CCCS warns of black hole of debt for unemployed

Following the rise in unemployment announced today (February 16), leading debt charity Consumer Credit Counselling Service (CCCS) is warning that job loss significantly deepens personal debt problems.

A quarter of people contacting CCCS for help in 2010 were in financial difficulty due to unemployment and almost 11 percent were claiming Jobseekers Allowance (JSA).

On average, CCCS clients claiming JSA owe £15,816 in unsecured debt, close to double the national average. The charity says that the shock to family finances caused by unemployment can force thousands of people into unmanageable debt just to keep afloat. Last year, unemployed clients had a shortfall of £2,436 in the money needed to cover the costs of day-to-day living.

Delroy Corinaldi, CCCS External Affairs Director, comments: "With almost 2.5 million people currently unemployed, many will have no alternative but to take on debts in an effort to maintain a basic standard of living.

"Anyone who has lost their job and is worried about making ends meet should seek help as soon as possible before being tipped into the black hole of debt which can be a real struggle to get out of."

Help is available between 8am to 8pm, Monday to Friday on 0800 138 1111 and 24/7 at www.cccs.co.uk. All CCCS services are free of charge.

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Notes to 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.
3. Follow us on Twitter: @CCCSPressOffice

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