



July 28 2010

Press Release

Charity says rising energy bills will lead to debt problems

As British Gas announces an increase in profits of 98 percent for the first half of the year, Consumer Credit Counselling Service (CCCS), the UK's leading debt charity, is concerned that rising fuel costs will push people into unmanageable debt. The charity says that spending by its clients on energy bills has risen at a dramatically faster rate than the Retail Price Index (RPI). The average six monthly gas and electricity bills for its clients went up by 80 percent from January 2004 to January 2010.

CCCS says that rising fuel costs will not only leave many unable to pay their utility bills but may result in them having their gas and electricity cut off. Fuel bills are a priority debt and CCCS urges people worried about paying their fuel bills to call its helpline for free advice and help with budgeting.

Commenting on the increase, Malcolm Hurlston, CCCS chairman, says:

"It is increasingly not excessive credit that is pushing people into debt but the high cost of everyday living.

"With wage freezes and redundancy, many people have cut back on their spending so that they can repay their debts but energy use in the home, which is a necessity, can only be limited so far.

"We will see more and more people pushed into unmanageable debt if fuel costs continue to rise at such a fast rate."

- ends -

Media enquiries:

All media enquiries should be directed to:

Frances Walker - francesw@cccs.co.uk

Una Farrell - unaf@cccs.co.uk

Tom Howard - tomh@cccs.co.uk

Tel: 0207 391 4583 (07507 880478 or 07950 469101 if outside office hours)

Notes for editors:

1. The CCCS free-phone helpline (0800 138 1111) is open 8am to 8pm, Monday to Friday.
2. CCCS operates *Debt Remedy*, an online counselling service available round the clock at www.cccs.co.uk for those who prefer an anonymous option.
3. 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.
4. 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".

Spending on utilities and rent increasing

