

Press Release

April 20 2012

CCCS welcomes OFT guidance on misleading trading names

National debt charity Consumer Credit Counselling Service (CCCS) has welcomed the Office of Fair Trading's (OFT) new guidance on the use of misleading trading names. The guidance is designed to stop businesses from misleading consumers about their commercial status by using names such as 'Helpline' or 'Debtline', or any name that implies a business is a charity or public service.

CCCS says this issue is particularly important when it comes to debt advice as many fee charging debt management companies masquerade as charities. The charity says that it is crucial that those struggling with debt are not misled into thinking that they are seeking help from a charity when they are in fact contacting a profit-making fee charging debt management company. It is very concerned that people could end up paying thousands of pounds for debt advice and management when they thought they were contacting a charity that will give them free advice and support.

Commenting on the new guidance, CCCS external affairs director Delroy Corinaldi said:

“There is a fundamental dividing line between debt charities and debt management companies. Charities see those struggling with debt as a social problem that needs to be helped with advice and support. They are not out to make a profit from someone's debt misery. Whereas fee charging debt management companies see those struggling with debt as a market to make a profit from.

“That is why this new guidance is so important, as it will help consumers see the difference between the two and not end up wasting thousands of pounds for advice and support that they could receive free from a charity.”

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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. The CCCS free phone helpline 0800 138 1111 is open 8am to 8pm, Monday to Friday.
4. *CCCS Debt Remedy* is available at www.cccs.co.uk
5. Follow us on Twitter: @CCCSPressOffice

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