

Press Release

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Pensioners hit by ‘double squeeze’ of high inflation and crippling debt repayments

Pensioners’ finances are being hit by a ‘double squeeze’ of rising prices and high debt servicing costs, according to a leading debt charity. Consumer Credit Counselling Service (CCCS) says that more than half of pensioners seeking help with their debts would have to spend their entire state pension just to keep up with their minimum monthly credit commitments.

Of the 4,300 pensioners who contacted CCCS for advice in the first six months of 2011, 54 percent faced minimum monthly debt repayments higher than the amount they received from the state pension each month. Pensioners owed an average of £20,831 on credit cards, loans and other types of unsecured credit, and faced an average minimum repayment of £664 per month in order to service their debts – almost one-and-a-half times the basic state pension of £443 per month.

Delroy Corinaldi, external affairs director at CCCS, says: “These figures show the alarming scale of the debt problem among older people in the UK. Many pensioners are suffering a double squeeze on their income – with high debt servicing costs adding to existing difficulties caused by rising food and energy bills. I am concerned that an increasing number are at risk of falling into serious debt.

“Help is available – and with charities such as CCCS providing free advice and support on how to deal with debt, there should never be a need to pay for it.”

CCCS provides free and confidential debt advice via its telephone helpline on 0800 138 1111 and anonymous online tool, *CCCS Debt Remedy*, at www.cccs.co.uk

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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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