

 <p>CONSUMER CREDIT <i>Counselling Service</i> A Registered Charity</p>		 <p>THE CHARITY AWARDS 2009 10TH ANNIVERSARY WINNER</p>
Tel: 0207 391 4583	Email: unaf@cccs.co.uk	Website: www.cccs.co.uk

Press Release

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Debt warning as CCCS responds to 21st Century Welfare paper

Britain's leading debt charity, Consumer Credit Counselling Service (CCCS), welcomes the proposed simplification of the tax, tax credit and benefit systems outlined in the 21st Century Welfare paper published today (July 30) by the Government. However, CCCS is concerned that changes to Incapacity Benefit could plunge thousands deeper into debt.

CCCS expects 15,000 of its clients this year to be claiming Incapacity Benefit. For them, the benefit will account for around a third of their total income.

People receiving Incapacity Benefit will have their claim reviewed by Jobcentre Plus over the next four years with pilot schemes beginning in Aberdeen and Burnley this October. Recipients will have to undergo a Work Capability Assessment to see if they are fit to work. It is expected that many current recipients will move on to Jobseeker's Allowance or come off benefits entirely.

CCCS Chairman Malcolm Hurlston warns: "For thousands of people in debt, Incapacity Benefit is a central plank of their income.

"They, and people receiving Disability Living Allowance, are among the most vulnerable in our society, and their treatment must be sympathetic as well as fair.

"Reduce the benefit and they will plunge deeper into debt."

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Notes to editors:

1. The CCCS Centre for Welfare Benefits has helped 15,000 clients with an apparent benefits shortfall since its creation in 2007. For most clients, their shortfall was quickly identified and remedied. For one in five, a full session of benefits counselling was needed, covering the twenty major benefits available. Only clients of CCCS can currently access the charity's welfare benefits team. Clients are largely referred to the centre for specialist advice following an initial assessment by CCCS helpline staff.
2. The CCCS free phone helpline 0800 138 1111 is open 8am to 8pm, Monday to Friday.
3. CCCS *Debt Remedy* is available at www.cccs.co.uk .
4. CCCS is self-funding. Unsecured lenders share with the charity the benefit they receive from its operation, making a donation from the money repaid to them through debt management plans. 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 pay" from the "won't pay".

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 (07950 469101 if outside office hours)