



114 Church Street
Church Gresley
Swadlincote
Derbyshire DE11 9NR

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PRESS RELEASE

Telephone / Fax 01283 210108
Advice Line 01283 210107
www.southderbyshirecab.org.uk

South Derbyshire Citizens Advice Bureau Warn Against Christmas on Credit

The Money Advice Team from South Derbyshire Citizens Advice Bureau, who helped clients deal with over £3.8M of debt last year, are concerned about a recent surge in clients getting deeper and deeper into debt to fund Christmas.

Sue Freeman, the charity's Money Advice Caseworker tells us "We know times are really hard for people at the moment, and we understand that everyone wants to make Christmas special, but the new year debt hangover can be crippling".

The bureau have seen a huge increase in the amount of short term lenders in recent years, promising quick and easy cash until your next pay day. It seems like the perfect solution, but bureau workers know that to get the money you have to give the loan company your debit card details. This gives them open access to your bank account, from which they will take the money when you are paid. Neither you nor your bank have the power to stop the cash being taken. If the money is not available you will be charged fees plus interest by the lender, and probably incur unauthorised overdraft charges from your bank.

One client advised by the bureau took out a £200 loan but has ended up owing £3400 in fees, interest and charges. Another client was charged £420 in bank charges when there was not enough in her account to cover the £60 she had borrowed from another lender.

If you are relying on credit this Christmas, the bureau advise you to shop around to get the best deal, but to really consider whether the things you buy are really worth the payments you will make. If you are struggling to manage the essentials, the bureau can make a referral to the South Derbyshire food bank.

Money Advice workers at South Derbyshire are expecting an influx of clients in January when the reality of credit taken out over Christmas hits home. Bureau Chief Executive Jackie Spencer said "if you are worried about paying your bills, make a beeline for your local bureau; a debt problem does not get better on its own, and the sooner you come to see us, the more options you have for handling it."

For more information visit www.southderbyshirecab.org.uk. For an appointment with South Derbyshire Citizen's Advice Bureau call 08444 111 from a landline / 0300 3300 650 or 01283 210109 from a Mobile.

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Notes to editors

1. The Citizens Advice service helps people resolve their legal, money and other problems by providing information and advice, and by influencing policy makers.
2. The advice provided by the Citizens Advice is free, independent, confidential and impartial, and available to everyone regardless of race, sex, disability, sexuality or nationality.
3. Most Citizens Advice service staff are trained volunteers, working at nearly 3,400 service outlets across England and Wales.
4. Advice and information www.adviceguide.org.uk. Volunteer hotline 08541 264 264.
5. For more information please contact Lynsey Hornsby, 01283 210108 lhornsby@southderbyshirecab.org.uk.