



## Millions Driven Into Debt, But Debt Management Can Help

Manchester, United Kingdom, July 17, 2008 --(PR.com)-- Commenting on proposed changes to vehicle excise duty, debt management company Gregory Pennington highlighted the negative impact the changes could have on millions of motorists already struggling to cope with escalating costs of living. The plans will mean higher road taxes for an estimated nine million motorists.

“Naturally, we applaud government efforts to protect the environment,” a spokesperson for the debt management company stated, “but these are tough times for families throughout the UK. The credit crunch, housing market uncertainty, record levels of personal debt and rising food costs - the cumulative impact can be overwhelming, and many motorists will struggle to cope with any extra burden on their finances, especially in the face of today's unprecedented fuel prices.

“Particularly worrying, we note that many so-called 'gas guzzlers' are family cars. Many families would love to save on petrol and insurance by switching to a smaller vehicle, but for space reasons that's simply not an option, as anyone with three children (and two prams) could tell you.”

An example: according to the Vehicle Certification Agency, a 1.6 litre Renault Scénic (petrol; 6 speeds) emits 182g of CO<sub>2</sub> per km. Under current rules, this would fall in the E band and cost £170 for 2008/09, but under the new rules, it would fall in the J band and cost £260 in 2009/10. “With so many households already struggling to manage their debt payments, £90 could make the difference between climbing out of debt and sliding further into it - and many drivers will find themselves facing much larger increases, paying hundreds of pounds more.”

There are, however, debt solutions that can reduce monthly outgoings, such as Gregory Pennington's debt management plan. “Our debt management plan was designed with flexibility in mind: when our customers' expenses go up (or their income goes down), we talk to their unsecured creditors about making the necessary adjustments to their repayment plans. By freeing up funds that would have gone towards their non-priority debts, we help our customers stay on top of their priority commitments - the kind of debts that, if neglected, can rapidly land them in serious trouble.

“Even under normal conditions, [a debt management plan offers a realistic, affordable path out of debt](#) - but at a time like this, when people find themselves facing so many financial challenges simultaneously, borrowers have even more reason to select a flexible debt solution that can renegotiate their payments in line with changes to their disposable income.”

At the same time, debt management offers creditors a proven way of recovering the money they're owed without resorting to any 'extreme' measures. “In the 15 years since Gregory Pennington was founded,” the spokesperson concluded, “we've found that most lenders would rather negotiate with a debt management company than resort to court action - accepting lower payments might mean the debt is repaid more slowly, but the majority of creditors will accept this, as long as the individual demonstrates they can make those payments reliably.”



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