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Christmas needn't break the bank, as Barney McCarthy finds out

Christmas is traditionally a time of overindulgence and lavishing expensive gifts on family and friends, but with the ongoing credit squeeze hitting you in the pocket, you could be forgiven for feeling more like Scrooge. But you don't have to be miserly to endure financial survival over the festive period – simple planning and organisation can prevent you overspending.

There's no use crying over spilt milk now, but research by ICICI Bank in October revealed that with 77 shopping days left until Christmas, nearly 50 per cent of Britons had started saving already in order to ensure the festivities go ahead as planned. The bank's research also revealed that while Britons are combating the

downturn by embracing a culture of long-term saving, one in 10 will have to borrow to afford the festive period.

Anubrata Biswas, head of retail banking at ICICI Bank, says: "We believe it is important people start to save early so they can afford to enjoy themselves when key events and celebrations come around. There are some great deals out there and people should take time to shop around for the savings product that suits their needs."

Debt Advisory Line reports huge increases in those turning to it for debt advice from November through to January, with a 40 per cent enquiry surge in January 2009. Mike Ransom, spokesman for the debt management provider, explains: "The festive season is obviously a key emotive period for many where buying expensive gifts, entertaining and even hosting the Christmas dinner can leave a trail of destruction and people can end up with the headache of picking up the financial pieces when it's all over in January. It is worth bearing in mind that a considerable amount of Christmas debt will be repaid for most of the following year so think ahead (see box, *Top tips*) for the best results."

Join the club?

It can be hard to have the discipline to regularly squirrel savings away, but another way Brits have helped ease the financial burden of the festive period is to join Christmas clubs and pay a small amount in each month. The reputation of such schemes took a bit of a battering after the high-profile demise of Farepak back in 2006, but there are still plenty of reputable organisations offering such services. The Post Office is one such provider, with members able to pay money in at any branch as regularly as they want. The resultant "Christmas Club Card" is then valid at a number of high street retailers such as

