

Debt problems? Help and advice are available



Debt

Many people get into debt at one time or another, often through no fault of their own. Losing your job, having a baby, an increase in housing costs, separating from a partner, sickness or bereavement – all of these things can make it difficult to manage a household budget.

You may fall behind with your rent or mortgage payments, other bills mount up, and you can get into greater difficulties. Often people have several debts and it can be a constant struggle juggling payments of bills and housing costs.

If you are concerned about your debts, try not to worry but do not ignore your problem. It won't go away. Talk to the people or organisations you owe money to and let them know you are having problems. Most organisations will be more helpful if you approach them first. If you need help to do this, seek free help as soon as possible from a money adviser who can look at your debt situation and advise you on how to deal with your debts.

Who can help?

Free money advice is available from a number of organisations. These are listed on page 6 of this leaflet.

What these organisations can do for you

An adviser will:

- explore the extent of your debt problem
- work out a weekly or monthly budget with you, balancing your income against your essential outgoings
- work out from this how much money is left to pay outstanding bills or other debts
- help you prioritise your debts so that the most important ones get paid
- help you to negotiate reduced repayments to the people you owe money to (known as “creditors”)
- advise you on going to court and may be able to represent you.

Money advisers will help you to draw up a budget and work out what you can afford to repay towards your debts. An adviser may also be able to help you to negotiate with the people you owe money to and agree with them payments you can afford.

What to do before you contact or go to see a money adviser

Before you contact or go to see a money adviser, try to work out how much money you have coming in each week or month and how much you need to spend on things like rent or mortgage, bills and food. An adviser will use this information to work out how much you can afford to repay towards your debts.

It will also help them if you have all of your bills and any letters from people you owe money to with you before you speak to them. If you do not have these to hand you should contact a money adviser anyway.

Think twice!

Before taking out a new loan to repay all your debts – you may end up paying back a lot more than you borrowed and the interest rates may be extremely high. Some loans can be secured against your home and you could end up losing it if you fail to make repayments.

Local help and advice

The Pension Service or your Personal Adviser at Jobcentre Plus may have a list of local providers that offer advice in addition to the organisations on page 6 of this leaflet. Please ask if they can supply you with details of these organisations.

This leaflet is a general guide to debt advice. We have made every effort to ensure that the information is correct at the date shown on the cover. Changes in providers of money advice may make the leaflet become gradually less accurate over time.

You can get money advice from the following organisations:

Citizens Advice

Citizens Advice Bureau offers free, confidential, impartial and independent advice. Your local CA is listed in the phone book.

www.citizensadvice.org.uk/cabdir.ihtml

Advice UK

Represents about 900 independent advice agencies in the UK. Contact them to find the advice agency nearest to you.

Phone 020 7407 4070
www.adviceuk.org.uk

National Debtline

The helpline that provides free confidential and independent advice on how to deal with personal debts.

Phone 0808 808 4000
www.nationaldebtline.co.uk

Consumer Credit Counselling Service

A registered charity whose purpose is to assist people who are in financial difficulty by providing free, independent, impartial and realistic advice.

Phone 0800 138 1111
www.cccs.co.uk

The Community Legal Service

Aims to ensure that people in England and Wales find the right legal help easily and can be confident of the service they get. To find an organisation that may be able to help you, Phone 0845 608 1122 or log onto: www.justask.org.uk

Citizens Advice Scotland

Citizens Advice Bureau Scotland offers free, confidential, impartial and independent advice. Your local CAS is listed in the phone book.

www.cas.org.uk/findaCAB/findacab.html

Money Advice Scotland

Promoting high-quality, free, confidential, independent and impartial money (debt) advice.

Phone 0141 572 0237
www.moneyadvicescotland.org.uk