

Getting help with debt



Dealing with debt problems



What is debt?

Put simply, debt is owing money. People generally find themselves in debt when their outgoings exceed their income – but the reasons behind this can be varied and complex.

For some, debt is caused by straightforward overspending, while for others it's a result of life changes such as illness, divorce or job loss.

Not all debt is a problem – but whatever you owe, it can cause sleepless nights. If your debt is worrying you or negatively affecting your life, it's important to take steps to tackle it.

When should I seek help?

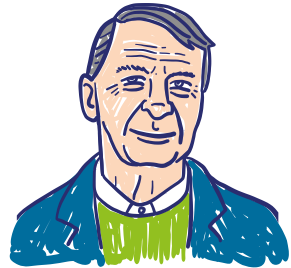
You should consider seeking help if you're:

- worrying about money
- struggling to pay your household bills or paying them with credit
- relying on your overdraft or credit card to get by
- missing credit repayments
- hiding your spending habits from your family
- avoiding letters and calls from your creditors (the people you owe money to).

It can feel daunting to start this kind of conversation. But if any of the above apply to you, it could be time to get some advice.

“I’m worried about getting into debt because my bills keep going up and up. I just feel quite overwhelmed, and I don’t know where to start.”

Rupert, 74



Next steps



There are a number of different organisations that offer advice and support on debt issues. More information can be found on page 5.

Getting advice

You might feel low, anxious or even ashamed if you're struggling with debt – and this can make it harder to ask for help. You might also feel overwhelmed or confused about how to start tackling the problem. But whatever your situation, you don't have to face it alone.

There are lots of organisations that can help you get back in control. Many offer free advice, and some will even help you create a personalised, step-by-step plan to become debt-free. Even if it seems impossible now, there is a way out – and the sooner you seek help, the sooner you'll find it.

There's no need to pay for advice when there's a lot of free, confidential, independent help out there. You may have seen adverts for debt-management companies, but these often charge fees for their advice. Some offer to help with consolidating debt, which often involves taking out a loan to pay off all your debts and repaying just the one loan.

Don't be tempted to take on more debt – this could make things worse.

What is a debt adviser?

A debt adviser can help you come up with a budget and a plan to pay back your debts – or suggest other solutions if you can't afford to pay them back. They should advise you on how to contact your creditors to arrange any repayments. Some advisers will help you with negotiating with your creditors.

Let the adviser know if you're facing an emergency (such as eviction or having no access to money). They may be able to give you an appointment as a priority.

Sources of free help and advice

Here are some organisations that offer help with debt. All of them are registered charities and offer free and confidential advice. You can find their contact details on pages 13-14.

- **Your local Age UK** should be able to direct you to organisations that can help. Some local Age UKs offer debt advice directly. In Wales, contact Age Cymru Advice.
- **Advice UK** can help you find free independent debt and money advice.
- **Advice NI** provides information and advice on debt in Northern Ireland, either over the phone or by email.
- **Citizens Advice** offers help face to face, by phone or by email.
- **Debt Advice Foundation** provides debt advice and support through its helpline in England and Wales, and through its website.
- **National Debtline** provides advice over the phone, online and by email for people living in England and Wales. It can send you a free self-help information pack.
- **StepChange Debt Charity** provides advice over the phone or online through its Debt Remedy tool. It can offer a personal action plan and recommend solutions for dealing with debt.

If face-to-face appointments with these organisations aren't available near you, or you have trouble getting to appointments, you can still get advice over the phone from the privacy of your own home.

What to expect from your appointment

Appointments can vary depending on which debt advice service you use. But there are some things you can generally expect the adviser to do:

- Ask about your debts and your creditors so they can explain the options for dealing with them.
- Ask questions about your circumstances – such as whether you own your home – so they can understand your personal situation.
- Give you the opportunity to explain your income and your outgoings, so they can help you work out a budget.
- Potentially carry out a benefits check to make sure you're claiming all the money you're entitled to.
- Talk you through your options and help you identify what steps to take next.

“I spoke to a debt adviser because I was worried about how to clear my debts after work started slowing down.”

Lynn, 66



Good to know

It'll be helpful to have relevant paperwork to hand, such as bank statements, evidence of your income and letters from creditors.

Preparing for your appointment

Once you have an appointment with a debt adviser, make a list of who you owe money to, and work out the total if you can. When it's time for your appointment, try to make sure you have the following things to hand:

- bank statements for the past three months
- information on how old your debts are
- any letters or demands from your creditors
- a pen and paper to take notes.

It's important to tell your debt adviser if:

- the debts belonged to a spouse, partner or civil partner who has died
- the debts came from signing an agreement or loan document you didn't properly understand.

Next steps

For more information about the topics covered in this guide, see our factsheet **Dealing with debt**.

While you're waiting

If you have to wait a few weeks for your appointment, there are some useful things you can do in the meantime.

If you can, keep paying your priority debts. These are debts that have the most serious consequences if they're not paid and include:

- mortgage
- second mortgage or secured loan
- rent
- Council Tax
- gas or electricity
- TV licence
- unpaid fines
- hire purchase
- telephone
- court judgment or fine
- Land & Property Services rates (in Northern Ireland only).

Non-priority bills can include water, catalogue debts, credit card debts, unsecured personal loans and money borrowed from friends and family.

It's also a good idea to make sure you know your rights when dealing with creditors. If your creditors contact you while you're waiting for your appointment, tell them that you're seeking advice – they should give you breathing space. If they keep pressuring you, talk to your debt adviser about what to do.

It's important to be aware of these rules:

- **Creditors** can't call you at unreasonable times, take payments without your permission, or add unreasonable charges.
- In England and Wales, **bailiffs** (also called 'enforcement agents') from the County Court or the local council can't turn up without notice. They must give at least seven days' notice of their first visit. However, High Court enforcement officers don't need to give this notice.
- **Debt collectors** can't force entry to your house, take anything from it, or demand cash payments from you.
- **Energy suppliers** can't disconnect you without notice. If everyone in your house is over State Pension age, your supplier can't cut off your energy supply between 1 October and 31 March. If anyone in your house is over State Pension age, then the supplier should still take steps to avoid cutting off your supply in the winter.

“I was struggling to pay my rent so I rang Age UK to see what my options were.”

Dorothy, 71





Increasing your income

To help you pay your priority debts, make sure you're receiving all the money you're entitled to.



You can use our handy benefits calculator online at www.ageuk.org.uk/benefits-check or ask your local Age UK to help you work out what you might be eligible for. In Wales, contact your local Age Cymru.

There are some other options to consider, too. You could:

- apply for concessionary travel from your local council
- apply for grants from charitable organisations. Turn2Us (page 14) or your local Age UK can help you identify grants. In Wales, contact Age Cymru Advice.

Next steps

To find out more about increasing your income, see our guide **More money in your pocket.**

If you're worried about someone else

It can be very concerning if you think a family member or friend might be having problems with debt. You might notice that they're:

- hiding post
- being unusually secretive about money and finances
- getting phone calls from unknown callers
- struggling to make ends meet
- avoiding activities they used to enjoy
- asking to borrow money.

It can be a difficult conversation to have, but if you think a loved one is having problems with debt, encourage them to seek help. They'll need to make the decision to get advice themselves – but having you there to support and listen to them could make a big difference.



Useful organisations

Age UK

We provide advice and information for people in later life through our Age UK Advice line, publications and website.

Age UK Advice: 0800 169 65 65

Lines are open seven days a week from 8am to 7pm.

www.ageuk.org.uk

In Wales, contact Age Cymru Advice: **0300 303 44 98**

www.agecymru.org.uk

In Northern Ireland, contact Age NI: **0808 808 7575**

www.ageni.org

In Scotland, contact Age Scotland: **0800 124 4222**

www.agescotland.org.uk

Advice UK

Network of independent advice providers across England and Wales.

www.adviceuk.org.uk

In Northern Ireland, contact **Advice NI**

Tel: **0800 915 4604**

Email: advice@adviceni.net

www.adviceni.net/money-debt

Citizens Advice

National network of centres offering free, confidential and independent advice, face to face or by phone.

In England, call Adviceline: **0800 144 8848**

In Wales, call Advicelink: **0800 702 2020**

www.citizensadvice.org.uk

Debt Advice Foundation

Registered national debt advice and education charity offering free, confidential support and advice to anyone worried about loans, credit and debt.

Tel: **0800 043 40 50**

www.debtadvicefoundation.org

National Debtline

Helpline offering advice and support to people with debts.

Visit their website to see factsheets and use their budget tool.

Tel: **0808 808 4000**

www.nationaldebtline.org

StepChange Debt Charity

Charity providing free independent debt advice and a range of debt solutions. Call their freephone helpline or go online to use their Debt Remedy tool.

Tel: **0800 138 1111**

www.stepchange.org

Turn2us

Organisation that helps people access the money available to them, through welfare benefits, grants and other support.

Tel: **0808 802 2000**

www.turn2us.org.uk

Help us be there for someone else

We hope you found this guide helpful. When times are tough, it's so important to get some support. Did you know you could help us reach someone else who needs a little help? Here's how:

1

Give your views on guides like this

Our Readers' Panel helps make sure the information we produce is right for older people and their families. We'd love you to join. Go to www.ageuk.org.uk/readers-panel.

2

Donate to us

Every donation we receive helps us be there for someone when they need us. To make a donation, call us on **0800 169 8787** or go to www.ageuk.org.uk/donate.

3

Volunteer with us

Our volunteers make an incredible difference to people's lives. Get involved by contacting your local Age UK or at www.ageuk.org.uk/volunteer.

4

Campaign with us

We campaign to make life better for older people, and rely on the help of our strong network of campaigners. Add your voice to our latest campaigns at www.ageuk.org.uk/campaigns.

5

Remember us in your will

A gift to Age UK in your will is a very special way of helping older people get expert support in the years to come. Find out more by calling **020 3033 1421** or visit www.ageuk.org.uk/legacy.

What should I do now?

You may want to read some of our relevant information guides and factsheets, such as:

- **Avoiding scams**
- **More money in your pocket**

You can order any of our guides or factsheets by giving our Advice Line a ring for free on **0800 169 65 65** (8am-7pm, 365 days a year).

Our friendly advisers are there to help answer any questions.

All of our publications are available in large print and audio formats.

There's plenty of really useful information on our website, too. Visit www.ageuk.org.uk/moneymatters to get started.

If contact details for your local Age UK are not in the below box, call Age UK Advice free on **0800 169 65 65**.



0800 169 65 65
www.ageuk.org.uk



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