



Worried about... debt?

Step 3: Check your options for getting out of debt

If you have lots of debts and are struggling to pay, there are things you can do to help you get out of debt.

You might be able to talk to your creditors and arrange a way to pay them, or make a formal agreement called a 'debt solution'.

You'll need to decide what the best solution is for your situation. It'll depend on things like:

- the type of debts you have
- the total amount of debt you have
- how much money you can pay towards your debts

If you have some money to pay your debts, you could arrange to pay off your debts over a few years. You might be able to get a debt management plan, an administration order or an individual voluntary arrangement (IVA).

If you don't have any money to pay your debts there are still options that could help you. Depending on how much you owe, you might be able to apply for a Debt Relief Order (DRO) or bankruptcy.

Different debt solutions can affect your life in different ways. For example, they might affect your credit rating, mortgage or savings, or restrict the work you can do. Make sure you understand how you'll be affected before you apply for a debt solution.

If you need more help understanding the different options and their risks ask for an appointment with one of our team.

Talk to your creditors

Before you explore any debt solutions it's important to talk to your creditors. You might be able to come to an agreement with them to pay off your debts, or get more time to work out your situation.

If you've already agreed to make payments to your creditors you should still check if other debt solutions could help you - there might be a better way forward.

If you don't feel able to talk to your creditors directly, or they won't agree to your offers, check if you can use another solution.

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Get breathing space if you need more time to decide what to do

If you're not ready to use a debt solution or you can't afford to right now, the government-backed Breathing Space scheme could give you extra time.

If you're eligible, you could get 60 days of breathing space where your creditors can't:

- contact you
- take action to make you pay
- add interest and charges to your debt

It covers most debts, including credit and store cards, loans, overdrafts and arrears on household bills. You'll need to get advice from a debt adviser first - they'll check all your debts to see if they're covered.

To see if breathing space is right for you, talk to one of our team.

If you're getting mental health crisis treatment

You might be able to get breathing space from your creditors for the whole time you're getting crisis treatment, plus 30 days after. Crisis treatment includes things like getting emergency or acute mental health care in hospital or the community.

Speak to your mental healthcare provider about 'Mental Health Crisis Breathing Space'.

Check how much money you can pay towards your debts

Before you explore any debt solutions, you'll need to:

- collect information about all of your debts
- check which of your debts to pay first - these are called priority debts
- check if you can increase your income to give you more money to pay your debts
- check if you can reduce your living costs

Further help and information:

National Debtline: Telephone: 0808 808 4000 or webchat with an adviser:
www.nationaldebtline.co.uk

Stepchange: Telephone: 0800 138 1111 or webchat with an adviser: www.stepchange.org

Payplan: Telephone: 0800 716 239 or web chat with an adviser: www.payplan.com



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