



# DEBT MANAGEMENT

## *Sutton*

### **What is debt?**

Almost everyone owes money - bills are a fact of life. But sometimes you may find you're swamped with debts and can't see a way of paying them all. The worst thing you can do is to ignore the problem - it won't just go away. If you are in debt and you are finding it hard to cope, it's important to deal with the problem as soon as possible – the longer you ignore your debts, the worse the situation becomes.

Being in debt can be highly stressful and in some situations lead to depression and anxiety. Conversely, sometimes being unwell, physically or mentally, can lead to debt. Sometime people who are depressed can believe that they have big debts. Please seek advice from the services listed overleaf if you are about to make serious financial decisions. Below are some suggestions on how to manage your debt.

### **Debt management**

#### Knowing your debt

The first job is to sort out exactly what you owe, and to whom you owe it (your creditors). You then need to put these debts in order of importance. The most important ('priority') debts aren't necessarily the biggest ones. Priority debts are ones where serious action can be taken against you if you don't pay what you owe.

- **Priority debts** are things such as mortgage repayments, rent, taxes and payments ordered by the courts: if you don't sort these out, there's a possibility you could lose your home or go to prison.
- **Non-priority debts** include credit card payments, bank loans, catalogue repayments and money you've borrowed from family or friends. You can't ignore these, but the immediate implications of not paying them are not as severe so they do not need to be your first priority.

### **Work out a personal budget**

To find out what debt repayments you can afford, work out a weekly or monthly budget to see what you need to live on. It's important to be realistic and honest with yourself. Your budget will show how much money you can afford to commit to paying off your debts. Your budget may also show you where you can save money.

National Debtline provides a free self-help pack and leaflets, including help on how to work out a personal budget. You can download these from their website or ask for them to be posted to you by calling their helpline (over the page).

#### Cutting your costs

You can look at your expenses to see where you can make savings. You could also try shopping around to reduce bills or think about selling non-essential items that you own (for example, a second car).

#### Increasing your income

You may be in debt because you're not receiving all the money you're entitled to. For example, it's advisable to:

- make sure you're not paying too much tax
- check whether you're entitled to tax credits
- ensure you're receiving the benefits you're entitled to
- make sure that any family and friends living with you are paying enough towards household expenses
- check whether your mortgage payments are covered by insurance if you are not able to work



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### Useful sources of information and support in Sutton

There is a lot of information about mental health available on the Internet and in books. Occasionally these are not from reliable sources and may provide mis-information. While service users and mental health professionals have recommended these websites, books and services, we cannot guarantee their quality nor can we take responsibility for the impact that the resources and services will have on you. The websites and books listed here are not an exhaustive list.

### Where to get help and advice

Many organizations offer free, independent advice on debt problems, so you don't need to use companies that charge. The following organizations will give you free help and advice

<p><b>Citizens Advice Bureau (CAB)</b> Your local CAB is a good starting point for free advice. They provide free information and advice on legal, money and other problems. The Sutton CAB service is available by appointment only. There are two sites, one in Sutton Library and one in Parkgate Road, Wallington. Please 'phone to make an appointment.</p> <p><b>Telephone</b> 020 8405 3552 <b>Website</b> <a href="http://www.nationaldebtline.co.uk">www.nationaldebtline.co.uk</a> <b>Opening hours</b> 9.30 a.m. to 5 p.m. pm Monday to Friday,</p>	<p><b>National Debtline</b> National Debtline offers free, confidential and independent help over the 'phone for people in England, Scotland and Wales. You can call their helpline and also download publications from their</p> <p><b>Address</b> Tricorn House, 51-53 Hagley Road, Edgbaston, Birmingham B16 8TP <b>Telephone</b> 0808 808 4000 <b>Website</b> <a href="http://www.nationaldebtline.co.uk">www.nationaldebtline.co.uk</a> <b>Opening hours</b> 9.00 am to 9.00 pm Monday to Friday, 9.30am to 1.00 pm on Saturday</p> <p>website.</p>
<p><b>Consumer Credit Counselling Service (CCCS)</b> The CCCS has a helpline, providing free, independent and impartial advice to people who have debt problems.</p> <p><b>Address</b> Wade House, Merrion Centre Leeds, LS2 8NG <b>Telephone</b> 0800 138 1111 <b>Website</b> <a href="http://www.cccs.co.uk">www.cccs.co.uk</a> <b>Opening hours</b> Helpline hours: 8am to 8pm Monday to Friday</p>	<p><b>Legal help</b></p> <p><b>Community Legal Service</b> If you're being threatened with legal action, you can check the Community Legal Service website to see what your legal rights are. <a href="http://www.clsdirect.org.uk">www.clsdirect.org.uk</a></p> <p><b>Legal Advice</b> You may also be entitled to free and independent advice from your local Law Centre –find out more by going to the Legal Services Website on: <a href="http://www.legalservices.gov.uk/">www.legalservices.gov.uk/</a></p>
<p><b>London Borough of Sutton Tenancy Service</b> The Sutton Tenancy Service provides debt management advice to their tenants through a rent advisor</p> <p><b>Address</b> Civic Office, St Nicolas Way, Sutton, SM1 1EA <b>Telephone</b> 0800 195 5552 <b>Website</b> <a href="http://www.sutton.gov.uk/">www.sutton.gov.uk/</a> <b>Opening hours</b> 9 a.m. to 5 p.m. Monday to Friday</p>	<p><b>Other Useful Numbers</b></p> <p><b>SaneLine:</b> 0845 767 8000 (Monday- Sunday 1-11pm)</p> <p><b>Samaritans:</b> 08457 90 90 90 (everyday, 24 hours)</p> <p><b>NHS Direct:</b> 0845 46467 (every day, 24 hours)</p>