

# Debt Advice



*Providing Quality Homes & Neighbourhoods*



If you need any help communicating with us or understanding any of our documents, please contact us on 01909 534520.

We can arrange for a copy of this document in large print, audiotape, Braille or for a Language Line interpreter or translator to help you.

Our contact details:



01909 534520



e-mail: customer.services@a1housing.co.uk

### Mandarin

如果您在与我们沟通或理解我们的任何文件时需要帮助，我们可安排“语言热线”（Language Line 公司）的口译人员或笔译人员来帮助您。请拨打这个电话 - 01909 534520 与我们联系，说明您使用的语言和电话号码。

### Urdu

اگر آپ کو ہمارے ساتھ بات کرنے میں یا ہماری فراہم کردہ کسی دستاویز کو سمجھنے میں مدد کی ضرورت ہو تو ہم آپ کی مدد کے لئے لینگویج لائن کے ایک اظہر پریٹر (مترجم) یا ترمیم کرنے والے کا اہتمام کر سکتے ہیں۔  
برائے مہربانی ہم پر رابطہ کر کے اپنی زبان اور اپنا ٹیلیفون نمبر بتائیں۔  
01909 534520

### Punjabi

ਜੇ ਤੁਹਾਨੂੰ ਸਾਡੇ ਨਾਲ ਗੱਲਬਾਤ ਕਰਨ ਜਾਂ ਸਾਡੇ ਕਿਸੇ ਦਸਤਾਵੇਜ਼ ਨੂੰ ਸਮਝਣ ਵਿੱਚ ਮਦਦ ਚਾਹੀਦੀ ਹੈ, ਤਾਂ ਤੁਹਾਡੀ ਮਦਦ ਕਰਨ ਦੇ ਲਈ ਅਸੀਂ ਇੱਕ ਲੈਂਗਵੇਜ਼ ਲਾਈਨ ਇੰਟਰਪ੍ਰੇਟਰ (ਦੁਭਾਸ਼ੀਏ) ਜਾਂ ਟ੍ਰਾਂਸਲੇਟਰ (ਅਨੁਵਾਦਕ) ਦਾ ਪ੍ਰਬੰਧ ਕਰ ਸਕਦੇ ਹਾਂ।  
ਕਿਰਪਾ ਕਰਕੇ ਸਾਨੂੰ - 01909 534520 - ਉੱਪਰ ਸੰਪਰਕ ਕਰੋ ਅਤੇ ਆਪਣੀ ਭਾਸ਼ਾ ਅਤੇ ਟੇਲੀਫੋਨ ਨੰਬਰ ਦੱਸੋ।

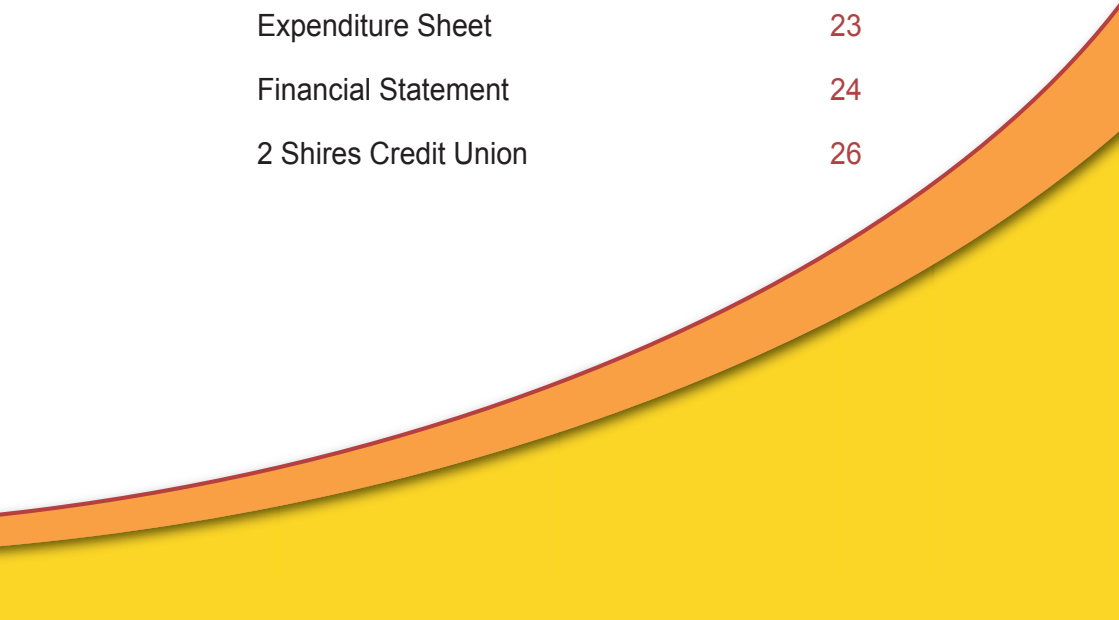
### Polish

**Jeśli potrzebujesz pomocy w komunikowaniu się z nami lub w zrozumieniu naszych dokumentów, możemy do pomocy udostępnić tłumacza Language Line.**  
**Proszę się z nami skontaktować pod numerem telefonu – 01909 534520 podając język rozmowy i numer telefonu.**

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## Introduction

We have written this guide to help you tackle your debt problems. We understand that if you have difficulty paying your rent you may have other financial problems. Please remember that if you need more help or advice you can contact **A1 Housing's Money Advisor/Income Recovery Team** or the **Citizens Advice Bureau**.

Read through this guide first and then work through all the stages.

Do not miss out any steps and remember it is very important to work through all the stages in order.

## Important

Get in touch with us if:

- things are not working out right
- you are worried about legal action being taken against you
- your creditors are not co-operating ('creditors' are people you owe money to)
- you do not feel confident about what you are doing
- you have any questions

***If you wish to get in touch with us, all of our contact details can be found on page 6 or the back page of this booklet.***

## What Can Happen if You Don't Pay Priority Debts

	Action
<b>Rent Arrears</b>	Attachment of Earnings (money stopped from your pay) Deductions from your benefits Court Action and Court Costs Eviction and loss of your home
<b>Council Tax Arrears</b>	Liability Order (Magistrates' Court) Deductions from your wages or Benefits Bailiffs Imprisonment Bankruptcy
<b>Water</b>	County Court action Deductions from your wages or Benefits Bailiffs
<b>Gas and Electricity, Fines, Maintenance or Child Support</b>	Disconnection Deduction from your wages or Benefits Bailiffs Imprisonment
<b>Income Tax</b>	Bankruptcy Bailiffs Imprisonment
<b>VAT</b>	Bankruptcy Bailiffs
<b>Hire Purchase</b>	Repossession of the goods

## Talk to Us!

**Don't let Court Action  
be the Next Step!**

A dedicated team is available to help and advise you with your rent and payments and any other concerns you may have.

**You can contact a member of our Income Recovery Team and get advice by either telephoning or visiting us at:-**

### **Income Recovery Officers and Assistants**

Current tenant rent arrears

Worksop & Harworth -

Tel: 01909 533165

01909 533428

01909 534468

Retford -

Tel: 01909 535124

### **Money Advisor**

Financial Health Checks

Budgeting Advice

Tel: 01909 533744



# Surgeries for Face to Face Rent Arrears and Payment Enquiries

## Worksop

Queen's Building

Potter Street

Monday and Friday 10 am - 12 noon

## Retford

One Stop Shop

17b The Square

Monday and Friday 9.30 am - 12 noon

## Harworth

Information Centre Scrooby Road

Wednesday 9.30 am - 11.30 am

## Carlton

The Gateway Building

24-28 Sycamore Road

Thursday 9.30 am - 11.30 am (fortnightly)

## Places to get Help and Advice with Debt and Benefit Problems

### Citizens Advice Bureau (CAB)

The Citizens Advice Bureau helps people resolve their legal money and other problems by providing free independent and confidential advice.



The Annexe, Queen's Buildings, Worksop S80 2AE  
Monday & Wednesday 9.30 am - 3.00 pm  
Friday 9.30 am - 1.00 pm

17B The Square, Retford, Notts DN22 6DB  
Tuesday & Thursday 10.00 am - 2.00 pm  
Website: [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

**Tel: 0844 8563 411**

**\*calls are charged at 5p per minute\***

### Christians Against Poverty

Is a national debt counselling charity with a network of 190 centres based in local churches.



The Well Retford Baptist Church,  
1a Lime Tree Avenue, Retford, Notts, DN22 7BB  
Website: [www.capuk.org](http://www.capuk.org)

**Tel: 01777 702344**

### The Money Advice Service

The Money Advice Service offers free information to all to help people manage their finances.

Monday to Friday 8 am - 6 pm  
Website: [www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk)



**Tel: 0300 500 5000**



## Bassetlaw District Council

**Council Tax: 01909 533234** - If you're worried about council tax payments, a bill, reminder or summons, please contact the Council Tax team.



**BASSETLAW**  
DISTRICT COUNCIL

**Debt Recovery: 01909 533465** - The team in the Debt Recovery unit can help you with Council Tax accounts that have been passed to bailiffs or an attachment of earnings you may be struggling to cope with.

**Homelessness: 01909 533455** - The Housing Needs team can help you if you are in danger of being evicted or being made homeless.

**Benefits: 01909 533710** - The Council Benefits team can help with entitlements to Housing Benefit and Council Tax support.

Website: [www.bassetlaw.gov.uk](http://www.bassetlaw.gov.uk)

## National Debtline

This helpline offers free confidential and independent advice on how to deal with debt problems.

Website: [www.nationaldebtline.co.uk](http://www.nationaldebtline.co.uk)

**Freephone Helpline: 0808 808 4000**



**NATIONAL  
DEBTLINE**

## StepChange Debt Charity

Registered charity whose purpose is to assist people in financial difficulty by providing free, impartial and realistic advice.

Website: [www.stepchange.org](http://www.stepchange.org)

**Freephone Helpline: 0800 138 1111**

**StepChange**  
Debt Charity

## 5 Simple Steps to Help

- 1 Don't ignore the problem - it won't go away and the longer you leave it the worse it will get.
- 2 Get in touch with your creditors straight away and explain your problems. Try to get a contact name you can use in future.
- 3 Don't borrow money to pay off debts without thinking very carefully. This kind of borrowing sometimes makes matters worse. Get advice before making a decision.
- 4 Deal with your priority debts first - the debts that can mean losing your home or having your gas or electricity cut off, or even going to prison. Don't panic! You can't go to prison for most types of debt.
- 5 Remember - ask for advice. **The Citizens Advice Bureau** and **A1 Housing's Money Advisor/Income Recovery Team** can help you at each stage and help you write letters and fill in forms.



## Stage 1 - List of Debts

The first step is to make a full list of all your debts. The Creditors Sheet on page 22 will help you to do this.

Write down your debts, the names and addresses of the creditors and the account numbers. You will find this information on any letter or statement the creditors have sent you.

- Rent
- Council Tax
- Gas or electricity
- Water charges
- Maintenance payments
- Fines
- Hire purchase agreements (for essential items)
- Self-employed National Insurance contributions
- Income Tax
- TV Licence
- Telephone

### Other debts could include:

- Credit cards, store cards or finance company loans
- Catalogues or mail order payments
- Door Step Lenders
- Bank loan and overdraft
- Money owed to friends or relatives

If you have Court Judgments for any of the debts, you will need to include these as well. The above is not a full list of possible creditors - check again to make sure that you have written everything down.

## Stage 2 - List of Income

The next step is to see how much money you have coming in each week or month. The **Financial Statement** form on pages 24 and 25 will help you to do this.

It is important to include all income. This may include:

- Wages (take an average over 5 weeks or 3 months if your wages vary)
- Child Benefit
- Income Support
- Job Seeker's Allowance
- Employment & Support Allowance
- Working Tax Credit
- Childrens Tax Credit
- Any other Social Security benefit
- Pensions (including occupational pensions)
- Maintenance payments

**Remember** - include all income; yours, and if appropriate, your partner's.

**Be consistent** - use either weekly or monthly figures - not a mixture of both. Tick the correct box on the Financial Statement form.

## Stage 3 - List of Expenditure

If you receive Disability Living Allowance or Attendance Allowance remember to include the extra costs to meet your needs in the expenditure. For example taxi fares to hospital or medical appointments and care fees.

It is difficult to work out how much you spend on items such as furniture and clothing but be realistic - think very carefully about each item on the list.

Check over your finished list and make sure it gives an accurate picture of where your money is going.

The next stage is to make a list of what you are spending. This means filling in an Expenditure Sheet for either each week or month. The Expenditure Sheet on page 23 may help you to do this.

Do not include items such as credit card payments, loans or catalogues as these are 'non-priority' debts. (Page 15 tells you more about this).



Work out how much money you pay out each week or month which will include:

<b>Rent</b>	Write in the rent you pay at present. The figure may change if you are entitled to Housing Benefit.
<b>Council Tax</b>	The figure may change if you are entitled to Council Tax Benefit or any discounts.
<b>Fuel</b>	Gas, electricity and solid fuel.
<b>Water</b>	
<b>Food and Housekeeping</b>	Include toiletries, cleaning materials and any other costs.
<b>TV Licence</b>	It is an offence to watch TV without a licence, even on a laptop or home PC.
<b>Travelling</b>	Include travel to work, school and to do the shopping. If you are running a car include tax, insurance, repairs, MOT and servicing as well as petrol.
<b>School Meals</b>	
<b>Clothing</b>	
<b>Other items</b>	Include an amount for the repair and replacement of furniture and household appliances - even light bulbs.

## Stage 4 - Prioritising Debts

At this stage you should now have:

- ✓ a list of all your debts
- ✓ a list of your weekly or monthly income
- ✓ a list of your weekly or monthly expenditure

The debts now need to be split into two groups according to how important they are. The groups are **priority** and **non-priority**. Priority debts are the most important ones, they include things like being behind, or being 'in arrears', with your rent or Council Tax payments.

### Priority Debts

- Rent Arrears
- Fuel Arrears
- Council Tax Arrears
- Arrears on fines or maintenance
- Hire Purchase (essential items)
- National Insurance contributions
- Tax and VAT

You must treat priority debts as just that - priorities. It may be that you have been paying other debts and the priority ones have fallen behind. This must change - **priority debts must be paid first.**

The money you have spare now needs to be split fairly between your creditors. This is based on how much you owe to each one - the more you owe the creditor, the more they will get.

## Deciding how much to pay creditors

Now you have worked out your income and expenditure, hopefully the income will be higher than the expenditure. This means you have some money to offer on the priority debts. If your expenditure is higher than your income check your figures again.

Follow the three steps below to work out how much to pay each creditor:

- 1 Work out your available income - take away the expenditure figure from the income figure.
- 2 Add up **all** the amounts you owe to non-priority creditors.
- 3 For each creditor: divide the amount owed to that creditor by the total amount owed to all your creditors. Multiply the result by your available income. This is what you will offer to that creditor.

If you have used weekly figures to work out your offers it may be better to change these over to monthly payments. You do this by multiplying the 'weekly' offer figure by 52 and then dividing by 12.

$$\frac{\text{Individual debt} \times \text{available income}}{\text{Total Debt}} = \text{OFFER}$$

### Remember

You need to carry out steps 1 to 3 above for each of your creditors.



There are three points that you must remember:

1. The creditor will want all the arrears paid off in a reasonable time.
2. You may have to keep to the agreed payments for quite some time. **Make sure you can afford to keep to the agreement.**
3. You must make an agreement with all your priority creditors. Making an expensive agreement with just one will mean you cannot afford to make agreements with the others.

When you have reached an agreement with all your priority creditors you should now:

- Enter the new payment (normal amount and the arrears) on the Expenditure Sheet and cross these priority debts off the list of debts.

Paying your priority debts is now part of your normal expenditure - the only debts left on your list are non-priority debts.



## Stage 5 - Contacting Creditors

You will now have:

- ✓ a list of non-priority debts
- ✓ a list of income - which includes any extra welfare benefits you may be getting
- ✓ a list of expenditure - which now includes payments of arrears to priority creditors

If at this stage you do not have any spare money to offer your non-priority creditors, check your figures once more. See if you can cut down on any items but don't be unrealistic, you may have to manage on this budget for quite a while. Above all, **do not reduce or miss any payments to priority creditors.**

If you have any Court Judgments entered against you, then you should contact the **Citizens Advice Bureau** before you write to your non-priority creditors.

If there is some money left to pay the non-priority creditors you should now write to **all** the creditors on your list.

The final step is to contact all the priority creditors (A1 Housing, the Council, fuel companies etc) and try to come to an agreement to pay off the arrears in affordable instalments. **Don't forget the arrears payments are on top of the normal payments you make.**

Before you contact your creditors have all your details to hand. This includes reference or account numbers, which you can find on past letters or statements. Get in touch with your creditors by phone, letter (see example on page 21) or calling in person. Explain that you are having financial problems and that you want to pay the arrears in regular instalments.



**The letter** on the opposite page is an example of the sort of letter you should send to each of your creditors. Along with this letter you should send a copy of your **Financial Statement**.

The example letter asks the creditors to freeze interest on the debt (If appropriate). They will not always be able to do this as some loans have the interest included in the amount you borrow. But if interest charges are being added onto the debt it may prove difficult to pay it off.

Some creditors may agree to freeze interest charges as long as you keep to the agreement you make.

When the creditors accept the offers you may like to write back to them and thank them for their co-operation.

Once you have made an offer, start making the payment even if the creditor has not replied, and keep paying even if they refuse the offer.

If any creditor refuses the offer contact the **Citizens Advice Bureau** for help.

### **Remember**

It is very important to keep to the agreements you have made. If you find that you cannot keep up the payments then don't delay - contact the creditors immediately.

## Example Letter to Creditors

Your name

Your address

Creditor's name

Creditor's address

Date

Dear Sir or Madam

### **Account Number:**

Following my recent letter about my financial situation I enclose a copy of a financial statement, which shows my total income and expenditure.

My total debts and an equal share of available income to all my creditors are also shown. You will note that I can offer to pay you £\_\_\_\_\_ a month.

*(Put in a paragraph here explaining your circumstances)*

To help me further and to make it easier for me to clear the debt I would be grateful if you would agree to freeze interest on the account (If appropriate). Please supply me with a payment book, which can be used at any bank, as this will help me make regular payments. I hope you are able to accept this offer and look forward to receiving your confirmation in due course.

Yours faithfully



## Expenditure Sheet

Expenditure	Weekly or Monthly amount	Arrears
Rent		
Council Tax		
Gas		
Electricity		
Water		
Other fuel		
Life Insurance		
Home Contents Insurance		
TV Licence		
Phone		
TV rental		
Clothing		
Laundry		
Car costs and petrol		
Car Insurance, Road Tax, MOT		
Other travel expenses		
Food and housekeeping		
Work meals and school meals		
Court Fines		
Court Judgments		
HP and conditional sale agreements		
Maintenance and Child Support		
Child Care costs		
Others (please list them)		

## Financial Statement

Name .....

Address .....

.....

.....

..... Postcode .....

Phone number .....

**Income** **£**

Wages .....

Benefits .....

Other Household Members .....

Other .....

**Total Income (A)** .....

Please say if you have worked this Financial Statement out weekly or monthly.

Please tick

Worked out Weekly

Worked out Monthly



<b>Expenditure</b>	<b>£</b>	<b>Offers to priority creditors</b>	<b>£</b>
Rent.....		Rent Arrears.....	
Council Tax.....		Council Tax Arrears.....	
Gas and Electricity.....		Gas/Electricity Arrears.....	
Water.....		Water Charge Arrears.....	
TV Licence.....		Others.....	
Phone.....		<b>Total priority</b>	
Car costs.....		<b>payments (D)</b> .....	
Contents Insurance.....		<b>Available inc. for non-</b>	
Child Care.....		<b>priority Creditors</b> .....	
Work/school meals.....		<b>(C)..... - (D)..... =..... (E)</b>	
Food and housekeeping.....		<b>Offers to non-priority</b>	
Fines.....		<b>Creditors</b> .....	
Clothing.....		Creditor	£ Balance £ Offer
Others.....		1.....	
<b>Total Expenditure (B)</b> .....		2.....	
<b>Available income for all</b>		3.....	
<b>Creditors</b> .....		4.....	
<b>(A)..... - (B)..... =..... (C)</b>		5.....	
		6.....	

## 2 Shires Credit Union

[www.2Shires.org.uk](http://www.2Shires.org.uk)



### What is a Credit Union?

Credit Unions are financial co-operatives owned and controlled by their members and are not run at a profit. They offer a convenient saving and loan service to its members. The members of the Credit Union pool their savings together. The Credit Union uses this pool of savings to provide a source of low-cost credit. This is particularly valuable for those who have difficulty borrowing at affordable rates of interest from mainstream financial providers, who might otherwise turn to loan sharks. Credit Unions are local, ethical and know what their members want. Put simply 'PEOPLE HELPING PEOPLE'.

### Why should I join?

The people most in need of affordable credit are, sadly those least likely to get it. Doorstep lenders are convenient and less daunting than banks and they don't ask questions. However the interest rates that they charge can be in the region of 177% APR or more. This can lead to spiralling debt, making life on a tight budget even more difficult. The Credit Union provides an alternative; they are 'PEOPLE HELPING PEOPLE'.

### Who can join?

Each Credit Union has a "Common Bond" which defines who can become a member. The common bond for 2 Shires Credit Union is anybody who lives OR works within the Bassetlaw or Bolsover District.

## What do I need to join?

Joining is simple, all that is needed is proof of identification and proof of address (Credit Unions have to comply with Money Laundering Regulations) and completion of a membership application form. Also a one off membership fee is required (this is waived if A1 Housing's Money Advisor refers you to them).

## Where can I join or enquire about borrowing, make deposits and loan repayments?

You can visit the Credit Unions' main office in Worksop or any one of the established outreach collection points that are based in Harworth, Langold, Carlton, Manton, Retford or Tuxford. For opening times of the outreach collection points please telephone Worksop 01909 500575.

## Saving with a Credit Union

Saving money with a Credit Union couldn't be simpler. Unlike some other savings schemes you can save as much or as little as you like, weekly, monthly or as often as you wish. The Credit Union offers regular savings accounts, Christmas and Holiday accounts. The Credit Union also offers free life insurance and loan protection insurance (conditions apply). This means that if a member dies, the person they have nominated could receive up to twice the amount of the members' savings and any outstanding loan may be paid off.

**For more information contact  
A1 Housing's Money Advisor**

## How to contact us

### By phone

- Head Office 01909 534484
- Area Office West 01909 533426
- Area Office East 01777 713202

**Freephone Repairs and Contact Centre 0800 590542 8am - 5pm**

### On-line

Visit our website at [www.a1housing.co.uk](http://www.a1housing.co.uk)

You can also email us at [customer.services@a1housing.co.uk](mailto:customer.services@a1housing.co.uk)

### By visiting us

**Head Office** Carlton Forest House, Hundred Acre Lane, Worksop, Notts S81 0TS

**Area Office East** 17B The Square, Retford, Notts DN22 6DB

**Area Office West** Queen's Buildings, Potter Street, Worksop, Notts S80 2AH

**All of our offices are open Monday to Friday between 8.40am and 5pm**

### By writing to us

A1 Housing Bassetlaw Limited

Carlton Forest House, Hundred Acre Lane, Worksop, Notts S81 0TS



Developed in partnership with tenants

A1 Housing Bassetlaw Ltd, a company controlled by Bassetlaw District Council

