



# Client Guide to Debt Advice

This leaflet has been designed to give you information on the following:

- The whole debt advice process
- What you can expect from us
- What we expect from you
- Any implications that being in debt/receiving debt advice can have on your credit rating

What we would like you to know from the beginning is that the debt advice you receive from us is free, impartial, confidential\* and based on your individual circumstances. We will work with you to help decide the best options for solving your debt issues. There are a number of things that can be looked at and the decision as to what you want to do will be up to you with guidance from your adviser.

We are here to help, support and advise you as to what seems the best way forward to help you sort out your personal debt problems.

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## The Debt Advice Process

We will start by talking through your circumstances with you, gather your contact details and any essential information and then we will work through the following steps. These may take several appointments.

- 1** Any advice begins by looking at your income, making sure you are claiming everything you may be entitled to. We will also discuss with you any other options you may have to bring in additional income to your household.
- 2** We will then move on to looking at all your essential bills and things you have to pay i.e. your regular expenditure. We will look to see if there is anything you can do to reduce areas of your expenditure. Where possible we will highlight and help to reduce any item of expenditure that might be considered unusually high.
- 3** The next stage will be to look at your debts and sort them into priority and non-priority debts. Priority debts are those that have the biggest consequences if you don't pay them. These will be dealt with first.
- 4** Non-priority debts will then be looked at and a Standard Financial Statement – a single sheet showing the results of steps 1 to 4 will be produced and given to you as well as a copy being sent to all your creditors so they are aware of your exact financial circumstances.
- 5** Once the financial statement has been drawn up, the different options available to you, given your circumstances, will be discussed with you and a decision made as to the best way forward.
- 6** If you decide a debt management plan is the best option we will contact your creditors and negotiate any reduced payments and help you to set up repayments from your bank/building society/credit union account. If you don't have access to an account we will help you to set up or change accounts to ensure you can make any repayments negotiated.



## What clients can expect from us

- 1 We will act with honesty and integrity, having your best interests at heart at all times
- 2 All advice given will be based on your own particular circumstances
- 3 All advice given will be free, impartial and confidential\*
- 4 We will discuss with you any/all options you may have to solve your debt issues, enabling you to choose whatever option you feel most comfortable with
- 5 We will make copies of all correspondence between the advice centre and creditors available to you should you wish to have copies
- 6 Should you wish, we will give you a written summary of any advice given and our suggested options as to the best way forward to resolve your situation
- 7 We will give you copies of your Standard Financial Statement and make more available on request
- 8 We will contact your creditors to ensure they know what is happening at all times and will negotiate reduced repayment amounts with them if appropriate
- 9 We will offer you regular reviews of your financial circumstances and renegotiate any changes to your payment amounts with them, if appropriate
- 10 Should insolvency be an option we will discuss the process, procedure and implications with you and provide you with a copy of a dedicated factsheet and/or guide
- 11 Should we encounter an issue outside of our expertise, we will work with you to find an agency or adviser who can help, in line with our referral procedure

## What we expect from clients

- 1 You will provide all documentation when asked
- 2 You will act with honesty
- 3 You will attend appointments or give us prior warning if you are unable to attend
- 4 Once any debt management plan has been set up, you will be responsible for making those payments to your creditors or let us know if you are unable to do so
- 5 You will let us know if there are any changes to your financial circumstances
- 6 Should insolvency be the chosen option, you will be responsible for paying the fees, (although we will look at possible ways of assisting you to be able to afford it)
- 7 You will let us know if there is anything you are unhappy about regarding the service you receive from us
- 8 We expect you to treat us with respect and ask you to be considerate and polite.
- 9 We will not tolerate harassment, threats or assaults on our staff.
- 10 If we believe that you have failed to comply with any of your responsibilities, we reserve the right to withdraw our services from you

\* Subject to any legal disclosure requirements



## Additional Information

If you have missed repayments on money you owe this will be reflected on your Credit File. This may mean it is harder for you to be able to borrow more money or you may find it is more expensive to borrow. When visiting a debt advice agency, creditors will need to be contacted which will make them aware that you have a debt issue but are trying to do something about it. Some of the options to solve your debt problems do have wider consequences such as being logged on your Credit File. Banks may seize money from your account to repay any debts you have with them or they may reduce any overdraft facility you may have. We are happy to talk through the implications of this and advise as to the best way to mitigate these consequences and also help you obtain a copy of your file.

Insolvency options tend to have longer-term implications on your ability to be able to borrow in the future and these implications need to be talked through and understood before any decision is reached.

Along with this leaflet we have given you information on what you can do if you have any comments or concerns about our service as we always welcome any thoughts you may have about how we can improve our service in the future.

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