People in the UK continue to struggle with debt. The Money Advice Service estimate that 8.3 million people are over-indebted, i.e. they find keeping up with bills and/or credit commitments a heavy burden or have fallen behind on, or missed, any payments for bills and/or credit commitments in any three or more months in the last six months, with the highest prevalence of over-indebtedness in Wales and the North East. ([www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk) - December 2019)

You’ll be responsible for a debt if it’s something that the law says you have to pay, like council tax or water charges. You’ll also probably have to pay a debt if you’ve signed a contract to say you agree to give money to someone.

This could be something like a:

* Credit agreement, for example if you’ve bought a washing machine or taken out a credit card
* Tenancy agreement, if you rent

If you’re responsible for a debt it’s called **‘being liable’**. It means you’ll have a legal duty to pay it. If you’re not liable you should be able to challenge the creditor. A creditor is any person or organisation you owe money to.

**'Priority debts'** are debts that can cause you particularly serious problems if you don’t do anything about them. You need to work out which of your debts are priority debts and deal with them first.

Below is an example of what ‘Priority debts’ are:

* Rent or Mortgage arrears
* Secured loan arrears
* Council tax arrears
* Gas/Electric arrears
* Phone/Internet bills
* TV licence payments
* Court fines
* Overpaid Tax Credits
* Goods bought on Hire Purchase
* Unpaid income tax/National insurance/or VAT
* Unpaid child maintenance support.

**Contact your nearest Citizens Advice immediately if:**

* You’re struggling to deal with your priority debts
* You have more than 1 priority debt and you need help deciding which to deal with first

If you were an authorised additional cardholder on someone else’s credit card account, for example a spouse or partner, the credit card company can't ask you to repay any debts on the card. These are always the responsibility of the main cardholder.

If you’re dealing with the debts of someone who has died, it’s important to follow the right process. If you don’t, you could be held liable for their debts. You're not automatically liable for the debts of someone who has died even if you were their husband, wife or civil partner, or living with them. You could be liable for debts linked to the property you shared, for example council tax or water. If you had joint debts, you'll be liable for the full amount.

For most debts, if you’re liable your creditor has to take action against you within a certain time limit. Taking action means they send you court papers telling you they’re going to take you to court. The time limit is sometimes called the **limitation period.**

For most debts, the time limit is 6 years since you last wrote to them or made a payment.

The time limit is longer for mortgage debts. If your home is repossessed and you still owe money on your mortgage, the time limit is 6 years for the interest on the mortgage and 12 years on the main amount.

If you’ve already been given a court order for a debt, there’s no time limit for the creditor to enforce the order. If the court order was made more than 6 years ago, the creditor has to get court permission before they can use bailiffs.

You can’t be taken to court to pay a debt after the time limit is up. The creditor can still contact you about the debt, but they can’t take action to make you pay the money back. This is called **‘statute barred’** debt.

Your debt could be statute barred if, during the time limit:

* You (or if it’s a joint debt, anyone you owe the money with), haven’t made any payments towards the debt
* You, or someone representing you, haven’t written to the creditor saying the debt’s yours
* The creditor hasn’t gone to court for the debt

Check the date that you last made a payment to find out if your debt is within the time limit. If you know your debt is still well within the time limit and isn’t statute barred, you should make sure you've collected information about all of your debts. ([www.citizensadvice.org.uk](http://www.citizensadvice.org.uk) - December 2019)

You don’t need to struggle on alone with your debt worries. It’s always best to talk things through with an experienced debt adviser before you make a decision about what to do.

There are many ways to clear your debts and some are more well-known than others. The one that is best for you will depend on your personal circumstances.

A free debt adviser can help you make the right decisions so that most of your money will go to paying off your debts. Meaning you could be debt free sooner than you thought.

**A debt adviser will:**

* Treat everything you say in confidence
* Give advice about better ways of managing your money
* Never judge you or make you feel bad about your situation
* Suggest ways of dealing with debts that you might not know about
* Always be happy to talk to you, however small or big your problem is
* Check you have applied for all the benefits and entitlements available to you

You might only need to have one conversation with an experienced debt adviser to make sure that your plan to manage or clear your debts is the right one for you.

If you need more support or don’t know where to start, you’re not alone.

Nearly half of people in debt have said they aren’t sure about the best way to pay off their debts, and that is where a debt adviser can really help you.

More than eight out of ten people who have got debt advice say they feel less stressed or anxious and more in control of their life again. ([www.moneyadviceservice.org.uk](http://www.moneyadviceservice.org.uk) - December 2019)

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Reference 1: [www.citizensadvice.org.uk](http://www.citizensadvice.org.uk)

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

Reference 3: [www.moneysavingexpert.com](http://www.moneysavingexpert.com)