

If you are worried about
your debts, contact us.

www.caew.org.uk
tel 0808 812 7087

Debt Options

Different solutions
for solving your debts

Citizens Advice Elbridge (West)
is an independent advice agency.
Our advice is free, impartial
and confidential.

We are authorised by the Financial Conduct
Authority (FRN 617782) for debt advice.



If you have spare income

Pro-rata payments: You offer your non-priority creditors a regular payment you can afford. You divide your available money between your debts. You pay the largest debts the largest share, and the smallest debts the smallest share.

Debt Management Plan (DMP): A debt management plan is where a debt management provider helps you to divide your available money between your debts based on how much you owe. You pay the DMP provider and they make pro-rata payments to the creditors for you.

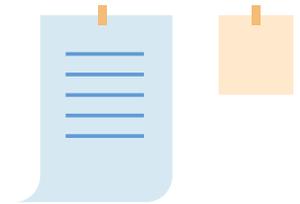
Individual Voluntary Arrangement: An individual voluntary arrangement (IVA) is a legal agreement between you and your creditors to pay back your debts over a period of time - usually 5 or 6 years. At the end of this period any remaining debt will be written off. Your IVA must be set up by an Insolvency Practitioner (IP), who charges fees. (see separate fact sheet)



If you have no spare income

Bankruptcy: Bankruptcy is a formal insolvency solution for clearing your debts. It usually lasts for one year. During your bankruptcy you don't have to make payments towards most types of debt and your creditors can't chase you for payments. While you're bankrupt, you must follow certain rules. These rules are called 'restrictions'. (see separate fact sheet)

Write off: In special circumstances a creditor may agree to write off your debt.



Debt Relief order (DRO): A DRO is a formal insolvency solution for debts under £50K and usually lasts for 12 months. You don't have to make payments towards most of your debts and your creditors can't chase you for payments. When the DRO ends, most of your debts will be written off. There are certain eligibility rules you must meet to apply for a DRO. (see separate fact sheet)

