

SQUASHED bills

Ten tips to help deal with debt!

Debt affects many people throughout the United Kingdom, as unfortunately in the past it has been far too easy to live off money which people do not own, the price for doing this is now being paid, and is affecting people's health and livelihoods.

Below are just ten tips to help you Squash your Debt.

1) Do a budget plan

When you start to realise that you are falling into debt it can quite easy to ignore the problem. In some cases people hide or never open their bills, as well as ignore the calls and pretend that nothing is wrong.

To get the situation under control the first measure is to sit down and draw up a budget plan, be as accurate as you possibly can, work out if you have any spare money within your budget. If you do have spare money, look to deal with the highest interest credit and any mortgage or secured loans first.

2) Cut back on essential items

If you feel that you are finding that your money is running out before you get paid then start to cut back on those non essential items you purchase. Small changes can help you avoid a bigger debt problem in the future.

3) Think before borrowing more money

Avoid borrowing more money just to repay an existing debt; don't use credit cards to borrow money you will undoubtedly end up in more trouble.

The temptation to draw money out of the cash point to pay your debts is a very expensive way to deepen and not solve your debt problem.

4) Don't be frightened to talk to creditors

Talk to your creditors and explain the situation, if you have a mortgage or secured lending speak to those people as a priority even if you have nothing positive to say at the moment. They need to be made aware that you are actively trying to address your debt problem – communication is key.

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5) Can you claim any benefits?

See if there are any legitimate benefits which you could claim, you may be missing out on money or assistance which you could be entitled to.

6) Could family or friends help?

Ask your family and friends to see if they could help you in any way, it may be quite embarrassing but it is always worth asking.

7) Think about how to make extra money

Look at raising some extra money this could be by doing a boot sale, selling items over the internet or looking for an additional or another job or career.

8) Try and remain healthy

Remember you are not alone with your situation others may be in the same situation if not worse.

Try and maintain a healthy lifestyle, if you feel you're not in control of your situation and are having sleepless nights seek medical advice as soon as possible.

9) Don't promise what you cannot afford

Don't feel pressurised to over promise and then under deliver, if the creditor is asking for a £50 minimum payment and you can only genuinely afford £5 tell them so and ask them to record your offer on their system.

Avoid paying the person who seems to be causing you the most concern first, they may shout the loudest and threaten, making you worried but they have to follow correct procedures and debt legislation. Your priorities are your mortgage, secured loans, and utilities before any other form of credit.

10) Keep a record of everything

When creditors ring you and visa a versa make a note and record of all the communication(s) including dates, times and even the names of who you spoke to; get a folder to store your notes and letters for further reference.