

How to Solve Your Debt FAST

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> Introduction

The world is a forever-changing place and increasingly more and more people are falling into debt. This is due to a variety of different reasons and it may not necessarily be your fault.

It may be that you have recently been made redundant, it maybe that you have had a new addition to the family, it maybe that there is simply no overtime being offered anymore or it may be that you are simply human and spent too much money at Christmas.

What I wish to tackle in this ebook is how to work through your debts and shed further ideas and information on how to solve the issue. This ebook aims to look at several areas such how to check your personal budget, types of debt, available debt options, what creditors do and includes lots of useful information. At the back of the book are further websites and addresses to assist you. Together we CAN solve this and I look forward to working with you.

> What I can do to help

As a qualified debt advisor, having worked in the industry for several years, I have worked with hundreds of people to help them with their debt problems. I try to offer expert, professional and helpful information with the aim of solving the issue concerned. I will also be non-judgmental and listen fully to understand your situation.

The better way to action your debts is to talk to someone about it and explain why it has happened

By obtaining this ebook, you have made the first step towards solving your situation and I trust you will find it useful in looking at all the possible options. This will allow you to take stock of your situation, shed new light on the subject and get a second opinion regarding your circumstances. It is always worth remembering that there is light at the end of the tunnel and it is my aim via this ebook to get you there.

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> Free Services – A Warning

There are several free debt services out there that will offer advice and support. These include National Debtline, CCCS and Citizens advice. I have nothing against these institutions and appreciate that they can help in some instances. However there are some things you should know.

Firstly these services are classed as charity's however if this is the case who pays for the staff that work for them? If you think that it is funded by charitable donations you would be correct. However the charitable donations are provided by the creditors, maybe yours. Therefore if you were asking them for assistance on a Barclaycard debt, it could be Barclaycard funding them therefore it is in their interest for you to pay more as they would not be impartial.

Secondly these free services have limited options, many of them will guide you and provide further information, however the options may not necessarily be the best one for you. I have discovered on my travels people struggling to pay a debt management plan when a debt relief order was more suitable, (more on these later).

Indeed many commercial debt companies will only offer three options. These being a Debt Management Plan, IVA, or Bankruptcy. This is simply because these offer the most money to the company concerned.

> **Your Credit Rating**

Please note: Your credit rating will be affected when you find things difficult. If you miss payments to creditors such as utility bills or mortgage then your credit rating will normally be adjusted.

By entering into a debt plan of some sort it will change your credit rating but the good news is that it will improve when things return to normal, perhaps when the debts are cleared.

Some companies including mine aim to maintain a good credit rating on the basis that you have done something about it. However this is not guaranteed and any organisation that promises this would be lying.

> **What Your Worth**

Tax - The first thing to check is your tax code. If your income has changed or you have changed jobs recently, it is important to check if your tax code is correct. Your tax is calculated for you on the basis that nothing will change in the next 12 months so therefore if you changed jobs you may now not be on the right tax code. It maybe the case that you are now self-employed and this will make a big difference on your income. If you don't correct any errors you may have to pay tax back at a later date. Check with your local tax office if this is the case with you.

Wages – We could all do with a bit extra from our wages. If you are in a low paid job, check you are being paid the national minimum wage. If you get on well with your boss and have been there for a while – ask for a wage increase.

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> **Benefits**

Benefits are a complicated subject, always changing and further to the last election now being reviewed and consolidated into the new so called universal credit. I'm not sure anyone really understands them and that includes the benefit advisors who have dealings with them everyday.

You may be entitled to a range of different types of benefits depending on your circumstances.

Benefits are split between being based on means tested or national insurance contributions. Means tested is based on how much money you have coming into your home and you are not allowed to have a great deal of savings. National Insurance contribution benefits include benefits such as Maternity benefits, jobseekers allowance and incapacity.

If you have a low income you may qualify for working tax credit which enables you to top up your income if you are employed or self-employed.

It is worth noting that benefits are constantly under review and therefore may change over a period of years.

> **Minimum Wage**

The minimum wage has now been around for many years. It is constantly being updated to ensure it keeps pace with inflation, usually in October. It was brought in to ensure at least a minimum standard of pay for any job you undertake. It is set according to your age. For further information, see www.direct.gov.uk . If you think you are being underpaid, contact the Pay and Work Rights Helpline on **0800 917 2368**

> **Further Income**

You may be able to consider some other income options, depending on your work situation and hours worked. There are several work from home options, companies such as 'Forever Living', 'Kleeneze' and 'Avon' to name but a few.

With the introduction of the Bedroom Tax, it may be possible to rent out a room. You may need to confirm if it will affect any other benefits but the rental cost could make up for this.

Additionally make sure that any children are paying enough rent, even a few extra pounds per week can make the difference with household expenses.

Children from previous marriages, you may want to claim child maintenance or see if it can be increased. For further information about child maintenance options, see www.cmoptions.org or contact **0800 988 0988** .

You may also consider whether your mortgage or any other loans are covered by payment protection Insurance. This will cover you if you have been made redundant or you are off work due to illness. Should you have your claim declined, you could complain to the Financial Ombudsmen Service.

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<Full Book to be available shortly>