

## Debt problems? Help is at hand

As a police officer, you're potentially at a higher risk of falling into debt than people in most other professions. This is because some of the 'triggers' for developing debt problems, such as relationship breakdown or loss of income due to injury at work, are statistically more likely to happen to police officers.

The important thing to remember if you're having debt problems is that you're not alone. Thousands of people across the UK from all backgrounds and walks of life are battling financial problems due to the economic downturn, spiralling living costs and static wage and salary levels.

Whether you're falling behind with your mortgage or rent payments, struggling to keep up with credit or store repayments, or turning to payday loans to make ends meet, you need expert debt advice – fast. And the good news is that I'm here to help.

### **Free, confidential debt advice from Mark Skinner**

As part of your Group Insurance Legal Expenses Policy, you're entitled to free debt advice from my firm, Farleys Solicitors LLP, where I'll be your primary contact. I can give you advice and information on a full range of debt-related areas including:

- Individual Voluntary Arrangements (IVA)
- Bankruptcy
- Debt Management Plans (DMPs)
- County Court applications
- Mortgages arrears
- Unsecured debt arrears

My aim is to help you find the right solution to your individual debt problems, based on the type and amount of your debts, and other aspects of your financial circumstances. You can contact me by phone or make an appointment for a face to face meeting at one of the debt surgeries I'll be running at locations across West Yorkshire.

### **Key debt solutions explained**

- **Individual Voluntary Arrangement (IVA)**

An IVA is a legally-binding agreement to pay your unsecured creditors as much as you can afford each month over a set time period, usually 60 months. During this time, you'll have legal protection from your creditors and, if you're a homeowner, you can usually keep your home. Provided you make all your payments on time and comply with the IVA's terms, any remaining debts listed within it will be written off when it comes to an end.

If I think an IVA is your best way forward, I'll refer your case to a licensed Insolvency Practitioner. They'll create a proposal for your creditors, based on your income and outgoings and ask each creditor to vote on it. If 75% or more (by debt value) approve the IVA, it will go ahead. Your IP will then manage the IVA on your behalf and distribute your monthly payments to your creditors.

- **Bankruptcy**

Bankruptcy is often viewed as a last resort for dealing with debt, but it could be a good option if you don't own your home and are short on disposable income. It's a legal process that can seem daunting, but in most cases, your bankruptcy will be discharged after just 12 months – writing off all of your debts.

Also on the plus side is that bankruptcy is unlikely to affect your career with the police force. In fact, your Group Legal Expenses Policy will even pay your Bankruptcy Petition fees, making it easier for you to declare yourself bankrupt if this is the right way forward. They will also pay for me to do all work associated with the process. This includes drafting all Court documentation, booking the Court hearing date and advising on the interview with the Official Receiver.

Of course, there are disadvantages as well as advantages to bankruptcy, and you'll need to weigh these up carefully before you decide to go ahead. For example, your bankruptcy is a public procedure, and you may be asked to make monthly payments towards your debts for three years if you have any surplus income.

- **Debt Management Plan (DMP)**

This could be an option if you're keen to deal with your debts informally. You'll need to have some disposable income with which to repay your creditors and be willing to make regular monthly payments, potentially for several years. Once the DMP is in place, interest and charges may be frozen on your accounts and your creditors should no longer hassle you.

If you want to proceed with a DMP, I can refer you to a debt management firm who can set up and manage it on your behalf. They'll distribute your payments and deal with all correspondence from your creditors, making life a little easier.

However, it's important to remember that a DMP isn't legally-binding and your creditors don't have to accept it. Also, they can still take court action against you even if they agree to the DMP in the first instance.

### **About Mark Skinner and Farleys LLP**

I'm a personal insolvency solicitor and Associate Partner, with over six years' experience of helping police officers at the Greater Manchester and Lancashire Police Federations to overcome their debt problems and regain control of their finances. My firm, Farleys LLP, has recently been appointed to offer similar services to the West Yorkshire Police Federation.

Farleys have been Police Federation debt advisers since 2005, providing free advice and access to legal services to thousands of Police Federation members and their families. As a law firm, we're fully regulated by the Solicitors Regulation Authority, so you can rest assured that we only offer honest, impartial advice with no hidden fees or costs.

### **Start managing your debts today**

The sooner you take action to tackle your debts, the sooner you can start moving on with your life. Please call me today on 0845 050 1958 for free, confidential, specialist debt advice on the phone, or to set up a meeting at one of my debt surgeries.