

Debt Advisers stress importance of timely debt advice



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Press Release Summary: Debt Advisers Direct remind consumers with debt problems of the importance of seeking debt advice early on, before their finances are further affected by the recession.

Press Release Body: Commenting on the nation's economic troubles, Debt Advisers Direct stressed the importance of seeking [debt advice](#) in time, before debt problems can escalate out of control.

"Whatever the economic climate, it always makes sense to address debts at the first sign of trouble," said a spokesperson for the company. "During times of economic uncertainty, it's more important than ever.

"The problems in the housing market alone pose a significant threat to the livelihoods of people in all walks of life. What was initially seen as an issue for estate agents has grown to affect builders, movers, decorators, furniture stores and so on – after months of negative news from companies directly linked to the housing market, we're now hearing of problems in a much wider range of industries.

"With so many either out of work or facing the possibility of unemployment, people are spending less and problems in the housing industry are spilling over into the high street, placing even more jobs at risk – at a time when new employment may be hard to find.

"Coping with a period of reduced income is never easy, but people with high levels of debt are far more likely to experience financial problems almost as soon as their income drops.

"This underlines the need to tackle debt problems sooner, rather than later. Many people with smaller debt problems may find a chat with a debt adviser

could help them get on top of their finances without making any major lifestyle changes. Once the adviser understands their financial circumstances, they should be able to provide some budgeting advice and suggest practical ways of reducing their level of debt.

“When it comes to more serious financial problems, however, many people are put off by the sheer size of their debts. Someone who owes tens of thousands of pounds may not feel there’s anything they can do to make an appreciable ‘dent’ in their debts.”

In most cases this is unlikely to be true: “However much they owe, they may still have a range of options, depending on their circumstances. A [debt consolidation](#) mortgage, for example, could be right for someone who wants to reduce their monthly outgoings and simplify their finances, while an [IVA](#) (Individual Voluntary Arrangement) could help someone who literally can’t keep up with their debt repayments – and who can’t realistically expect to repay their debts in a reasonable timeframe.

“We were very pleased to see the emphasis which the Chancellor’s Pre-Budget Report placed on debt advice – the Government is dedicating more than £15 million of additional funding to ensure people can access debt advice when they need it. Similarly, we were pleased to see certain credit card providers and mortgage lenders extending a ‘grace period’ to people who fall behind on their repayments.

“Even so, we remind borrowers how important it is to talk to a debt adviser before things reach the stage where they’re missing payments of any kind: taking steps to tackle their debt today is virtually certain to improve their chances of getting through the recession with their finances in a good state.”

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