

Dealing With Debt

A Guide for Problem Gamblers



Gambling and Debt

The majority of men, women and young people gamble in the UK. It is a very popular leisure activity, with over £110 million staked per day on gambling! Because there is a large element of risk-taking and a sense of skill and luck, gambling can be fun and exciting. But for some, it can be habit-forming and it can lead to problems. A small percentage of the gambling population may become addicted or develop a dependency.

When gambling gets out of control relationships, jobs, possessions etc, can all be at risk. A gambling problem or dependency could also lead to debt or financial difficulties.

Gambling can seem like the perfect answer to money worries, but the chances of having a big win that will pay off debts and bills, or recoup money already lost gambling, are quite small. Chasing gambling losses or taking more credit is not the answer - they could lead to further financial problems, pressures and stress.

If gambling is resulting in debt issues for you, and you have loan sharks, bailiffs or other creditors chasing you... try not to panic. An objective look at your overall financial situation will usually help reduce the pressure and indicate a way to improve matters. Take time to read through this leaflet and digest the information.

First Steps

Owning up to the problem

If money 'burns a hole' in your pocket and gives you the incentive to gamble:

- ▶ Stop all gambling while you are addressing your problems. You need to do this in order to break the gambling habit, and to act on your debt.

- ▶ Take responsibility for your gambling - and for your debt.
- ▶ Share your problems with a friend or professional, and work out how you are going to deal with your debts.
- ▶ Ask someone you trust to look after your bank book/savings for a certain period of time (eg 3 months). When the time is up, review whether you are able to take back control of your money. The time-span can be re-negotiated according to progress.
- ▶ Cut up your cash-point card and credit cards if necessary.

Tackling your Debt

(The following guidelines are adapted from National Debtline advice.)

Prepare yourself!

Work out your **personal budget**. This will help you:

- ▶ See how much money is coming into your household.
- ▶ See how much is going out.
- ▶ Work out affordable offers to creditors.
- ▶ Plan future spending.

You can use your **personal budget** to explain your money problems to creditors (people you owe money to). All creditors want you to pay their money back – but they might not realise you have other debts. If they see your personal budget, they may be more understanding about repayment arrangements.

Decide which debts you need to deal with first – your **priority debts**. These are debts that could mean you losing your home, having essential services such as water, gas and electricity cut off, going to prison (criminal court debts) or which are likely to cause you very severe problems if not quickly paid.

Communicate with creditors

Explain your financial difficulties to your creditors straight away, phone them, write, or visit them. Contact everyone that you owe money to. If you make arrangements to pay some creditors but not others you could run into difficulties again.

Make offers to your creditors that you can afford to repay. Even if the amount seems very small, don't worry if that is all you can afford. Creditors prefer you to pay a small amount regularly than offer to pay a larger amount that you cannot afford.

If the first person you speak to is unhelpful, ask to speak to someone more senior who may be able to come to an agreement with you.

Don't give up trying even if creditors are difficult.

Prepare yourself for what action creditors can take over your unpaid bill. For further information contact a specialist debt agency such as the National Debtline or CAB.

County Court orders

Fill in and return reply forms to court papers and let the court have all the facts. The information will be used to decide if you owe the money and what instalments you should pay your creditors.

Keep copies of any letters or court forms you send or receive.

Cope with court procedures. Call the National Debtline or CAB who can explain what to do if you are asked to go to court.

Always attend court hearings. Take a copy of your personal budget with you. There is no jury in a County Court – going there will not make you a criminal nor will you be sent to prison. However, a judgement against you will affect your chances of getting credit or a mortgage for up to six years.

N.B. This is meant only as an initial guide, you may need to seek further information and advice from a specialist debt agency.

GAMCARE
National Association for Gambling Care
Educational Resources and Training

Helpline: 0845 6000 133

