

Living on Debt in the 21st Century

According to IVA specialists, [nancollasgreer](#), debt is now a part of everyday life for most of us in the UK. The majority of us have credit cards, mortgages and loans. With offers of credit popping through our letterboxes virtually on a daily basis, coupled with the general 'feelgood factor' of rising property prices and low interest rates over the last decade, personal debt in Britain is increasing by £1million every five minutes.

Used wisely, credit can be a useful way to pay for emergencies or fund those little luxuries that would otherwise be beyond us in terms of cash readily available to spend at any one given time, and many people successfully manage their finances in a way that enables them to stick to repayment terms.

But what about those that don't? Today alone in Britain, 7,716 loan repayments will go unpaid, 2,750 County Court Judgements (CCJs) will be issued and 77 properties will be repossessed.

The average person now sees over half (53%) of their net income eaten up by debt repayments and, according to uSwitch, 23% of Brits class their current level of borrowing as "no longer manageable".

Many of these people will take out personal loans to consolidate their debts to make them more manageable by spreading them over a longer repayment period. Worryingly though, research commissioned by moneysupermarket.com shows that 66% of them will continue to incur further debt, not least the loan interest that will have been added to the amount borrowed to cover the original debts.

It is a road to disaster, debts start to spiral out of control and unfortunately many people, not knowing which way to turn, will simply do nothing and bury their head in the sand. "Robbing Peter to pay Paul" is common, but eventually lines of credit dry up (normally all at the same time because of the attempted juggling act in this scenario) and the proverbial hits the fan. Health and relationships begin to suffer. Research by the UK's financial watchdog, the FSA revealed that finances are a taboo subject and 74% of couples said that 'money worries' was THE hardest subject to discuss with their partner.

Generally it is advisable for people to seek professional advice as soon as the financial difficulties occur, as this can sometimes mean that more options are available and cuts down the number of stern letters, phone calls (even to someone's place of work) and doorstep visits that inevitably follow non payment.

If you are affected by debt in any way and would like a free, no obligation review of your financial situation, please contact NancollasGreer who are based in Worthing. They are fully qualified to advise on ALL of the options that are available to deal with debt and will explain the processes and pros and cons of each option in any given circumstances ranging from general friendly advice on how to deal with creditors up to formal insolvency procedures such as Bankruptcy and are specialists in a little known alternative to Bankruptcy called an Individual Voluntary Arrangement (IVA). An IVA is, in essence, a formal repayment agreement with creditors which allows interest to be frozen and in many cases a proportion of the debt to be written off in return for regular monthly payments over a fixed period and/or a lump sum in full and final settlement of a debt. Although some larger IVA companies use only questionnaires and computer software to calculate IVA solutions, the [IVA company](#) NancollasGreer believe that IVA proposals should be tailored to individual circumstances and will therefore speak to ALL clients to suggest which debt solution is best for their particular situation. NancollasGreer can be contacted on 01903 206555 and are happy to give advice either over the phone or at a face to face meeting if that is preferred.

About the Author

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