

Been contacted by a debt collector?

Here are some of the things you need to know.

Why have you been contacted?

If you miss making payments on money you have borrowed, your account goes into 'default' and you will be sent a default notice. If you don't pay the money you owe, the people you owe money to may pass the details of your debt onto a debt collection business. The debt collection business will then contact you and ask you to pay the money that you owe.

Sometimes the people you owe money to may sell your debt to a debt purchase business. If this happens, you should be told that your debt has been sold and the details of the business it has been sold to. The debt purchase business may contact you and ask you to pay the money that you owe and/or they may pass details of your debt to a debt collection business.

Most debt collectors and debt purchasers should have a consumer credit licence from the Office of Fair Trading (OFT). You can check if a business has a license on the [Consumer Credit Register](#).

What you should do if you owe the money

Before telling the debt collector how much you can pay back and when, look at your income and expenses. [Create a budget](#) and see how much you can afford to pay back and how often. Remember, if you need help with your finances there are a number of organisations, listed below, that can help you.

Once you have looked at your finances, talk to your debt collector right away and keep a record of your communications with them. The debt collector will tell the people you owe money to how much you will be paying and when. You can then start paying money to the debt collector and the collector will give the money you pay to the people you owe.

What you should expect from a debt collector

When a debt collector contacts you they should tell you who they are, who they work for, what their role is and why they are contacting you.

The debt collector **should**:

- use language you understand
- contact you at reasonable times

- only come into your home if you have invited them to
- tell you the time and date that they will visit you
- during a visit, leave your property if you ask them to
- when sending you a letter, include clear information about who they are and why they are contacting you as well as the process that they are legally allowed to take to get the money that you owe
- provide you with information on your debt, such as the amount you owe
- if you ask for it, provide you with more information about your debt, such as what your original agreement was, and if there were any changes made to it later.

For more information on how to request information on your credit or hire agreement see the [OFT advice guide](#).

The debt collector **should NOT**:

- contact you if you have asked them to speak to someone representing you
- visit you at inappropriate places such as your work, unless you have told them they can
- harass you by calling you frequently or making threatening statements or gestures
- send you letters that do not clearly let you know who they are and why they are contacting you
- pressure you into selling property or borrowing money in order to pay your debt
- pressure you into paying in full or in large instalments
- pressure you to increase your payments to more than you agreed to in your repayment plan
- add collection charges to your debt, unless you agreed to this with the people you borrowed the money from (any amount they charge you should be based on actual costs caused by the collection of your debt)
- threaten to give the details of your debt to others unless they are allowed to by law or tell you that they can take legal action when they actually cannot
- make you think that they are bailiffs. Debt collectors do not have the same legal power as bailiffs and cannot force their way into your home or seize your possessions.

If you have a complaint about the debt collector the [Financial Ombudsman Service](#) may be able to help. See contact details below.

What if the debt is not yours or you have paid your debt?

If you don't think the debt is yours, you don't think you owe the amount being asked for or if you have already paid the debt, tell the debt collector immediately.

You don't have to give any documentation to the debt collector. They must provide information to you to prove you owe the money.

Need help with your debts?

It is important to remember that you can take steps to avoid being contacted by debt collectors by keeping up with your payments.

If you are having money problems don't avoid them, speak to the people you owe money to and get debt advice as soon as possible. You can also read the OFT Advice guide, '[Getting help with your debts](#)', which explains the various debt advice options available to you.

For more help and advice, you can contact the following not-for-profit organisations for free, confidential and impartial advice, or for details of where to get advice in your area.

Citizens Advice

For advice and information on debt and other topics, visit your local Citizens Advice Bureau (address in the phone book), or go to www.adviceguide.org.uk (England and Wales), www.cas.org.uk (Scotland) or www.citizensadvice.co.uk (Northern Ireland).

National Debtline

If you live in **England, Wales or Scotland**, phone **0808 808 4000** or visit www.nationaldebtline.co.uk for debt advice and information.

Advice4DebtNI

If you live in **Northern Ireland**, phone **0800 917 4607** or visit www.advice4debtNI.com

Money Advice Scotland

If you live in **Scotland**, phone **0141 572 0237** or visit www.moneyadvicescotland.org.uk to find contact details for debt advice in your local council area.

Consumer Credit Counselling Service

For debt advice **throughout the UK**, phone **0800 138 1111** or visit www.cccs.co.uk

Consumer Direct

For a list of independent advice agencies, and information about credit and hire agreements, phone **08454 04 05 06** or visit www.consumerdirect.gov.uk

Advice UK

Member centres offer debt advice to the public, some providing specialist advice for minority ethnic and refugee communities and people with disabilities. For further information phone 0207 469 5700.

Community Legal Advice

If you qualify for legal aid, phone **0845 345 4 345** for free advice or visit www.communitylegaladvice.org.uk

Financial Ombudsman Service

If you have a complaint that you can't resolve with your lender, the Financial Ombudsman Service may be able to help, phone **0845 080 1800** or visit www.financial-ombudsman.org.uk